

Acquisition Partner Letter of Intent



Date of Engagement: March 1st, 2026

This Letter of Intent initiates engagement between Avalon PEG, LLC and Prospective Partner: _____ of _____. Avalon agrees to provide the party named herein with pertinent information as it pertains to the acquisition or disposition of the property or project located at: _____, State of _____ City of _____.
County of _____.

Right of Refusal - Any prospective project sent to a Acquisition Partner will be afforded his or her exclusive consideration for a period of 72 hours. Should a Partner decide to "opt out" of a prospective acquisition, the opportunity for any other partner to move into the space will be made on a first come first serve basis.

Time, Costs, & Terms - There is no initial cost to initiate engagement. However, Once a commitment has been made, the Acquisition Partner agrees to "opt in" for one or more properties or projects specified herein. Upon approval, Avalon PEG and the Acquisition Partner will execute a full Joint Venture agreement.

Leased Funding Sponsorships - Please select one or more of the services you wish to be considered for. Total package funding by a Capital Partner earns them an additional one thousand dollars.

Transaction Costs Breakdown:

Acquisition Lease Program:	\$ Amount	Cost of Funds	Funds From Closing
Earnest Money Deposit:	\$ 1,000.00	\$ 500.00	\$ 1,500.00
Closing Costs:	\$ 15,000.00	\$ 2,500.00	\$ 17,500.00
Avalon Engagement Fee:	\$ 250.00	**TBD	**TBD
Repairs & Renovations Advance:	\$ 12,500.00	\$ 2,500.00	\$ 15,000.00
Down Payment:			
Transactional Funding:			
Total Lease Funding:	\$ 28,750.00	\$ 5,500.00	\$ 34,000.00
The majority of the outlined herein are leveraged and paid through the equity position of project.			
** Engagement fees may be different from one transaction to another			
\$250 to set a project into motion.			

Dissolution & Liquidation of the Joint Venture - The Venture will be dissolved and its assets liquidated in the event of any of the following: a. The Term expires and is not extended; b. A unanimous vote by the Members to dissolve the Venture; c. On satisfaction of the Purpose; d. Loss or in Acquisition through any means of substantially all of the Venture's assets; or e. Where only one Member remains. On dissolution, the Venture will be liquidated promptly and within a reasonable time. On the liquidation of the Venture assets, distribution of any amounts to Members will be made in proportion to their respective Acquisition accounts or otherwise may be agreed in writing.

Indemnification - Each Member will be indemnified and held harmless by the Venture from any and all harm or damage of any nature relating to the Member's participation in Venture affairs except where such harm or damages results from gross negligence or willful misconduct on the part of the Member.

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“ Acquisition Costs Schedule ”

Transaction Detail Profit Analysis			
Project One			
1234 MAIN STREET, Los Angeles, CA 90008			
AS REPAIRED VALUE:			\$ 1,000,000.00
Acquisition Price			\$ 500,000.00
EMD			\$ 1,000.00
Closing Costs Loan			\$ 15,000.00
Avalon Fees			\$ 3,500.00
Repairs & Renovations Advance			\$ 12,500.00
Total Consideration (Transactional Loan)			\$ 532,000.00
(Avalon sells to End Buyer for 70% of ARV)			
BUYERS REHAB or DSCR LOAN:	70% ARV		\$ 700,000.00
Acquisition (Transactional Pay Off)			\$ (532,000.00)
Transactional Expenses	2%		\$ (10,640.00)
Closing Costs Loan Pay Off			\$ (2,500.00)
Renovations & Repairs Advance Payoff			\$ (15,000.00)
Acquisition Closing Costs	3%		\$ (16,260.00)
EMD Expenses			\$ (1,500.00)
Buyer Paid Commissions	2%		\$ (10,000.00)
1st Loan Points	3%		\$ (21,000.00)
1st Loan Interest Reserve - 3 Months	10%		\$ (17,500.00)
2nd Loan Points			
2nd Loan Interest Reserve			
Transaction Processing			\$ (3,000.00)
Property Taxes - 6 Months	Months	6	\$ (3,282.00)
Insurance / Utilities - 6 Months	Months	6	\$ (1,250.00)
Remodel / Construction Budget			\$ (50,000.00)
TOTAL HARD COSTS			\$ (683,932.00)
TOTAL LOANS			\$ 700,000.00
TOTAL HARD COSTS			\$ (683,932.00)
NET PROFIT			\$ 16,068.00
Refinance Costs (DSCR Loan)	2%		\$ (14,000.00)
Sales Commissions			
Avalon Commissions			
Carry Back Interest or Incentives			
Rents & Deposits			
FRONT END ACQUISITION PROFITS:			\$ 2,068.00
Shaded sectors above are subject to pricing negotiation			
Property maintains a gross \$300,000 equity position at time of entry			

AVALON PEG, LLC

Curtis Wright, Managing Partner

Acquisition Partner (Prospective)