

**RESIDENTIAL LEASE AGREEMENT**  
**AND OPTION TO PURCHASE**

This Residential Lease Agreement and Option to Purchase is entered into by and between \_\_\_\_\_, hereinafter referred to as "Lessor", and \_\_\_\_\_, hereinafter referred to as "Lessee".

For the valuable considerations described below, the sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant, contract and agree as follows:

1. **GRANT OF LEASE:** Lessor does hereby lease unto Lessee and Lessee does hereby rent from Lessor the personal residence located at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.
2. **TERMS OF LEASE:** This lease shall commence on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and extend until the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, unless extended or terminated pursuant to the terms hereof. In the event Lessee has made timely payments (by \_\_\_\_\_ date) during the initial \_\_\_\_ month term of this lease then Lessee may renew the lease for an additional \_\_\_\_ month term upon \_\_\_\_\_ day's notice. Lessee's intent to do same and acceptance of same by Lessor. The renewal of this lease shall extend the option to purchase for a like term.
3. **RENTAL PAYMENTS:** Lessee shall pay unto Lessor as the rent the sum of \$ \_\_\_\_\_ per \_\_\_\_\_ for the term of this lease and for each month thereafter during the term of this lease. The sum shall be due on or before the \_\_\_\_\_ day of each month. Each month's rental payment shall be prepaid at the beginning of each month.
4. **LESSOR'S OBLIGATIONS:** It is agreed and understood by Lessee the following:
  - (a) that the leased premises shall be used only as a private dwelling and for no other purposes whatsoever.
  - (b) that all the usual electric, gas and water fees shall be paid by Lessee.
  - (c) that Lessee shall maintain the premises in good condition during the continuance of this agreement and shall neither cause nor allow any abuse of the facilities therein, and upon the termination or expiration thereof shall redeliver the property in as good condition as at the commencement of the term or as may be put in during the term, reasonable wear and tear from use and obsolescence accepted, in the event the option to purchase is not exercised.
  - (d) that Lessee is and shall be responsible and liable for making repairs and or replacements that may be required for injury or damage to the leased premises, equipment or facilities, or kitchen appliances therein.

- (e) that Lessee shall not make or cause to be made any changes, alterations, additions or attach any objects of permanence to portions of the building or do anything that might cause injury or damage to the leased premises without the written consent of Lessor.
- (f) that all personal property placed in or upon the leased premises, or in any storage rooms, shall be at the risk of the Lessee, or the parties owning same, and Lessor shall in no event be liable for the loss or damage of any such property.
- (g) that Lessor retains a landlords lien on all personal property placed upon the premises to secure the payment of rent and any damages to the leases premises.
- (h) that Lessee must give Lessor \_\_\_\_\_ (\_\_\_\_) days advance written notice of his intention to vacate the premises prior to the first day of the month at which the lease will be terminated. Lessee understands that a termination notice is only effective on the first day of a month. Lessee may not terminate on any day other than the first day of the month. Thus, partial monthly rental payments are not allowed and rent shall not be prorated.

5. **RIGHTS AND PRIVILEGES OF LESSOR** Lessor shall have the following rights in addition to all other rights given by the City of \_\_\_\_\_:

- (a) The right to enter the leased premises at reasonable times for the purpose of inspecting the same and showing same to prospective tenants or purchasers.
- (b) Lessor shall not be responsible for repairs to the premises which shall be the responsibility of Lessee.
- (c) It is understood that Lessor, it's agents and employees shall not be liable to any person for any damages of any nature which may occur at any time on the premises of any defect in the leased premises, the building in which the leased premises are situated or the improvements therein, whether said defect exists at the time of execution of this lease or arises subsequent hereto and whether such defect was known or unknown at the time of such injury or damage, or for damages from fire, wind, rain or any other cause whatsoever, all claims for such injuries and damages being specifically waived by Lessee.
- (d) Lessor shall not be responsible or liable for any accident or damage to automobiles, persons, or any other equipment or persons utilizing parking facilities upon the leased premises. The failure of Lessor to insist upon the strict performance of the terms, covenants, and agreements hereto shall not be construed as a waiver or relinquishment of Lessor's right thereafter to enforce any such term, covenant, or condition but the same shall continue in full force and effect.
- (e) Real estate taxes and insurance on the leased premises shall be paid by Lessor.

