

Agreement to Lease With Option to Purchase

Parties: Buyer _____ of _____
and
Seller, _____ 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: _____

Personal Property included _____

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

Existing Loans- At time of closing buyer 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 seller.

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 \$ _____

Purchase Price \$ _____, additional option consideration _____ to apply towards purchase price.

1. **TERMS:** Seller 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 _____.
2. **MAINTENANCE:** The buyers shall pay for all repairs costing less than \$ 100.00 each month. Repairs costing \$100 or more will be paid by the owner. Should the owner fail to make repairs to maintain the house in its current condition, the buyer may have said repairs made and receive a credit equal to 200% of the cost of the repair toward the purchase price and a full credit toward the next payment due.
3. **SELLER'S AGREEMENT NOT TO FURTHER ENCUMBER:** Sellers 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.
4. **PAYMENTS ON EXISTING LOANS, TAXES AND INSURANCE:** Seller 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 seller fails to make payments when due of taxes, insurance, or loan payments, buyer may elect to make said pays due payments and receive 200% of their amount credited toward the purchase price and full credit toward the next payment due the seller.
5. **PRORATIONS:** Taxes and insurance and loan interest shall be prorated as of the date of closing of the purchase.
6. **BUYER & SELLER:** agree to fully execute and place in escrow with _____ instruments needed to convey title. The seller shall deposit and executed warranty deed, and copies of existing mortgages, notes, title insurance policies, and surveys. Buyer shall deposit an executed quitclaim deed which will be delivered to the seller in the event of a default by the buyer 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.

- 7. TRANSFER OF TITLE: In the event buyer chooses to exercise their option to purchase, they will notify the seller during the term of this agreement. Within 15 days of receipt of such notice, sellers agree to convey good and marketable title, free from all encumbrances except those that buyers wishes to take title subject to. Sellers 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.
- 8. DAMAGES: In the event seller fails to perform, buyer will be entitled to recover all monies paid on this agreement, and may pursue all other legal remedies available. Seller will be responsible for all costs including a reasonable attorney's fee. In the event buyer fails to exercise the option, all option consideration and rents paid will be forfeited as full-liquidated damages.
- 9. RECORDING: All parties agree that this agreement or a memorandum including any parts of their agreement acceptable to the buyer may be recorded.
- 10. SUCCESSORS AND ASSIGNS & SUBLETTING: The terms and conditions of this contract shall bind all successors, heirs, administrators, executors, assigns, and those subletting.
- 11. ACCESS AND ADVERTISING: Sellers agree that the buyer may advertise the property and shall immediately have access during reasonable hours to show the property to others.
- 12. TIME IS OF THE ESSENCE IN ALL MATTERS OF THE AGREEMENT
- 13. OTHER

TERMS:

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.

Sellers _____

Sellers _____

Buyers _____

Buyers _____

State of _____ County of _____

The foregoing instrument was acknowledged before me this day of _____

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 _____