

LETTER OF INTENT TO PURCHASE
3405 Stirrup Rd SE Deming, NM 88030

September 22, 2022

Mike Ceranski – Principal Mountain Equipment Realty
3405 Stirrup Rd SE
Deming, NM 88030

Dear Mr. Ceranski:

After viewing your property, Luna County has asked me to present you with the following Offer to Purchase for the property located at 3405 Stirrup Rd SE, totaling approximately 60 Acres.

PROPERTY: 3405 Stirrup Rd SE Deming, NM 88030, Parcel # 3044140457300, with 2 metal buildings (each including 10-ton crane), a house/office structure & small portable office building, including personal property referenced below.

BUYER: Luna County

PRICE: \$2,200,000 with seller donating \$400,000 no earlier than December 13, 2022 to Luna County. Department(s) and/or programs TBD for donation.

CLOSE OF ESCROW: On or about November 30, 2022 or before, subject to survey and due diligence period of not less than 15 days with the eligibility to extend the close date as necessary.

FINANCING: Cash at C.O.E.

CONTINGENCIES: Satisfactory review of the Preliminary Title Report; Report and ALPA Land Survey of the Subject Property, to include boundaries, improvements, finished floor elevations, corners of buildings and random spot elevations on property be provided by Sellers; Mutual acceptance of this Letter of Intent followed by mutual execution of a Specifications, blue-prints, as built and warranty documents for improvements Commercial Real Estate Purchase Contract and appropriate addenda, as prepared by Kent Simpson of Steinborn/TCN Commercial Real Estate.

EARNEST MONEY DEPOSIT: \$100,000.00 or payment of entire amount in lieu thereof, within 30 days of execution of this Lol.

PERSONAL PROPERTY: To be defined, if any, in NMAR® Standard Commercial Real Estate Purchase Contract. Drake Chiller will stay with the property, as will 3 trailers (no wheels), air compressor systems, household appliances & old wooden wagon will convey with property.

NON-MONETARY TERMS TO BE CONTAINED IN SEPARATE AGREEMENT(S): Luna County and/or end user of property will consider for employment current employees of Mountain Equipment Realty, Charlie Gaxiola & Aaron Garcia, subject to satisfactory background check and drug screen at a level commensurate with their skill & experience. Currently, Gaxiola &

Garcia make \$23/hr & \$20/hr with no ancillary benefit package. End-User will allow seller to utilize outdoor fenced ASME storage area by Southwest Gate (manual operation) for 1 years, and to store Hemp Oil Extractor Units in Lab Area for 1 year (or until sold & removed) at no charge in a separate sub-lease to include terms of insurance and indemnity.

COMMISSIONS: Kent Simpson of Steinborn/TCN Commercial will function as a Transaction Facilitator between buyer & seller. A commission of 4% of Net Seller Proceeds (\$1.8MM) will be paid at close of escrow by seller per previous agreement to list property for sale.

CONFIDENTIALITY
OF NEGOTIATIONS
AND TERMS:

Seller and Buyer agree to keep Financial Matters and potential End Use Information Confidential.

This letter of Intent to Purchase outlines the proposed terms for your consideration and is in no manner intended to obligate any party contractually, and no such obligation shall arise unless a mutually satisfactory Purchase Agreement is fully executed.

If the above terms are acceptable, please so indicate by affixing an authorized signature in the space provided with return of one copy to our attention. Thereafter, upon approval of enclosed terms and conditions, a Commercial Real Estate Purchase Agreement shall be prepared for everyone's review, approval and execution. The opening of escrow shall follow, subject to Luna County Commission approval and Purchase Contract contingencies addressing financing and/or due diligence inspections.

Sincerely,

Kent Simpson, Associate Broker
Steinborn/TCN Commercial Real Estate
141 Roadrunner Pkwy #141
Las Cruces, NM 88011

AGREED TO AND ACCEPTED
Buyer: BOARD OF COUNTY COMMISSIONERS
OF LUNA COUNTY

By: 

Its: County Manager

Date: 10-6-2022

AGREED TO AND ACCEPTED
Seller: MOUNTAIN EQUIPMENT REALTY

By: 

Its: PRESIDENT

Date: 10/06/22