

## Agreement to Lease With Option to Purchase

Parties: Tenant \_\_\_\_\_ of

\_\_\_\_\_ and

Landlord, \_\_\_\_\_ of \_\_\_\_\_

In consideration of the payments, covenants, agreements and conditions herein contained the above parties hereby agree to lease

With an option the following property:

Subject: Property Address:

\_\_\_\_\_

Legal Description:

\_\_\_\_\_

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\_\_\_\_\_

Personal Property  
included Appliances \_\_\_\_\_

\_\_\_\_\_

Personal property to be transferred at closing by bill of sale free of any encumbrances.

Existing Loans- At time of closing tenant may elect to take title subject to the existing loans to \_\_\_\_\_

In the amount of \$ \_\_\_\_\_ bearing interest rate of \_\_\_\_\_ % payable  
\_\_\_\_\_ ( P & I )

Or the loan will be paid off by the landlord.

Loan Number \_\_\_\_\_ Date last payment  
made \_\_\_\_\_

Other Liens, back taxes,  
etc. \_\_\_\_\_

Term of lease and option \_\_\_\_\_ months beginning

\_\_\_\_\_

Monthly Payment \$ \_\_\_\_\_ due on the \_\_\_\_\_ day of each month  
beginning \_\_\_\_\_ 20 \_\_\_\_\_

Monthly credit toward purchase price when rent paid on time: \$260  
Purchase Price: \$185,000

TERMS: landlord agrees that upon the exercise of the option they will assist in financing by taking as part of the purchase price a note in the amount of \$ \_\_\_\_\_ with payments of \$ \_\_\_\_\_ beginning \_\_\_\_\_.

1. MAINTENANCE: The tenants shall pay for all repairs costing less than \$ 400.00 each month. Repairs costing \$400 or more will be paid by the landlord. Should the landlord choose not to make repairs to maintain the house in its current condition, the tenant may have said repairs made and receive a credit equal to 100% of the cost of the repair toward the next payment due, and costs exceeding the next payment due shall be applied toward the purchase price.
2. LANDLORD'S AGREEMENT NOT TO FURTHER ENCUMBER: Landlords agree not to refinance the property, nor to modify any existing loans, nor to transfer any interest in the property during the term of this agreement.
3. PAYMENTS ON EXISTING LOANS, TAXES AND INSURANCE: Landlord shall be responsible for paying the taxes, loan payments and for keeping the property insured for its full replacement value during the term of this agreement. In the event landlord fails to make payments when due of taxes, insurance, or loan payments, tenant may elect to make said pays due payments and receive 100% of their amount credited toward the purchase price and full credit toward the next payment due the landlord.
4. PRORATIONS: Taxes and insurance and loan interest shall be prorated as of the date of closing of the purchase.
5. TENANT & LANDLORD: agree to fully execute and place in escrow with \_\_\_\_\_ instruments needed to convey title. The landlord shall deposit and executed warranty deed, and copies of existing mortgages, notes, title insurance policies, and surveys. Tenant shall deposit an executed quitclaim deed which will be delivered to the landlord in the event of a default by the tenant under this contract. All agree to sign an escrow agreement that will empower the escrow agent to close the transaction if all terms of the contract are met, and that will hold the agent harmless.
6. TRANSFER OF TITLE: In the event tenant chooses to exercise their option to purchase, they will notify the landlord during the term of this agreement. Within 15 days of receipt of such notice, landlords agree to convey good and marketable title, free from all encumbrances except those that tenants wishes to take title subject to. Landlords further agree to furnish an owner's title binder within 5 days after receiving notice, showing no exceptions other than as listed above, and furnish a policy of title insurance at closing.
7. DAMAGES: In the event landlord fails to perform, tenant will be entitled to recover all monies paid on this agreement, and may pursue all other legal remedies available. Landlord will be responsible for all costs including a reasonable attorney's fee. In the event tenant fails to exercise the option, all option consideration and rents paid will be forfeited as full-liquidated damages.

8. RECORDING: All parties agree that this agreement or a memorandum including any parts of their agreement acceptable to the tenant may be recorded.
9. SUCCESSORS AND ASSIGNS & SUBLETTING: The terms and conditions of this contract shall bind all successors, heirs, administrators, executors, assigns, and those subletting.
10. ACCESS AND ADVERTISING: Landlords agree that the tenant may advertise the property and shall immediately have access during reasonable hours to show the property to others.
11. TIME IS OF THE ESSENCE IN ALL MATTERS OF THE AGREEMENT
12. OTHER TERMS: Tenants may not have indoor pets during the lease period. If any damage is found to have been caused by pets during the lease period, and the tenants do not exercise their right to purchase the property, they shall forfeit any and all deposit and be billed for all damages in excess of the deposit.
13. Any credit towards purchase will be lost in the event that the option to purchase is not exercised, or the lease with option extended beyond the agreed duration.

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The undersigned agree to buy and sell on the above terms, have-read, fully understand and verify the above information as being correct. All parties acknowledge that this is a legally binding contract and are advised to seek the counsel of an attorney.

Landlords

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Landlords

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Tenants

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Tenants

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State of \_\_\_\_\_ County of \_\_\_\_\_

The foregoing instrument was acknowledged before me this day of

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By \_\_\_\_\_ being

Personally known to me or whom presented driver's licenses as identification.

Witness my hand and official seal.

Notary Public \_\_\_\_\_

My commission Expires \_\_\_\_\_