



(818) 486-9567 cell
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US Purchase Option Contract

Optionor: _____

Optionee: _____

IN CONSIDERATION of the Optionee meeting all obligations as stated herein, the Optionor hereby grants the Optionee an Option to Purchase under the following terms:

OPTIONEE SHALL HAVE THE OPTION TO PURCHASE the property located at:

THIS OPTION WILL EXPIRE WITHOUT NOTICE AND SHALL BE OF NO FURTHER EFFECT IF NOT EXERCISED ON OR BEFORE: _____, 20____.

1. **NOTICE MUST BE DELIVERED TO THE OPTIONOR IN WRITING** of Optionee's intention to exercise this Option to Purchase at least _____ days prior to the exercise date stated above. This Option to Purchase is **NOT** contingent upon Optionee's ability to obtain financing from a Lender or any other contingency. Optionee understands that **TIME IS OF THE ESSENCE** for this agreement, and that the Optionee's failure to exercise their Option in the manner prescribed herein, or the failure to purchase the property by the specified closing date, for any reasons, will result in the immediate cancellation of this Agreement and this Agreement will be deemed **null and void** by the specified closing date. **ALL MONIES** paid by the Optionee will be retained by the Optionor as liquidated damages.
2. **OPTIONOR AND OPTIONEE AGREE THAT THIS CONTRACT IS NOT an instalment contract, contract for deed or equitable mortgage, but merely Optionee's Option to Purchase the above referenced property under the terms stated in this agreement.**
3. **OPTION PRICE:** The option price is \$ _____. The terms of the purchase are as follows:



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4. The following items will be prorated at closing: _____

5. **OPTION CONSIDERATION:** Optionee has paid the sum of \$ _____ as a **non-refundable** option consideration which shall be applied toward the down payment on the property, if and only if Optionee exercises the Option to Purchase. In the event that the Optionee fails to exercise the Option to Purchase, or defaults under any terms of a lease entered into with the Optionor, this Option to Purchase shall be **null and void** and all monies will be retained by the Optionor as liquidated damages and not as a penalty.

Optionor's Initials _____

Optionee's Initials _____

6. **DEFAULT:** Optionee agrees and understands that a fundamental condition of this **Option Contract** is that all terms and conditions of both the Optionee's lease and or this Purchase Option Contract must not be in default, or expired, or this Option Contract will be **null and void**. To further clarify, all covenants of said lease agreement must have been faithfully performed in order for this Option To Purchase to be valid and enforceable. This includes, but is not limited to, the repairs, maintenance and upkeep of said property, payment or other obligations required under such lease. Default of any of the terms and conditions of said lease will result in this Option To Purchase, being automatically null and void and any monies paid hereunder as option consideration will be retained by Optionor as liquidated damages and not as a penalty. "Substantial Default" includes, but is not limited to, failure to make any lease payments by midnight on the 1st day of the month.

Optionor's Initials _____

Optionee's Initials _____

7. **RECORDING:** A filing of a caveat against the subject legal title by the Optionee, referring to potential rights under this Option of Purchase, will result in the automatic revocation and cancellation of this Option To Purchase and all monies will be retained by the Optionor as liquidated damages and not as a penalty. In addition, Optionee will be liable to Optionor for all incidental and consequential damages for slander of title or the wrongful filing of a caveat, including but not limited to solicitor and his own client costs on a full indemnity basis.

8. **THIS OPTION TO PURCHASE, OR ANY INTEREST THEREIN, IS NOT TRANSFERABLE OR ASSIGNABLE** and the Option To Purchase **can only** be exercised by the individual(s) signing this Option To Purchase Agreement.
9. **REPAIRS:** The Optionee shall be responsible for all repairs, maintenance, costs, service charges, painting improvements, and additions to the property on a per-occasion basis. All repairs that have the potential of exceeding \$ _____ per occasion must be approved in writing by the Optionor prior to the commencement of any work or purchase of materials related thereto.
10. Optionee shall take an active role to ensure that the property stays in excellent condition. Optionee agrees that s/he has had adequate opportunity to inspect the condition of the property, the improvements, utilities, electrical, plumbing, appliances or any latent defects of the property or the neighbourhood. Optionee has the right to paint and decorate the property at his/her discretion within tasteful guidelines. Optionee agrees to get written acceptance from the Optionor to accept the colour of the paint to be used either inside or outside or before making any alterations or additions to the property. Optionee further agrees that all work that requires a permit from the city is at the Optionee's expense and responsibility. All work performed on the building either by Optionee or other Contractors or any other parties shall be as an independent contractor or agent of the Optionee and not as an agent or employee of the Optionor. Optionor has no right of supervision of the work performed. Optionee further warrants that s/he will be accountable for any mishaps and/or accidents resulting from such work, and will defend, indemnify and hold the Optionor or his/her agent free from any claims from any other person, corporation, or entity. Optionee further acknowledges and agrees that all improvements, of any kind, to the property belong to the Optionor until such time that the Optionee actually becomes owner of the property pursuant to this Agreement.

Optionor's Initials _____

Optionee's Initials _____

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11. **ORDINANCES & STATUTES:** Optionee shall comply with all municipal, state, and federal laws, statutes, and ordinances now in effect, or which shall be enacted in the future, and any violation of such shall be a complete and material breach of this Purchase Option Agreement. Furthermore, Optionee shall abide by any and all condominium rules, regulations & bylaws, as well as any restrictive covenants and caveats on title. Optionee has no authority to, and shall not cause any lien to be placed against the subject legal title. In addition, Optionee will be liable to Optionor for all incidental and consequential damages for slander of title or the wrongful filing of a caveat, including but not limited to solicitor and his own client costs on a full indemnity basis.
12. **ACKNOWLEDGEMENTS:** The undersigned Optionee acknowledges that s/he has read this Option Contract, understands it, agrees to it and has been given a copy. S/he further has been advised to seek legal, tax, technical expertise and any other counsel of their choosing concerning this contract and prior to signing. This agreement shall constitute the full and complete understanding of the parties and supersedes all prior written or oral agreements. There shall be no further additions or changes to this agreement unless the same is reduced to writing and signed by both parties.

Optionor Signature

Date

Optionee Signature

Date

Optionee Signature

Date