

LEASE PURCHASE AGREEMENT

This Lease Purchase Agreement ("Agreement") is made and entered into on this ____ day of _____, 20____, by and between:

PARTIES

LANDLORD/SELLER:

Name: _____
Address: _____
City, State, ZIP: _____
Email: _____

TENANT/BUYER:

Name: _____
Address: _____
City, State, ZIP: _____
Email: _____

1. PROPERTY DESCRIPTION

The Landlord/Seller hereby agrees to lease to the Tenant/Buyer, and the Tenant/Buyer agrees to lease from the Landlord/Seller, the following described property ("Property"):

Street Address: _____ City, State, ZIP: _____

Legal Description: _____

Property Type: ☐ Single-family home ☐ Condominium ☐ Townhouse ☐ Other: _____

2. LEASE TERM

This Agreement shall commence on _____ (the "Commencement Date") and continue for a period of ____ months/years, ending on _____ (the "Termination Date"), unless sooner terminated as provided herein.

3. MONTHLY RENT

The Tenant/Buyer agrees to pay to the Landlord/Seller monthly rent in the amount of \$_____ ("Monthly Rent"), payable in advance on the ____ day of each month. The first month's rent is due on or before the Commencement Date.

Payment Method: Payments shall be made by: ☐ Check ☐ Electronic Transfer ☐ Money Order
☐ Other: _____

Payment Address: _____

4. SECURITY DEPOSIT

Upon execution of this Agreement, the Tenant/Buyer shall pay a security deposit of \$_____ to the Landlord/Seller. This deposit shall be held as security for the faithful performance of the terms and conditions of this Agreement and shall be returned to the Tenant/Buyer, less any lawful deductions, upon termination of this Agreement and the return of the Property in good condition, normal wear and tear excepted.

5. OPTION FEE

In consideration for the exclusive right to purchase the Property, the Tenant/Buyer agrees to pay a non-refundable option fee of \$_____ (the "Option Fee") to the Landlord/Seller, which shall be paid ☐ upon execution of this Agreement ☐ on or before _____.

Important: If the Tenant/Buyer does not exercise the option to purchase or defaults under this Agreement, the Option Fee shall be forfeited to the Landlord/Seller and will NOT be refunded.

6. PURCHASE PRICE

The total purchase price for the Property is \$_____ (the "Purchase Price"). This purchase price is fixed and shall remain the same throughout the lease term, regardless of market fluctuations.

7. RENT CREDITS

☐ **Rent Credit Applied:** Of each Monthly Rent payment, \$_____ (or _____ percent) shall be credited toward the Purchase Price if the Tenant/Buyer exercises the option to purchase and successfully closes on the Property.

☐ **No Rent Credit:** No portion of the Monthly Rent shall be credited toward the Purchase Price.

Conditions for Rent Credits:

- Rent credits will only be applied if the Monthly Rent is paid on or before the due date.
- Late payments shall receive NO credit toward the Purchase Price.
- If the option to purchase is not exercised, all accumulated rent credits shall be forfeited.

Total Potential Rent Credits: \$_____ (over the lease term)

8. OPTION TO PURCHASE

8.1 Grant of Option The Landlord/Seller hereby grants to the Tenant/Buyer the exclusive, non-assignable right and option to purchase the Property at any time during the lease term or within _____ days after the Termination Date (the "Option Period").

8.2 Exercise of Option To exercise this option, the Tenant/Buyer must provide written notice to the Landlord/Seller at least _____ days prior to the desired closing date. The notice must be sent via certified mail, return receipt requested, to the address listed above.

8.3 Conditions for Exercise The Tenant/Buyer may only exercise this option if:

- The Tenant/Buyer is not in default of any terms of this Agreement

- All Monthly Rent payments have been made timely
- The Property has been maintained in good condition
- All other obligations under this Agreement have been fulfilled

8.4 Failure to Exercise If the Tenant/Buyer fails to exercise the option within the Option Period, this Agreement shall terminate, and the Tenant/Buyer shall forfeit all rights to purchase the Property, the Option Fee, and any accumulated rent credits.

9. CLOSING PROCESS

9.1 Closing Date The closing shall occur on or before _____, or such other date as mutually agreed upon by the parties in writing.

9.2 Closing Costs ☐ Tenant/Buyer shall pay all closing costs ☐ Landlord/Seller shall pay all closing costs ☐ Closing costs shall be split equally between the parties ☐ Other arrangement:

9.3 Financing The Tenant/Buyer shall be solely responsible for obtaining financing to purchase the Property. The Landlord/Seller makes no representations or warranties regarding the Tenant/Buyer's ability to obtain financing. The Tenant/Buyer is strongly encouraged to consult with a mortgage lender early in the lease term.

