

LETTER OF INTENT TO PURCHASE COMMERCIAL PROPERTY

[date]

[Name of Vendor or Vendor's lawyer]
[Address]

Dear Sirs:

RE: *[civic address]*
(the "Property")

The following sets out the basic terms upon which we would be prepared to purchase the Property. The terms are not comprehensive and we expect that additional terms, *[including reasonable warranties and representations,]* will be incorporated into a formal agreement (the "Agreement") to be negotiated. The basic terms are as follows:

1. Parties

The vendor of the Property is:

[name of vendor]
[address]

The purchaser of the Property is:

[name of purchaser]
[address]

2. Property

The Property is that certain property with a municipal address of _____ and legally described as:

[insert legal description]

free and clear of all liens, charges and encumbrances at Closing, except _____ *[e.g. those recorded on title to the Property as at the date hereof, with the exception of the Vendor's mortgage(s)].*

3. Purchase Price

The purchase price will be the sum of CAD \$_____, subject to customary adjustments.

4. Deposit

Upon execution of the Agreement, the Purchaser will deposit with _____, solicitors for the [Purchaser / Vendor], the amount of \$_____ which will be invested in an interest bearing trust account and will be fully refundable if the Conditions Precedent are not satisfied or waived in writing by the Purchaser. Otherwise, the Deposit and interest thereon will be applied to the Purchase Price at Closing. If the Purchaser defaults at Closing, the Deposit and interest will be retained by the Vendor as its sole remedy.

THIS IS 4-PAGE DOCUMENT.