

# Basics and Issues with Selling and Purchasing Real Property, Mineral Leases and Cell Tower Leases

Presented by Jason Adelstein  
Schulman, Lopez, Hoffer & Adelstein, LLP  
February 26, 2021

1

## Acknowledgements

- ▶ Ken Mills, *Top Ten Issues When Negotiating Earnest Money Contracts*
- ▶ Patrick Rouse, *Cell Tower Leases from the Landlord Perspective*

2

# What is a LOI?

A Letter of Intent (LOI) is an agreement between parties that outlines general business and/or legal terms, prior to drafting the formal, complete documents to effectuate the transaction.

- ▶ Detail and comprehensiveness varies widely
- ▶ Can be binding, non-binding, or a combination of the two
- ▶ LOI by another name: Memorandum of Understanding, Gentlemen's Agreement, Agreement in Principle, Letter of Understanding, Term Sheet, Transaction Outline

# Why do we use LOIs?

- ▶ LOIs can save parties both time and money.
- ▶ LOIs can help determine the likelihood of consensus on larger points of possible contention in a transaction.
- ▶ A well drafted LOI should streamline the drafting and negotiation of formal, complete transaction documents.



# Who drafts the LOI?

- ▶ **ANYONE** can draft a LOI.
- ▶ LOIs are typically drafted by:
  - ▶ Real estate brokers
  - ▶ Actual parties to the transaction
  - ▶ An attorney representing one of the parties
- ▶ No matter who drafts the LOI, Clients should allow the attorneys to review and provide comments to LOI.



## Considerations in drafting a LOI:

1. Be specific, precise and complete.
  - a. Consider the purpose of your LOI
  - b. Be clear, complete, and organized in drafting the terms
  - c. Include an expiration date on the offer, and perhaps an expiration date to finalize formal agreements between parties

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

## Title search: Basics and Issues with Selling and Purchasing Real Property, Mineral Leases, and/or Cell Tower Leases

Also available as part of the eCourse

[2021 School Law eConference](#)

First appeared as part of the conference materials for the  
36<sup>th</sup> Annual School Law Conference session

"Basics and Issues with Selling and Purchasing Real Property, Mineral Leases, and/or Cell Tower Leases"