

Letter of Intent to Purchase Sample



This document lays out the basic frame work for the deal. How much you're paying, when will the closing occur, and what are the contingencies of the deal. This is your official offer, and more importantly the LOI takes the subject business off the market. You will have to put earnest money down, but this is just an offer and is not legally binding. This document opens the door to the due diligence process, and the terms can change based on the information uncovered.

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Date: _____

1) I, _____ the Buyer agrees to purchase from: _____ the Seller's, the assets of the business described as follows, including selected equipment, fixtures, goodwill, inventory, and other tangible assets of that business known as:

2) The purchase price of _____ shall be paid as follows:

- A. _____ refundable deposit on the date of this agreement, part of purchase price.
- B. _____ additional deposit, included in down payment.
- C. _____ owner financing.
- D. _____ third party financing.
- E. _____ certified check at closing or other
- \$ _____ = Total Purchase Price

3) The closing shall take place on or before 5pm on or before at _____ TBD. Closing costs if any shall be shared equally between Buyer and Seller. (estimated closing costs is _____)

4) The full purchase price shall include retail inventory of \$ _____ TBD. If the actual amount is, the purchase price and down payment may be adjusted. The inventory shall be at Seller's cost included in the purchase price.

5) Seller warrants that at the time physical possession is delivered to the Buyer, all equipment will be in good working order and that the premises will pass all required inspections necessary to conduct business.

6) This document contains the entire understanding of the parties and there are no oral agreements, understandings or representations relied upon by the parties. Any modifications must be in writing and signed by both parties.

7) The Seller has until 5pm on _____ to accept this agreement. If unaccepted at that time, this offer will be rescinded and becomes void.

8) In case any litigation is instituted to collect any sum due Prime 100, the Seller agrees to pay the expenses incurred, including attorney fees.

9) Buyer agrees that if he should fail or refuse to complete this transaction after acceptance by the Seller, & adequate due diligence period (see #11), then any deposit funds will be forfeited and split between the Seller.

10) Both Buyer and Seller agree that any information provided by Prime 100 has not been verified and both parties shall rely solely on their own due diligence and hold Prime 100, TSM, INC, &/or it's associates harmless from any & all claims regarding this transaction.

11) Buyer has 21 days from the acceptance of this agreement to perform his due diligence and may choose to rescind this offer for any reason.

12) This offer is contingent upon the Buyer being able to obtain adequate third-party financing no less than amount of \$ _____ .

13) THIS IS AN ASSET SALE ONLY. BUYER ASSUMES NONE OF THE SELLER'S DEBT (IF ANY). SELLER WARRANTS THAT THERE ARE NO EXISTING OR PENDING TAX LIENS ON ANY EQUIPMENT AND/OR FURNISHINGS.

14) SELLER WARRANTS THAT THERE ARE NO CURRENT NOR KNOWN PENDING LEGAL ACTION AGAINST _____ or its assets.

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15) Sale is contingent upon a new lease or assignment of current lease with satisfactory terms similar to the current terms being negotiated between the landlord and the buyers.

16) This sale is contingent upon satisfactory review of all request financials during the 30-day due diligence period.

17) Sellers warrant that upon acceptance of this agreement, no other offers will be considered.

18) This sale is contingent upon the rights to the customer database and any social media being transferred to the new owners. (Along with the rights and name of the business)

19) This offer is contingent upon the transfer fee of _____ . being paid by the seller and no other closing fees are due to the franchisor by the buyer.

20) This sale is contingent upon satisfactory review of the Franchise Disclosure Document and the owner being approved by the Franchisor as a Franchisee. (N/A)

21) This offer is contingent upon seller agreeing to provide training of 14 days on-site training by seller or seller's staff plus 60 days of unlimited phone consultation during normal business hours.

22) Other contingencies:

The offer is contingent upon review of the books and records and completing all other necessary due diligence.

Offer to include both stores and the rights(license) to the 2 additional locations.

All issues dealing with account Payables and Receivables shall be resolved at or before closing.

THIS IS A LEGALLY BINDING DOCUMENT. READ IT CAREFULLY. IF YOU DO NOT UNDERSTAND IT, CONSULT AN ATTORNEY PRIOR TO SIGNING. ARE NOT AUTHORIZED TO GIVE LEGAL ADVICE. PURCHASER AND SELLER INDIVIDUALLY ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT

Purchaser hereby agrees to buy
on the terms set forth above.

Date _____

Purchaser _____

Print _____

Seller hereby agrees to sell
on the terms set forth above.
(Commission per separate agreement)

Date _____

Seller _____

Print _____



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