9.4 Title and Deed Upon successful closing, the Landlord/Seller shall convey the Property to the Tenant/Buyer by warranty deed, free and clear of all liens and encumbrances, except as disclosed herein or as accepted by the Tenant/Buyer.

10. PROPERTY CONDITION AND INSPECTION

10.1 Current Condition The Tenant/Buyer acknowledges that they have inspected the Property and accepts it in its current "AS-IS" condition, except as otherwise noted in writing.

10.2 Inspection Period The Tenant/Buyer shall have _____ days from the Commencement Date to conduct a professional property inspection at the Tenant/Buyer's expense. Any material defects discovered must be disclosed to the Landlord/Seller within this period.

10.3 Inspection Reports ☐ Inspection reports shall be provided with this Agreement ☐ Inspection reports are the responsibility of the Tenant/Buyer

11. MAINTENANCE AND REPAIRS

11.1 Landlord/Seller Responsibilities The Landlord/Seller shall be responsible for:

- Major structural repairs (foundation, roof, etc.)
- HVAC system repairs (excluding routine maintenance)
- Plumbing and electrical system repairs
- ☐ Other: _____

11.2 Tenant/Buyer Responsibilities The Tenant/Buyer shall be responsible for:

- Routine maintenance and minor repairs (up to \$_____ per incident)

- Lawn care and landscaping
- Pest control
- HVAC filter changes and routine maintenance
- All damage caused by the Tenant/Buyer or their guests
- ☐ Other: _____

11.3 Notification The Tenant/Buyer must notify the Landlord/Seller within _____ hours of any condition requiring maintenance or repairs that are the Landlord/Seller's responsibility.

12. UTILITIES AND SERVICES

The following utilities and services shall be the responsibility of:

Utility/Service	Landlord/Seller	Tenant/Buyer
Electricity	☐	☐
Gas	☐	☐
Water	☐	☐
Sewer	☐	☐
Trash Collection	☐	☐
Internet/Cable	☐	☐
Lawn Care	☐	☐
Snow Removal	☐	☐

13. PROPERTY INSURANCE

13.1 Landlord/Seller's Insurance The Landlord/Seller shall maintain property insurance on the Property covering fire, casualty, and liability throughout the lease term.

13.2 Tenant/Buyer's Insurance The Tenant/Buyer is strongly encouraged to obtain renter's insurance to cover their personal property and liability. Upon exercise of the option to purchase, the Tenant/Buyer shall obtain homeowner's insurance.

14. PROPERTY TAXES

☐ The Landlord/Seller shall be responsible for all property taxes during the lease term. ☐ The Tenant/Buyer shall be responsible for all property taxes during the lease term. ☐ Property taxes shall be prorated at closing.

15. USE OF PROPERTY

15.1 Permitted Use The Property shall be used solely as a residential dwelling and for no other purpose without the prior written consent of the Landlord/Seller.

15.2 Occupancy The Property shall be occupied only by the Tenant/Buyer and the following additional occupants:

15.3 Pets ☐ No pets are allowed on the Property. ☐ Pets are allowed with the following restrictions:

- Type: _____
- Number: _____
- Additional pet deposit: \$_____

16. ALTERATIONS AND IMPROVEMENTS

16.1 Consent Required The Tenant/Buyer shall not make any alterations, additions, or improvements to the Property without the prior written consent of the Landlord/Seller.

16.2 Approved Improvements Any improvements made with the Landlord/Seller's consent shall: ☐ Remain with the Property at no additional cost to the Tenant/Buyer ☐ Be removed at the Tenant/Buyer's expense upon termination if the option is not exercised ☐ Increase the Purchase Price by the cost of improvements

17. SUBLETTING AND ASSIGNMENT

The Tenant/Buyer shall NOT sublet the Property or assign this Agreement without the prior written consent of the Landlord/Seller. Any unauthorized subletting or assignment shall be grounds for immediate termination of this Agreement.

