**Date**

**Addressee**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***Re: Letter of Intent to Purchase \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Lathrop, CA***

Dear \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_:

This non-binding letter of intent (the “LOI”) is Lathrop Land Acquisition, LLC’s (“Seller”) written offer for the sale the hereafter defined Property. The following is a non-binding summary of the basic terms for the sale which shall not be binding until the parties execute a formal written agreement on Seller’s form Purchase and Sale Agreement and Joint Escrow Instructions (the “Purchase and Sale Agreement”).

**Buyer**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Property:**  A+/- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ square foot portion of the unimproved real property totaling \_\_ acres, identified as Assessor’s Parcel Number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ as shown the attached Exhibit “A”. A full legal description of the Property shall be prepared by Seller and attached to the Purchase and Sale Agreement as soon as reasonably practicable, and no event later than Close of Escrow.

**Purchase Price:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($\_\_\_\_\_\_\_\_\_\_\_) to be paid all cash prior at Close of Escrow.

**Delivery of PSA**: Seller shall endeavor to deliver the draft Purchase and Sale Agreement within five (5) business days of the execution of this LOI for Buyer’s review and approval. Buyer shall endeavor to respond to the draft Purchase and Sale Agreement within five (5) business days. Until such time as the parties to the Purchase and Sale Agreement fully execute the same, neither party is obligated to each other with regard to this transaction. The Effective Date shall be the date all parties to the Purchase and Sale Agreement have executed the same and delivered such consents to the other party.

**Deposit**: Within three (3) business days after the execution of the Purchase and Sale Agreement, by both Buyer and Seller, and execution by First American Title Insurance Company (the “**Escrow Holder**”) of the Acceptance By Escrow Holder attached to the Purchase and Sale Agreement (the date of execution of the Acceptance By Escrow Holder by the Escrow Holder may be referred to as the “**Opening of Escrow**”), Buyer shall deposit with the Escrow Holder the sum of \_\_\_\_\_\_\_\_\_\_ Thousand Dollars and 00/100 ($\_\_,000.00) (the **“Initial Deposit”**) by wire transfer. If Buyer does not terminate the Purchase and Sale Agreement in writing prior to the expiration of the Inspection Period, then within two (2) business days after the expiration of the Inspection Period, Buyer shall deposit with the Escrow Holder an additional \_\_\_\_\_\_ Thousand Dollars and 00/100 ($\_\_,000.00) in the form of a wire transfer, which will be held in the Escrow Account (the “**Additional Deposit**”). The Initial Deposit, the Additional Deposit and all accrued interest thereon shall be known collectively as the “**Deposit**”. The Deposit shall be applicable towards the Purchase Price.

**Escrow**: Within two (2) days following the Effective Date, escrow shall be opened (the “Escrow”) with First American Title Company, Attention: Diane Burton, 4750 Willow Road, Suite 100, Pleasanton, CA, 94588 (“Escrow Holder”).

**Due Diligence Period:** Buyer shall have until 5:00 p.m. Pacific Time one hundred twenty (120) days after the Opening of Escrow (the “**Inspection Period**”), to perform its due diligence review of the Property including, but not limited to environmental contingencies, which may include, but not be limited to, the right of Buyer to physically inspect the Property and review the “**Investigation Materials**” defined in the Purchase and Sale Agreement.

**Entitlement Contingency**. Buyer must receive allGovernmental Approvals prior to Close of Escrow**.** Seller agrees to cooperate with Buyer in obtaining the Governmental Approvals. This contingency expires one hundred eighty (180) days following the expiration of the Inspection Period (the “**Entitlement Period**”). The Governmental Approvals contingency shall be deemed complete and waived by Buyer when the City of Lathrop has approved all entitlements in writing. At the expiration and/or waiver of this Governmental Approvals contingency, the Deposit, including any additional deposits, shall be deemed non-refundable with no exceptions.

