RENT-TO-OWN (LEASE OPTION) AGREEMENT

1. **THE PARTIES**. This Rent-to-Own Agreement (the "Agreement") made on _____ (mm/dd/yyyy) is between:

   Landlord Name(s): _____ (the "Landlord")
   Landlord Address: _____, AND

   Tenant Name(s): _____ (the "Tenant").

   The Landlord and Tenant are collectively referred to in this Agreement as the "Parties."

   HEREINAFTER, the Tenant agrees to lease the Premises from the Landlord under the following terms and conditions:

2. **PROPERTY**. Landlord hereby leases the property located at _____ to the Tenant (the "Premises").

3. **LEASE TERM**. This lease shall be considered a fixed lease. The Tenant shall be allowed to occupy the Premises starting on _____ (mm/dd/yyyy) and ending on _____ (mm/dd/yyyy) (the "Lease Term"). At the end of the Lease Term, the Tenant: (check one)

   ☐ - Can continue to lease the Premises on a month-to-month basis, under the same terms as this Agreement.

   ☐ - Must vacate (leave) the Premises.

4. **RENT**. The rent to be paid by the Tenant to the Landlord throughout the Lease Term is to be made in monthly installments of $_____ (the "Rent"). The Rent shall be due on the _____ day of each month (the "Due Date"). The Rent shall be paid via the following instructions: _____.

5. **LATE FEE**. If Rent is not paid by the Due Date: (check one)

   ☐ - The Tenant will be charged a fee of $_____. Rent is considered late if it has not been paid within _____ (#) day(s) after the Due Date.

   ☐ - There shall be NO Late Fee if the Rent is late.

6. **PRORATION PERIOD**. The Tenant: (check one)

☐ - Shall take possession of the Premises before the start of the Lease Term on _____ (mm/dd/yyyy) and agrees to pay a total of $_____ for the proration period (the "Proration Rent"). The Proration Rent shall be paid by the Tenant upon the execution of this Agreement.

☐ - Shall NOT be taking possession of the Premises before the start of the Lease Term.

7. **SECURITY DEPOSIT**. As part of this Agreement: (check one)

☐ - The Landlord requires a payment of $_____ (the "Security Deposit") for the faithful performance of the Tenant under the terms and conditions of this Agreement. The Security Deposit is required by the Tenant upon the execution of this Agreement. The Security Deposit shall be returned to the Tenant within _____ (#) days after the end of the Lease Term, less any itemized deductions. This Security Deposit shall not be credited towards any Rent unless the Landlord gives their written consent.

☐ - The Landlord does NOT require the Tenant to pay a Security Deposit as part of this Agreement.

8. **RETURNED CHECKS (NON-SUFFICIENT FUNDS)**. If the Tenant pays the Rent with a check that bounces due to insufficient funds: (check one)

☐ - The Tenant will be required to pay a fee of $_____ per incident.

☐ - The Tenant will NOT be required to pay a fee.

9. **OCCUPANTS**. The Premises is to be occupied strictly as a residential dwelling with the following individual(s) in addition to the Tenant: (check one)

☐ - _____ (the "Occupant(s)").

☐ - There are NO Occupant(s) in addition to the Tenant.

10. **MOVE-IN INSPECTION**. Before, at the time of, or shortly after move-in, the Landlord and Tenant: (check one):

☐ - Agree to inspect the Premises and write any present damages or needed repairs on a move-in checklist.

☐ - Shall NOT inspect the Premises or complete a move-in checklist.

11. FURNISHINGS. The Premises is: (check one)

☐ - Furnished (or will be furnished) with the following items:

_____.

☐ - NOT furnished.

12. UTILITIES. The Landlord shall pay for the following utilities and services to the Tenant, with any absent being the responsibility of the Tenant:

_____.

13. PARKING. The Tenant (check one):

☐ - Is allotted _____ (#) parking space(s):

☐ - Free of charge (included in the Rent).

☐ - At a cost of $_____ to be paid ☐ upon start of Agreement ☐ monthly.

☐ - Is NOT provided parking.

14. PETS. The Tenant is: (check one)

☐ - Permitted to have _____ (#) pet(s) on the Premises, ONLY consisting of (pet types):

_____.

If permitted, the Landlord shall charge a refundable pet deposit of $_____ to cover potential damage to the Premises caused by the Tenant's pet(s).

☐ - NOT permitted to have pets of any nature on the Premises.

15. SMOKING POLICY. Smoking on the Premises is: (check one)

☐ - Permitted ONLY in the following area(s): _____.

