

Letter of Intent – Master Lease Option

Re: (Property Address)

_____ submits this Letter of Intent to lease the above – described _____ with an exclusive option to purchase the facility under the following terms and conditions:

LEASE

Commencement: Lease shall commence no later than 30 days after the execution of this agreement, during which time Tenant shall conduct due diligence. Such items may include review of property financials, taxes, title, physical condition, survey, site plans, permits and environmental at Tenant's expense.

Term: Term of the lease shall be _____ months, with two (2) _____ month extension options.

Rate: Lease rate shall be lesser of \$ _____/month or the current monthly NOI.

Deposit: Landlord shall deposit all security deposits into an escrow account for move-outs. Tenant shall have access to the account to facilitate proper management.

Sub-letting: Tenant has the right to sub-lease any part of the facility to individual tenants.

Expenses: Tenant shall pay all management fees and maintenance expenses under \$ _____/year. Landlord shall continue to be responsible for the following expenses: Taxes, Insurance and maintenance over \$ _____/year.

Management: Tenant shall be solely responsible for management. Landlord shall assign the current management contract to Tenant.

Insurance: Landlord shall be required to carry a minimum of \$ _____ of commercial liability insurance, and shall add Tenant as additional named insured.

OPTION

Purchase Price: Tenant shall receive an exclusive option to purchase the property for a total of \$ _____.

Term: Term of the Option shall run concurrent with the term of the lease. Optionee shall deliver written notice to Optionor of the intent to exercise the Option.

Closing Fees: Optionee and Optionor to pay their own closing costs and fees, as per local custom.

Both parties will have Five (5) business days for review of both agreements. Should either party require contract changes, each party will have Five (5) business days for review and response.

Due Diligence: Optionee shall have 30 days after execution of this LOI to conduct due diligence. Optionor agrees to provide Optionee, within 5-days of the execution of this LOI, any and all site-plans, permits, governmental approvals, environmental, survey, geo-technical, soil, topographical, or other studies and reports that Seller has in its possession, whether written by Seller or by its consultants. Seller shall represent and warrant that it has all right, title and interest to these materials free of any claims of third parties.

The agreement may be assigned to an entity owned or controlled by the Tenant/Optionee.

This letter is non-binding, and is not intended to be a complete statement of all provisions which will be provided in the definitive Lease and Option agreements.

TENANT/OPTIONEE:

{Signature}

{Print Name}

Agreed to and accepted this _____ day of _____, 200.

LANDLORD/OPTONOR:

Signature

Print Name

Title: _____