



November 20, 2022

MONTOWESE INDUSTRIAL PARK
c/o Mark Sobel
1st US Realty
PO Box 1035
Marstons Mills, MA 02648

RE: Letter of Intent – 80 and 90 Upper Main Street

Dear Mr. Sobel:

The purpose of this Letter of Intent is to indicate the non-binding terms upon which the Town of Essex, Vermont (the “Buyer”) shall acquire and Montowese Industrial Park LLC (the “Seller”) shall convey all of the Seller’s rights, title and interest in the parcel of real estate with any and all improvements thereon, commonly known as 80 Upper Main Street, Essex VT, Parcel ID #2010001000 (20.25 acres) and 90 Upper Main Street, Essex VT, Parcel ID #2010002000 (12.89 acres) a total of 33.14 acres of land on VT Route 15 upon the following terms and conditions:

1. **Premises:**

80 and 90 Upper Main Street, Essex, Vermont (the Premises) with any and all improvements thereon, consisting of approximately 33 acres, as depicted on Map 10 Lots 1 and 2 on VT Route 15/Upper Main Street and more fully described in a deed recorded at Book 627, Page 657-58 of the Town of Essex Land Records. The Premises shall be delivered to Buyer by a good and sufficient Vermont Warranty Deed, conveying the Premises to Buyer, free from any and all encumbrances (except any permitted encumbrances pursuant to a Purchase and Sale Agreement (PSA) to be negotiated), sufficient to convey good clear, marketable and insurable title to Buyer in accordance with the PSA.

2. **Purchase Price:**

The Purchase Price shall be three Million Dollars (\$3,000,000.00). The Purchase Price shall be payable as follows:

- (a) One Hundred and Fifty Thousand Dollars (\$150,000.00) (the “Deposit”) shall be delivered to the Seller’s attorney as Escrow Agent, as hereinafter defined, within two weeks of the Effective Date, as hereinafter defined, to bind the Buyer’s obligations. The “Effective Date” shall be the date that the PSA has been signed by all parties.
- (b) The balance of the Purchase Price, Two Million Eight Hundred and Fifty Thousand Dollars (\$2,850,000), shall be delivered by wire transfer on the closing date, as hereinafter defined.

The Deposit shall be deposited with the Seller's counsel as "Escrow Agent" and held by the Escrow Agent until the termination of the PSA or the closing of the sale. The Deposits shall be credited to the Purchase Price at closing.

3. **Purchase and Sale Agreement:**

The parties shall use commercially reasonable efforts to execute a mutually acceptable PSA, which shall supersede the terms of this Letter of Intent. Counsel to the Seller shall prepare the initial draft of the PSA, which shall then be presented to the Buyer and/or the Buyer's Counsel for review, revision and approval. In the event the parties shall be unable to agree upon a mutually acceptable PSA within sixty (60) days of the receipt by Seller of the fully executed Letter of Intent (unless extended in writing by the parties), any and all of the obligations of the parties hereto shall terminate.

4. **Due Diligence Review:**

(a) After the date of execution of the PSA, and upon reasonable notice from the Buyer, the Seller shall provide the Buyer and its agents, employees and nominees with access to the Premises at reasonable times and with reasonable notice to the Seller for the purpose of inspecting the same and performing environmental, physical, soil, geological and other inspections, subject to the Buyer furnishing to the Seller a certificate of insurance naming the Seller as insured and providing customary insurance to protect the Seller in connection with such inspections. The Seller shall reasonably cooperate with the Buyer's efforts in conducting its due diligence reviews. In connection with the Buyer's due diligence inspections, the Buyer agrees to reasonably restore and repair any damage caused to the Premises by the Buyer immediately following such inspections and, to the fullest extent permitted by applicable law, indemnify the Seller in connection with any such inspections (even in the event of the termination of this Letter of Intent), except to the extent of any loss, damage, liability, cost or expense caused by Seller's negligence, willful misconduct or illegal actions. The Buyer's due diligence inspections shall not provide for any invasive testing of the Premises, such as well drilling, earth removal, or extensive excavations, without the prior written consent of the Seller, which consent shall not be unreasonably withheld, delayed or conditioned. The foregoing obligations with respect to indemnification and restoration shall survive the expiration or termination of the PSA. All costs associated with the Buyer's due diligence activities shall be at the sole expense of the Buyer. The Seller agrees to cooperate with the Buyer and its agents and representatives and provide whatever information Buyer may request that is in the Seller's possession.

