

February 4, 2019

Mecklenburg County Historic Landmarks Commission (MCHLC)

RE: Purchase of Ingleside, 7225 Bud Henderson Rd, Huntersville, NC 28078 ("Property")

Dear MCHLC,

Attached please find our Letter of Intent to purchase Ingleside. Over the past month, we have ordered many comprehensive inspections of the property. These findings, paired with the listing history of the property, have prompted us to request the MCHLC to take a non-traditional approach on the sale of this important landmark. It is our opinion this property did not sell due to one simple reason: the expense for the work required for restoration and repair, combined with the asking price, places the total cost far above the appraised value for this property. Through utilizing the non-profit mission of the MCHLC with a creative financing approach, our Letter of Intent provides full repayment of all expenses by MCHLC, which would allow the final costs of this project to align with the appraised value for the home.

This property was originally listed on December 21, 2015 for \$650,577 and was offered to the open market for almost three full years. As the attached listing history demonstrates, the home had numerous price drops during this time, with the last drop made in January 2018 for \$499,000. Even at \$499,000 the home did not sell, even though it was in much better condition last January than its current state today. The location and this price were not the problem, as Huntersville and this price range are very popular in today's real estate market. The problem lay with the amount of work needed for this property.

The repairs needed in the home are best understood through the Engineering report, General Inspection report, and the Mold Remediation report. We have also attached these documents for you. The other reports received were for septic, water, and termites, none of which warrant attention at this time.

Thank you for your consideration of the attached Letter of Intent, we look forward to hearing from you. We are excited about the possibility to be the future owners of this important historic landmark, and look forward to working with the commission to achieve a historically sensitive outcome to preserve this property for the future.

Sincerely,

Abigail Jennings and Randolph Lewis

February 4, 2019

Mecklenburg County Historic Landmarks Commission (MCHLC)

RE: Purchase of Ingleside, 7225 Bud Henderson Rd, Huntersville, NC 28078 (“Property”)

Dear MCHLC Commissioners,

Please consider this a Letter of Intent for the purchase of the Property by Randolph Lewis and Abigail Jennings (“Buyer”) from MCHLC (“Seller”) subject to the following terms and conditions:

**Buyer’s Improvement Intentions:** The buyer wishes above all else to play a positive role towards ensuring the enduring preservation of this very special property. To this end, buyer is committed to taking a restoration approach, respecting not only the intact original structure, but also alterations old enough to be deemed historic in their own right.

Buyer intends to return the first floor of the house to a more traditional floor plan. The room currently housing the kitchen will undergo a full restoration, with recent built-in cabinetry and tile flooring removed. Due to numerous alterations that have been made to the back porch, we believe this area is the best location for new kitchen and bath renovations. The original back porch design has not been verified through any known sketch or photograph, however original 1 ½” decking boards exhibiting fall typical of an exterior porch indicate it was likely an open back porch at one time. An early renovation at an unknown date subdivided the back porch into three sections, two of which were completely enclosed. Over the years, this area has been “modernized” and windows on the exterior elevation have changed multiple times. In addition to the new kitchen, guest bathroom, and powder room in the back porch area, Buyer also intends to enclose the middle section of the back porch to create a rear foyer. These renovations provide an opportunity to revisit back porch fenestration and return a sense of symmetry and unity to the rear elevation. Buyer also intends to renovate the existing second-floor bath and laundry area.

**Deposit:** \$10,000 earnest money deposit to be held in escrow, payable at the execution of the Purchase Agreement. Refundable during the Due Diligence Period.

**Due Diligence Period:** Upon acceptance of this LOI, and during the Due Diligence period, Buyer shall engage architect and contractor for plans and specific estimates. Plans shall be submitted to MCHLC for a Certificate of Appropriateness. Buyer will verify that the repair

and improvement costs are acceptable for the purposes of a restoration of the main structure and modified bathroom, kitchen, and laundry renovations pending approval of Seller.

Buyer requests the following from Seller during Due Diligence period:

1. Conditional approval of exact set of plans for intended improvements with a Certificate of Appropriateness to be issued after the Closing Date
2. Facilitate National Registry designation with it being understood that the Seller cannot guarantee designation
3. Roof, soffit, and HVAC repairs satisfactorily completed by Seller
4. Seller to facilitate burial of power line to house

**Closing Date:** Within 30 days of the satisfaction of the Due Diligence requests.

**Documentation:** Purchase Agreement shall be drafted by Buyer within two weeks of execution by Seller of this Letter of Intent. Property will remain available for sale until execution of Purchase Agreement and payment of Earnest Money.

**Terms:** Repayment through deposits, principal, and interest combined shall fully reimburse MCHLC's expenses through execution date of Purchase Agreement for Property over the period of five years.

1. \$10,000 Earnest Money Deposit upon executed Offer to Purchase and Contract
2. Additional \$50,000 paid by Buyer at closing
3. Seller to finance remainder of contract price at 4.5% interest
4. Monthly payments shall be made of Principal and Interest by Buyer based on a 30 year amortization
5. Buyer shall pay balance of principal, less all cumulative interest paid, through a balloon payment five years after Closing Date.
6. No real estate commission shall be owed by Buyer or Seller
7. Buyer shall execute documents containing preservation covenants.
8. Buyers to provide the following information no later than 3 days following execution of the LOI:
  - a. Financial statements including balance sheet and income statement for year ending 12/31/2017 and income statements only for years ending 12/31/2015 and 12/31/2016
  - b. Copy of most recent financial institution statements showing cash and investments

- c. Copy of most recent financial institution statements showing available line of credit

**Acceptance:** In the event the above terms and conditions are acceptable to Seller, Seller shall sign this Letter of Intent below and return a copy to us upon said execution.

*This Letter of Intent is non-binding. It is an attempt to establish the basis upon which a formal contract can be drafted. Until such contract is fully executed, none of the terms and conditions of this letter shall bind either party. Abigail Jennings is a licensed NC Broker.*



By: \_\_\_\_\_  
Abigail M. Jennings



By: \_\_\_\_\_  
Randolph Lewis

ACKNOWLEDGED AND AGREED:

Mecklenburg County Historic Landmarks Commission

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_