☐ - Prohibited on the Premises and all Common Areas.

16. SALE OF PROPERTY. If the Premises is sold during the Lease Term, the Tenant is to be notified of the contact details of the new Owner, and if there is a new Manager, their contact details for repairs and maintenance shall also be forwarded to the Tenant. If the Premises is conveyed to another party, the new owner: (check one)

☐ - Has the right to terminate this Agreement by providing _____ (#) days' notice to the Tenant.

☐ - Does NOT have the right to terminate this Agreement.

17. **NOTICES**. Any notice sent by the Landlord or the Tenant to each other shall use the following addresses:

    Landlord Mailing Address: _____

    Tenant Mailing Address: _____

18. **ACCESS**. Upon the beginning of the proration period or the start of the Lease Term, whichever is earlier, the Landlord agrees to give the Tenant access in the form of keys, fobs, cards, or any type of keyless security entry as needed to enter the common areas and the Premises. Duplicate copies of the access provided may only be authorized under the consent of the Landlord and, if any replacements are needed, the Landlord may provide them for a fee. At the end of this Agreement all access provided to the Tenant shall be returned to the Landlord or a fee will be charged to the Tenant or subtracted from the Security Deposit.

19. **RIGHT OF ENTRY**. The Landlord shall have the right to enter the Premises during normal working hours by providing at least twenty-four (24) hours' notice to inspect and make necessary repairs/alterations/improvements for any reasonable purpose. The Landlord may exhibit the Premises to prospective purchasers, mortgagees, or lessees upon reasonable notice.

20. **ATTORNEYS' FEES**. Should it become necessary for the Landlord to employ an attorney to enforce any of the conditions or covenants hereof, including the collection of rentals or gaining possession of the Premises, the Tenant agrees to pay all expenses so incurred, including a reasonable attorneys' fee.

21. **NOISE**. The Tenant agrees not to cause or allow any noise or activity on the Premises which might disturb the peace and quiet of another Tenant and/or neighbor. Said noise and/or activity shall be a breach of this Agreement.

22. **GUESTS**. There shall be no other persons living on the Premises other than the Tenant and any Occupant(s). Guests of the Tenant can stay on the Premises for periods not lasting for more than forty-eight (48) hours, unless otherwise approved by the Landlord in writing.

23. **EQUAL HOUSING**. If the Tenant possesses any mental or physical impairment, the Landlord shall provide reasonable modifications to the Premises unless the modifications would be too difficult or expensive for the Landlord to provide. Any impairment(s) of the Tenant are encouraged to be provided and presented to the Landlord in writing as to provide the Landlord with ample time to seek the most appropriate route for providing said modifications to the Premises.

24. **WAIVER**. No delay or failure of the Landlord to enforce any part of this Agreement shall be deemed as a waiver thereof, nor shall any acceptance of any partial payment of Rent or any other amount due be deemed a waiver of the Landlord's right to the entire amount due.

25. **MAINTENANCE, REPAIR, & ALTERATIONS**. The Tenant will, at the Tenant's sole expense, keep and maintain the Premises in a good, clean, and sanitary condition and repair during the Lease Term and any renewal thereof. The Tenant shall be responsible to make all repairs to the Premises, fixtures, appliances, and equipment therein that may have been damaged by the Tenant's misuse, waste, or neglect, or that of the Tenant's family, agents, or visitors. The Tenant agrees that no painting or alterations will be performed on or about the Premises without the prior written consent of the Landlord. The Tenant shall promptly notify the Landlord of any damage, defect, or destruction of the Premises or in the event of the failure of any of the appliances or equipment. The Landlord will use its best efforts to repair or replace any such damaged or defective areas, appliances, or equipment.

26. **PREMISES DEEMED UNINHABITABLE**. If the Premises is deemed uninhabitable due to damage beyond reasonable repair, the Tenant will be able to terminate this Agreement by written notice to the Landlord. If said damage was due to the negligence of the Tenant, the Tenant shall be liable to the Landlord for all repairs and for the loss of income due to restoring the Premises back to a livable condition in addition to any other losses that can be proved by the Landlord.

27. **DEFAULT**. If the Tenant fails to comply with any of the financial or material provisions of this Agreement, or of any present rules and regulations or any that may be hereafter prescribed by the Landlord, or materially fails to comply with any duties imposed on the Tenant by State laws, within the time period after delivery of written notice by the Landlord specifying the non-compliance and indicating the intention of the Landlord to terminate the Agreement by reason thereof, the Landlord may terminate this Agreement. If the Tenant fails to pay the Rent by the Due Date and the default continues for the time-period specified in the written notice thereafter, the Landlord may exercise any and all rights and remedies available to the Landlord at law or in equity and may immediately terminate this Agreement.

