RENT-TO-OWN AGREEMENT

This Rent-to-Own Agreement (this "Agreement") is made on _____ between _____ (the "Landlord"), whose mailing address for notices and rent is _____, and _____ (the "Tenant"), whose address for notices is the Property. It is a residential lease combined with (check one): [ ] an option for the Tenant to buy the Property (the "Option") [ ] the Tenant's agreement to buy the Property.

1. THE PROPERTY AND THE LEASE

The Landlord leases to the Tenant the home at _____, with the land and attached fixtures (the "Property"). Legal description: _____. Included items: _____.

The lease begins on _____ and ends on _____ (the "Lease Term"). If the Tenant buys the Property, the lease ends at closing. If the Tenant does not buy, the Tenant returns possession at the end of the Lease Term unless the Parties sign a written renewal.

Rent is $_____ per month, due on day _____ of each month, paid by _____. Late fee, if any: $_____ if rent is not received within _____ days after its due date, to the extent the law allows. Security deposit, if any: $_____, returned as the law requires. Rent pays for the use of the Property and is not credited toward the price except any Rent Credits below.

Utilities: the Tenant pays all utilities except: _____. Repairs (check one): [ ] the Landlord makes repairs and the Tenant handles routine upkeep [ ] the Tenant makes minor repairs up to $_____ each, to the extent the law allows, and the Landlord makes larger ones and any repair the law requires a landlord to make. Alterations need the Landlord's written consent. The Landlord pays real estate taxes and keeps property insurance; the Tenant carries renter's insurance (check one): [ ] yes [ ] no.

2. PURCHASE TERMS

Upfront payment at signing (Option Fee or Purchase Deposit): $_____. Credited toward the price at closing (check one): [ ] yes [ ] no.

Purchase price (check one): [ ] $_____ (the "Purchase Price") [ ] fair market value by an appraisal made no more than 90 days before closing by a licensed appraiser the Parties agree on, paid for by _____.

Rent credits (check one): [ ] none [ ] $_____ of each monthly rent payment [ ] _____ percent of each monthly rent payment, credited toward the Purchase Price at closing (each a "Rent Credit"). Only on-time, full payments earn credits (check one; in Texas, check no): [ ] yes [ ] no.

Option: the Tenant may exercise the Option on or after _____ and before the Lease Term ends, by signed written notice, with closing within _____ days after the notice. Lease-purchase: closing on or before _____; the Tenant may back out after a written loan denial and receive the deposit back (check one): [ ] yes [ ] no.

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The Tenant may inspect, survey and appraise the Property before buying, and buys it in its condition at closing, except repairs the Landlord must make. The Landlord gives any seller disclosures the law requires. Special purchase terms: _____

3. CLOSING

At closing the Landlord conveys the Property by (check one): [ ] general warranty deed [ ] special warranty deed, free of mortgages and liens except taxes not yet due, recorded easements and restrictions that do not interfere with residential use, and items the Tenant accepts in writing. The Tenant pays the Purchase Price less the credits this Agreement provides. Closing costs (check one): [ ] customary for the county [ ] paid by the Tenant, except releasing the Landlord's liens [ ] split equally. Taxes, assessments and rent are prorated at closing.

4. IF THE TENANT DOES NOT BUY, DEFAULT AND OTHER TERMS

If the Tenant does not buy for a reason other than the Landlord's default (check one): [ ] the Landlord keeps the upfront payment and any Rent Credits [ ] the Landlord refunds the upfront payment within 30 days after the Lease Term ends and keeps any Rent Credits [ ] the Landlord refunds the upfront payment and pays any Rent Credits earned within 30 days after the Lease Term ends. If the Landlord fails to sell, the Landlord refunds the upfront payment and pays any Rent Credits earned, and the Tenant keeps its other remedies.

If the Tenant does not pay rent or breaks another term and does not cure it within the time the law requires after written notice, the Landlord may end the Lease Term through the procedures the law requires, and the Tenant's right to buy ends. If the Property is destroyed, either Party may end this Agreement within 30 days and the Landlord refunds the upfront payment and any Rent Credits earned.

Memorandum of agreement for recording (check one): [ ] yes, signed before a notary at the Tenant's request, with a release if the right to buy ends [ ] no. Lead-based paint: the home was built (check one): [ ] in 1978 or later [ ] before 1978, and the signed federal Lead-Based Paint Disclosure is attached and part of this Agreement.

State notices attached to this Agreement, if any, are part of it: _____. This Agreement is the whole agreement, can be changed only in a signed writing, and is governed by the law of the State of _____. If any part is unenforceable, the rest stays in effect. It may be signed in counterparts and electronically.

Additional terms: _____

SIGNATURES

Landlord

Signature: _____ Date: _____

Printed Name: _____

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Landlord

Signature: _____ Date: _____

Printed Name: _____

Tenant

Signature: _____ Date: _____

Printed Name: _____

Tenant

Signature: _____ Date: _____

Printed Name: _____

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