**Community Facilities District.** Buyer acknowledges and agrees that Seller shall have the right to encumber the Property with a supplemental special tax related to a replacement and/or newly formed Community Facilities District (“CFD”); provided, however, (i) Buyer and Seller shall work together, in good faith, during the Inspection Period to understand the scope of the CFD and the associated tax burden on the Property; (ii) Buyer may terminate this Agreement at any time during the Inspection Period if Buyer does not approve of the CFD (or the associated tax burden), and (iii) following the expiration of the Inspection Period, no changes may be made to the CFD or the associated tax burden without Buyer’s consent.

**Delivery of Possession Upon Close of Escrow**. Possession of the Property will be delivered to Buyer upon Close of Escrow, vacant, with no tenancies or leases.

**Buyer’s Inspections:** During the Inspection Period, Buyer may investigate any and all aspects of the Property related to Buyer’s intended use of the Property deemed relevant by Buyer, in its sole and absolute discretion. Buyer shall conduct such investigation and due diligence at its sole cost and expense and upon the terms and conditions specified in the Purchase Agreement. Other than as set forth in the Purchase and Sale Agreement, Seller offers the Property in “AS-IS” condition with no representation or warranties.

**Closing Date**: Subject to satisfaction of all Conditions Precedent, the consummation of the purchase and sale of the Property shall take place in accordance with the terms and conditions contained in this Agreement through the office of the Escrow Holder (the “**Closing**”) thirty (30) businessdays after Seller’s tender of a legal parcel (the “**Closing Date**”).

**Closing Costs & Escrow Fees**: Seller shall pay one-half (1/2) of the Escrow fee; the premium required to be paid for the CLTA standard owner's policy insuring title to the Property in Buyer with liability in the amount of the Purchase Price ("Owner's Policy"); one-half (1/2) the recording costs for the Deed and any other documents, and all City and County documentary transfer taxes and conveyancing taxes. Buyer shall pay the cost of all costs above a standard CLTA policy for an ALTA policy and any endorsements desired by Buyer; and one-half (1/2) of the Escrow fee. All non-delinquent rents, expenses, real estate taxes, assessments and personal property taxes shall be prorated, based on a 365‑day year, as of the date the Deed is recorded with Seller receiving the rent prorations, if any, for the day escrow closes. All other charges and fees of Escrow shall be apportioned between the parties as is customary in the County of San Joaquin (the “County”). All Escrow costs, fees, charges and brokerage commissions assessable to Seller shall be paid by Title Company out of the proceeds of the Escrow payable to Seller and Title Company shall assume responsibility for such payment as a condition of Escrow

**Brokerage Commission:**  [insert as applicable].

**Confidentiality:** All terms and conditions contained in this proposal, subsequent proposals, and the purchase shall remain confidential. Buyer shall not reveal any information regarding rents or conditions of the proposal herein and/or subsequent purchase agreement to tenants, brokers, or other inquirers until close of escrow. Buyer shall, as a material consideration for the Purchase and Sale Agreement, enter into the Non-Disclosure and Continentality Agreement attached thereto.

**Time is of the Essence:** Upon agreement herein, Seller and Tenant Buyer to diligently finalize the purchase agreement in a timely manner.

**Proposal Expiration:** This proposal shall remain valid until **5:00 PM, Wednesday, \_\_\_\_\_\_\_\_\_\_\_\_.** **Seller and Buyer acknowledge that this proposal is not a binding agreement**, and that this is intended as the basis for the preparation of formal purchase agreement to be drafted by Seller. Seller shall have the right to market the Property to other prospective buyers, solicit and accept back up offers, and otherwise offer the Property for sale until Close of Escrow.

Sincerely yours,

**Lathrop Land Acquisition, LLC**

**By: Saybrook Fund Investors, LLC, its managing member**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Jeffrey M. Wilson, Officer**

Acknowledged and approved by:

**Buyer:**

**BY: DATE:**