    The Tenant will be in default if:

    a. The Tenant does not pay the Rent or any other amounts as they are owed;
    b. The Tenant, their guests, or the Occupant(s) violate this Agreement, or fire, safety, health, and/or criminal laws, regardless of whether arrest or conviction occurs;
    c. The Tenant abandons the Premises;
    d. The Tenant gives incorrect or false information in the rental application;
    e. The Tenant, or any Occupant(s), are arrested, convicted, or given deferred adjudication for a criminal offense involving actual or potential physical harm to a person, or involving possession, manufacture, or delivery of a controlled substance, marijuana, or drug paraphernalia under State statute;
    f. Any illegal drugs or paraphernalia are found in the Premises or on the person of the Tenant, guests, or Occupant(s) while on the Premises; and/or
    g. As otherwise allowed by law.

28. **ABANDONMENT**. Abandonment shall have occurred if, without notifying the Landlord, the Tenant is absent from the Premises for the State-mandated minimum time period, or seven (7) days, whichever length of time is less. In the event of Abandonment, the Landlord will have the right to immediately terminate the Agreement and remove the Tenant's personal possessions.

29. **POSSESSION**. The Tenant has examined the condition of the Premises, and by taking possession acknowledges that they have accepted the Premises in good order and in its current condition except as herein otherwise stated. Failure of the Landlord to deliver possession of the Premises at the start of the Lease Term to the Tenant shall terminate this Agreement at the option of the Tenant. Furthermore, under such failure to deliver possession by the Landlord, and if the Tenant cancels this Agreement, the Security Deposit (if any) shall be returned to the Tenant along with any other pre-paid rent and fees, including any fee paid by the Tenant during the application process before the execution of this Agreement.

30. **ASSIGNMENT AND SUBLETTING**. The Tenant shall not assign this Agreement or sublet any portion of the Premises without prior written consent of the Landlord, which shall not be unreasonably withheld.

31. **JOINT AND SEVERAL**. If the Tenant is comprised of more than one person, each person shall be jointly and severally liable under this Agreement.

32. **HAZARDOUS MATERIALS**. The Tenant agrees to not possess any type of personal property that could be considered a fire hazard such as a substance having flammable or explosive characteristics on the Premises. Items that are prohibited to be brought into the Premises other than for everyday cooking or the need of an appliance includes, but is not limited to, gas (compressed), gasoline, fuel, propane, kerosene, motor oil, fireworks, or any other related content in the form of a liquid, solid, or gas.

33. **SEVERABILITY**. If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities, or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

34. **RETALIATION**. The Landlord is prohibited from making any type of retaliatory acts against the Tenant including, but not limited to, restricting access to the Premises, decreasing or canceling services or utilities, failing to repair appliances or fixtures, or any other type of act that could be considered unjustified.

35. **INDEMNIFICATION**. The Landlord shall not be liable for any damage or injury to the Tenant, or any other person, or to any property, occurring on the Premises, or any part thereof, or in common areas thereof, and the Tenant agrees to hold the Landlord harmless from any

claims or damages unless caused solely by the Landlord's negligence. It is recommended that renter's insurance be purchased at the Tenant's expense.

36. **GOVERNING LAW**. This Agreement shall be governed by the laws of the state of _____.

37. **LEAD-BASED PAINT**. The Premises (check one):

☐ - Was built prior to 1978. An attachment titled "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" has been affixed to the Agreement and must be initialed and signed by the Parties.

☐ - Was NOT built prior to 1978.

38. **ADDITIONAL PROVISIONS**.

39. **ENTIRE AGREEMENT**. This Agreement contains all the terms agreed to by the Parties and may be modified or amended only by written agreement signed by the Landlord and Tenant. This Agreement replaces all previous discussions, understandings, and oral agreements. The Parties agree to the terms and conditions and shall be bound until the end of the Lease Term.

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

Landlord's Signature: _____ Date: _____

Printed Name: _____

Landlord's Signature: _____ Date: _____

Printed Name: _____

Tenant's Signature: _____ Date: _____

Printed Name: _____

Tenant's Signature: _____ Date: _____

Printed Name: _____

Agent's Signature: _____ Date: _____

Printed Name: _____

OPTION TO PURCHASE ADDENDUM

This Option to Purchase Addendum (the "Addendum") is made this _____ (mm/dd/yyyy) and is attached to this Agreement.