(b) Buyer herewith attaches a list of the necessary procedures the Town must fulfill to buy the property with the anticipated time to complete each procedure. Attached as addendum #1. Fulfillment of these procedures will be included in the PSA as conditions precedent to Buyer's obligation to purchase the Premises.

(c) Buyer agrees to keep Seller informed of the status of its efforts to successfully achieve each procedure.

5. **Condition of Premises:**

The Buyer shall purchase the Premises in “as-is” condition, and Seller makes no representations and warranties regarding the condition of the Premises or its fitness or suitability for any particular use proposed by the Buyer.

6. **Costs:**

The parties agree that each party shall be responsible for its own costs of the transaction, including, but not limited to, attorney’s fees and costs customarily associated with either a buyer or seller of commercial real estate.

7. **Closing:**

The parties intend that the consummation of the transactions contemplated hereby shall close on the date (“Closing Date”) no later than seven months after the date of execution of the PSA (The “Effective Date”). The Buyer, however, shall be entitled to one 30-day extension, provided that they have acted in good faith toward getting their approvals but are delayed by circumstances beyond their control.

8 **Brokerage:**

Each of Seller and Buyer acknowledge and agree that no persons or brokers, licensed or otherwise, were involved in the introduction of Buyer to the Premises or with the negotiation of this Letter of Intent or the PSA or were employed by such party other than Mark Sobel of 1st US Realty for the Seller. The Seller shall pay to the aforesaid broker a commission in the amount specified in a separate agreement. Each party shall defend and hold the other party harmless and shall, to the fullest extent permissible under applicable law, indemnify the other party from and against all claims for brokerage fee or other compensation (including attorneys’ fees) arising by virtue of the acts of the indemnifying party.

9. **No Change to Premises:**

From and after the Effective Date, the Seller will not make changes or alterations to the Premises other than in the ordinary course of maintaining the Premises.

10. **Buyer’s Access to Premises:**

Following the Effective Date, the Seller will provide the Buyer and its agents with reasonable access at all reasonable times to the Premises for the purpose of conducting due diligence review of the Premises.

11. **Confidentiality:**

Seller and Buyer mutually agree to keep the price and other material financial terms of this transaction as outlined herein in strict confidence and shall not disclose the purchase price and such financial terms to any party other than to its affiliates, investors, attorneys, principals, accountants, consultants lenders and the public until such information is necessary and provided such parties have a need to know such information and have agreed to maintain the confidentiality thereof. The parties understand and agree that the PSA will be a public document once approved and executed by Buyer.

12. **Miscellaneous:**

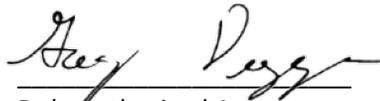
This Letter of Intent shall be governed by the laws of the State of Vermont.

13. **Effect of Letter of Intent:**

This Letter of Intent is not intended to be a binding commitment, offer or contract to purchase or sell, or an agreement to enter into the PSA or any other agreement with respect to the Premises, but is merely a statement of the present intentions of the parties. The terms of the transaction will be binding upon the parties only in accordance with the terms contained in the PSA if, as and when the PSA has been executed and delivered by the Buyer and the Seller.

- 14. The Seller and the Buyer indicate that each party agrees in principle to the contents of this Letter of Intent and intends to proceed promptly and in good faith on the detailed terms described herein.
- 15. The Town of Essex Selectboard on November 7, 2022 authorized the Town Manager to execute a non-binding letter of intent, with the preferred funding mechanism to be the Town's American Rescue Plan Act funding.

Very truly yours,
Town of Essex, Vermont, Buyer

By: 
Duly Authorized Agent

Acknowledged and agreed to terms:

Montowese Industrial Park LLC, Seller

By: _____

Title

Dated: _____