

Lease Option

THIS AGREEMENT made this _____ day of _____, 20__ between, _____ as Lessor, _____, Lessee.

IN CONSIDERATION of the sum \$ _____ paid by Lessee (the receipt of which is hereby acknowledge by Lessor) the Lessor gives to Lessee the option, right and privilege of purchasing certain Real property located in the township/village/city of _____. Additional option money due date _____ due _____.

County of _____ and State of _____, described as:

Property Address: _____

This option is subject to the following terms and conditions:

- 1) Lessor grants Lessee the right to exercise this option for a period commencing on _____, and terminating at midnight, _____. If not exercised, this option shall expire at midnight on _____ and Lessor shall be released from all obligations hereunder, legal or equitable. The obligation shall cease and the consideration here above receipted for the Lessor, shall be retained by Lessor. The Lessor has the right to extend or revise this document at that time. Should the option be extended, the selling price of the house will be increased by the same amount as the area real estate index increases.
- 2) The total Selling Price is \$_____. All terms and conditions of the Rental Agreement dated the same day of this lease purchase will apply.
- 3) When Lessee elects to exercise this option, the sale shall take place according to the terms of the attached purchase agreement, which has been signed by Lessee and Lessor this same day.
- 4) The option consideration is for the sole purpose of granting the LESSEE the Right to purchase the subject property at the stated price and terms. The lessee must obtain suitable financing and terms acceptable to the Lessor. The option consideration is non-refundable. It will not apply toward the purchase price of the house unless the option is exercised during the initial _____ month option period. It is not a security deposit.
- 5) This option to purchase shall bind the heirs, executors, and administrators of the respective parties.
- 6) Time is of the essence in this agreement.

Lessor(s)

Lessor(s)

Date: _____

Date: _____

Witness: _____

Witness: _____