18. DEFAULT AND REMEDIES

18.1 Tenant/Buyer Default The Tenant/Buyer shall be in default under this Agreement if:

- Rent is not paid within _____ days of the due date
- The Tenant/Buyer violates any term or condition of this Agreement
- The Property is abandoned
- The Tenant/Buyer files for bankruptcy

18.2 Landlord/Seller Remedies Upon default by the Tenant/Buyer, the Landlord/Seller may:

- Terminate this Agreement and the option to purchase
- Retain the Option Fee and all rent credits
- Retain the security deposit (less any amounts required by law)
- Pursue eviction proceedings
- Seek damages for breach of contract

18.3 Landlord/Seller Default The Landlord/Seller shall be in default if they fail to maintain the Property as required or refuse to honor the option to purchase when properly exercised by a non-defaulting Tenant/Buyer.

18.4 Tenant/Buyer Remedies Upon default by the Landlord/Seller, the Tenant/Buyer may:

- Seek specific performance to compel the sale
- Recover damages, including the Option Fee and rent credits
- Terminate this Agreement and receive a refund of the security deposit

19. LATE FEES

If Monthly Rent is not received within _____ days of the due date, the Tenant/Buyer shall pay a late fee of \$_____ or _____% of the Monthly Rent, whichever is greater. Late fees shall continue to accrue for each additional day until payment is received.

20. RIGHT OF ENTRY

The Landlord/Seller or their agents may enter the Property at reasonable times and with _____ hours' notice for the purpose of:

- Inspecting the Property
- Making necessary repairs
- Showing the Property to prospective buyers or lenders
- In case of emergency, no notice is required

21. HOMEOWNERS ASSOCIATION (HOA)

☐ The Property is NOT subject to an HOA. ☐ The Property is subject to an HOA. The following applies:

- HOA Name: _____
- Monthly/Annual Dues: \$_____
- Responsible Party During Lease: ☐ Landlord/Seller ☐ Tenant/Buyer
- The Tenant/Buyer acknowledges receipt of HOA rules, regulations, and bylaws.

22. DISCLOSURES

22.1 Lead-Based Paint Disclosure (for properties built before 1978) ☐ Known lead-based paint and/or hazards are present in the Property ☐ Landlord/Seller has no knowledge of lead-based paint and/or hazards ☐ Not applicable (property built in 1978 or later)

22.2 Property Condition Disclosure The Landlord/Seller discloses the following known defects or issues:

☐ No known defects

22.3 Additional Disclosures

23. FORCE MAJEURE

If the Property is damaged or destroyed by fire, natural disaster, or other force majeure event to the extent that it is uninhabitable, either party may terminate this Agreement. In such event:

- The security deposit shall be returned to the Tenant/Buyer
- ☐ The Option Fee shall be returned to the Tenant/Buyer
- ☐ The Option Fee shall be retained by the Landlord/Seller
- Rent shall be prorated to the date of the event

24. DISPUTE RESOLUTION

24.1 Mediation Any dispute arising out of this Agreement shall first be submitted to mediation. The parties shall share the costs of mediation equally.

24.2 Arbitration ☐ If mediation fails, disputes shall be resolved through binding arbitration. ☐ Arbitration is not required; disputes may be litigated in court.

24.3 Attorney's Fees In any legal action, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

25. GOVERNING LAW AND VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of _____. Any legal action shall be brought in the appropriate court of _____ County.

26. SEVERABILITY

If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

27. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations, representations, or agreements, whether written or oral. This Agreement may only be amended in writing, signed by both parties.

28. TIME IS OF THE ESSENCE

Time is of the essence in this Agreement. All dates, deadlines, and time periods specified herein are material terms.

29. NOTICES

All notices required under this Agreement shall be in writing and delivered:

- In person

- By certified mail, return receipt requested
- By email to the addresses listed above

Notices shall be deemed received upon actual receipt or three (3) days after mailing.

30. ACKNOWLEDGMENTS

30.1 Both parties acknowledge that they have read and understood all terms of this Agreement.

30.2 Both parties acknowledge that they have had the opportunity to consult with legal counsel of their choice.

30.3 The Tenant/Buyer acknowledges that:

- The option to purchase is exclusive and non-assignable
- Failure to exercise the option will result in forfeiture of the Option Fee and rent credits
- The Tenant/Buyer is responsible for obtaining financing
- The Landlord/Seller makes no guarantees regarding the Tenant/Buyer's ability to obtain financing

30.4 Both parties are entering into this Agreement voluntarily and without duress.

SIGNATURES

By signing below, the parties agree to the terms and conditions set forth in this Lease Purchase Agreement.

LANDLORD/SELLER:

Signature: _____ Date: _____

Print Name: _____

TENANT/BUYER:

Signature: _____ Date: _____

Print Name: _____