1. **CONSIDERATION**. For this Addendum and the Tenant's option to exercise the purchase of the Premises, the "Consideration" shall be known as: (check one)

   ☐ - Monthly Rent. The Tenant's monthly non-refundable Rent shall be considered as Consideration under this Addendum and for all legal intents and purposes.

   ☐ - Specified Amount. $_____ shall be considered as Consideration and shall be attributable to the Purchase Price at Closing. The Consideration shall be subject to the same refundable rights as the Deposit described in this Addendum.

   ☐ - Other. _____.

2. **OPTION TO PURCHASE**. The Landlord hereby grants the Tenant an option to purchase the Premises under the following terms: (check one)

   ☐ - Fixed Price. $_____ (the "Purchase Price'') shall be determined as the Purchase Price for the Premises.

   ☐ - First Right of Refusal. The Tenant shall have the right to step in the place of any buyer that provides a qualifying offer to purchase the Premises. The Tenant shall have a period of ten (10) days to accept and continue the terms of the buyer's offer and, if accepted, shall be given ninety (90) days to close on the Premises.

   ☐ - Negotiate in "Good Faith," The Landlord and Tenant agree to negotiate "in good faith" to reach mutually agreeable terms to facilitate a sale of the Premises.

   ☐ - Other. _____.

3. **TERM OF OPTION**. The Tenant shall have the option to purchase the Premises as described in Section 2 of this Addendum: (check one)

   ☐ - Lease Term. The Tenant shall hold the rights under this Addendum until the end of the Lease Term.

   ☐ - Fixed Term. The Tenant shall hold the rights under this Addendum starting on _____ (mm/dd/yyyy) and ending on _____ (mm/dd/yyyy).

   ☐ - Perpetuity. The Tenant shall hold the rights under this Addendum in perpetuity (endless duration) without the option of being revoked by the Landlord.

   ☐ - Other. _____.

4. **EXERCISING OPTION**. The Tenant shall hold the right to exercise an option to purchase the Premises under Sections 2 & 3 of this Addendum by sending a notice (via Certified Letter with return receipt) to the Landlord's address for notices listed in the Agreement.

   When exercising the option to purchase, the Tenant shall be required to: (check one)

   ☐ - Pay a Deposit. The Tenant shall be required to pay a deposit in the amount of $_____ (the "Deposit") that shall be credited towards the Purchase Price.

   ☐ - NOT Pay a Deposit. The Tenant shall not have to pay a Deposit as part of exercising their option to purchase the Premises.

5. **CONVERTING TO AGREEMENT**. When the Tenant exercises the option to purchase the Premises, the Parties agree to: (check one)

   ☐ - Execute a New Agreement. The Landlord and Tenant agree to execute a purchase agreement that matches the terms and conditions of this Addendum within ten (10) days of the Tenant exercising their right to purchase the Premises. Any refusal to sign a purchase agreement by the Landlord shall result in a breach of specific performance.

   ☐ - NO New Agreement Required. The Landlord and Tenant shall be required to act within the terms of this Addendum.

6. **FINANCING**. If the Tenant exercises the option to purchase the Premises, this Addendum shall: (check one)

   ☐ - Subject to Financing. The Tenant's ability to purchase the Premises is predicated on their ability to obtain financing within ____ business days (the "Financing Period") of exercising the option to purchase with: (check one)

   ☐ - Third (3rd) Party Financing

   ☐ - Seller Financing under the following terms:

   a.) Loan Amount: $_____
   b.) Down Payment: $_____
   c.) Interest Rate (per year): _____%
   d.) Term: _____ ☐ Months ☐ Years

   If the Tenant is not able to obtain financing within the Financing Period, the Deposit shall be refunded to the Tenant.

☐ - NOT be Subject to Financing. If the Tenant does not receive adequate financing to purchase the Premises by the Closing, the Deposit shall be non-refundable and paid to the Landlord.

7. **INSPECTION PERIOD**. After the Tenant exercises the option to purchase, they shall: (check one)

☐ - Have an Inspection Period. They shall have a total of ____ (#) business days (the "Inspection Period") to perform their own inspections, tests, and investigations to verify any information provided by the Landlord. The Tenant agrees to forward any and all reports from such inspections to the Landlord at no cost. After all inspections are complete, the Tenant shall have an additional ____ (#) business days from the end of the Inspection Period to display any material defects on the Premises to the Landlord. If there is no mutual agreement within ____ (#) business days of the Tenant presenting the material defects, the Tenant shall be able to collect and be refunded the full amount of the Deposit.