6. **INSURANCE AND DESTRUCTION OF PREMISES:** Hazard and fire insurance shall be acquired and maintained by Lessor, the proceeds of which shall be payable to Lessor. In the event the leased premises shall be destroyed or rendered totally untenable by fire, windstorm, or other cause beyond the control of Lessor, then this agreement shall cease and terminate as of the date of such destruction, and the rental shall then be accounted for between Lessor and Lessee up to the time of such damage or destruction of said premises is the same as being prorated as of that date. In the event the leased premises are damaged by fire, windstorm or other cause beyond the control of Lessor so as to render the same partially untenable, but repairable within a reasonable time, then this lease shall remain in force and effect and the Lessor shall, within a reasonable time, restore said premises to substantially the condition the same were in prior to said damage, and there shall be an abatement in rent in proportion to the relationship the damaged portion of the leased premises bears to the whole of said premises.
7. **TERMINATION OF LEASE:** This lease may be terminated by either party upon \_\_\_\_\_ (\_\_\_\_) days advance notice to the other party without further obligation pursuant to the terms thereof. If Lessee fails to comply with any of the terms, conditions, or covenants contained in this agreement, including the payment of rent and damages due by Lessee for damages or injuries to the leased premises, then upon giving \_\_\_\_\_ (\_\_\_\_) hours written notice, Lessor may terminate this lease and re-enter and resume possession of the leased premises, but no such termination of this lease or re-entry shall deprive Lessor of any other action or remedy for possession, for damages. Notice of termination shall be delivered to Lessee at the \_\_\_\_\_ of the leased premises, by United States Mail, postage prepaid. In the event that Lessee requires an attorney to collect any rents or other charges due hereunder by Lessee or to enforce any of Lessee's covenants herein or to protect the interest of the Lessor hereunder, Lessee agrees to pay a reasonable attorney's fee and all expenses and costs incurred thereby.
8. **OPTION TO PURCHASE:** Lessee is hereby given an option to purchase the leased premises at any time after \_\_\_\_\_ up to the date of termination of this lease for a purchase price of \$ \_\_\_\_\_ payable in cash at closing. This option to purchase shall be exercised by Lessee by giving \_\_\_\_\_ (\_\_\_\_) days notice in writing to Lessor. Within \_\_\_\_\_ (\_\_\_\_) days after Lessee has exercised this option as herein above provided, the Lessor shall deliver to Lessee a Certificate of Title or abstract covering the leased premises, acceptable to Lessee. Said Certificate or abstract shall reflect that market will fee simple title to the subject property is vested in Lessor and shall be subject only to taxes for the current year, easement, rights-of-way of record, and mineral reservations. Closing of the conveyance between Lessor and Lessee shall take place within \_\_\_\_\_ (\_\_\_\_) days of Lessor's delivery to Lessee of an acceptable Certificate of Title or abstract as provided herein. All expenses of the sale including survey, attorney's fees, recording fee and any other cost shall be paid by Buyer. Taxes shall be prorated. Lessee has deposited earnest money toward the purchase of the home with Lessor in the amount of \$ \_\_\_\_\_ which will be applied toward the purchase price at closing. Lessee shall exercise due diligence to obtain financing to purchase the home. If Lessee in good faith is unable to obtain financing then the earnest money shall be returned. In the event the lease is terminated by Lessor for reasons other than failure of Lessee to exercise due diligence to obtain financing then the earnest money

shall be returned to Lessee. Otherwise the earnest money shall be retained by Lessor as Option money which is non-refundable.

- 9. **ASSIGNMENT OR TRANSFER:** Lessee shall not have the right or power to transfer, assign or sublease this lease or any provision thereof without the express written consent of Lessor.
  
- 10. **HEIRS AND ASSIGNS:** It is agreed and understood that all covenants of this lease shall succeed to and be binding upon the respective heirs, executors, administrators, successors and assigns of the parties hereto, but nothing contained herein shall be construed so as to allow the Lessee to transfer or assign this lease in violation of any term hereof.
  
- 11. **ENTIRE AGREEMENT:** This agreement contains the entire agreement between the parties hereto and neither party is bound by any representations or statements of any kind except as contained herein.

WITNESS THE SIGNATURE(S) this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_

**SAMPLE**

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LESSEE(S)  
  
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