☐ - NOT Have an Inspection Period. The Tenant shall be able to perform inspections, tests, and investigations to verify any information provided by the Landlord prior to Closing. Although, the Tenant shall not be entitled to a refund of the Deposit if material defects are found on the Premises. The Tenant is agreeing to purchase the Premises on an "AS IS, WHERE IS" condition.

8. **FIXTURES**. The sale of the Premises includes the transfer of the Landlord's right, title, and interest, if any, to all real estate, buildings, improvements, appurtenances, and: (check one)

☐ - All Fixtures. All fixtures currently on the Premises shall be transferred to the Tenant at Closing.

☐ - NOT All Fixtures. The Landlord shall retain ONLY the following fixtures after Closing: _____.

9. **PERSONAL PROPERTY**. In addition to the sale of the Premises, at Closing the Tenant: (check one)

☐ - Shall acquire the following personal property from the Landlord:
_____.

☐ - Shall NOT acquire any personal property from the Landlord.

10. **RENT ATTRIBUTABLE**. The Rent paid by the Tenant: (check one)

☐ - Shall have a portion of $_____ taken from each payment, which shall be attributable and credited towards the Purchase Price at Closing.

☐ - Shall NOT be attributable and credited towards the Purchase Price at Closing.

11. CLOSING COSTS. The costs attributed to the Closing of the Property shall be the responsibility of: (check one)

☐ - Tenant
☐ - Landlord
☐ - Both Parties

The fees and costs related to the Closing shall include, but not be limited to, a title search (including the abstract and any owner's title policy), preparation of the deed, transfer taxes, recording fees, and any other costs by the title company that is in standard procedure with conducting the sale of a property. The Tenant and Landlord agree that before the recording can take place, funds provided shall be in one (1) of the following forms: cash, interbank electronic transfer, money order, certified check or cashier's check drawn on a financial institution located in the State, or any above combination that permits the Landlord to convert the deposit to cash no later than the next business day.

12. REAL ESTATE COMMISSION. It is agreed by the Landlord and Tenant that a: (check one)

☐ - Commission is NOT Due. Whether or not a real estate agent helped to facilitate the terms of this Addendum, a real estate commission shall not be due to any licensed real estate agent upon Closing.

☐ - Commission is Due. It is known between the Landlord and Tenant that the following licensed real estate agent assisted in the facilitation of this Addendum: _____ (Agent Name) of _____ agency (the "Agent"). The Agent shall be owed a real estate commission of ____% of the Purchase Price. Such commission shall only be due and payable at the Closing and after the deed has been recorded.

13. CLOSING. The Tenant is required to complete the purchase of the Premises within _____ (#) business days after the Tenant exercises the option to purchase the Premises or earlier at an office of a title company to be agreed upon by the Landlord and Tenant (the "Closing"). Any extension of the Closing must be agreed upon, in writing, by the Landlord and Tenant. Real estate taxes, rents, dues, fees, and expenses relating to the Property for the year in which the sale is closed shall be prorated as of the Closing. Taxes due for prior years shall be paid by the Landlord.

a.) Marketable Title. Landlord shall convey title to the property by warranty deed or equivalent.

14. **EXCLUSIVITY OF OPTION**. This Addendum is exclusive, non-transferrable and non-assignable. The powers contained in this Addendum shall exist exclusively for the Tenant and shall not be conveyed, transferred, or delegated to any such third (3rd) party. In the event of death of the Tenant, this Addendum shall be considered null and void with no rights for any heirs of the Tenant's estate.

15. **ENTIRE AGREEMENT**. This Addendum contains the final and entire agreement and understanding between the Parties and is the complete and exclusive statement of its terms. This Addendum supersedes all prior agreements and understandings, whether oral or written, in connection therewith.

16. **EXECUTION**. IN WITNESS THEREOF, the Parties have caused this Addendum to be executed on the day and year first above written.

Landlord's Signature: _____ Date: _____

Printed Name: _____

Landlord's Signature: _____ Date: _____

Printed Name: _____

Tenant's Signature: _____ Date: _____

Printed Name: _____

Tenant's Signature: _____ Date: _____

Printed Name: _____

Agent's Signature: _____ Date: _____

Printed Name: _____