

This AGREEMENT is entered into on _____ 2013

between

RRBT, LLC

Owner of 14410-12-14 N 19th Street Tampa

and

Tenants of townhouse unit _____

“RENT TO OWN” or “OPTION TO PURCHASE” PROGRAM

\$ 99,000 Purchase Price with Owner Financing

\$ 82,000 Purchase Price with Bank Financing

- The offer to provide Owner Financing requires Qualification and will depend on your **credit history** and **criminal background** check. Also your **past rental history** and payments of rents is a factor to qualify.
- If the Landlord and future Seller is providing owner financing, the cost of **\$ 695 per months** consist of \$ 412.50 in interest and \$ 82.50 in loan repayment (principal reduction) and \$ 200 in maintenance fee to the future condominium association. For **increase and detailed information** of monthly payments see Attached amortization schedule.
- Until such time as the condominium documents are approved and filed with the clerk of courts, **all payments are considered RENT**
- Presently we are in the process of filing a condominium conversion and the required **paperwork has not been FILED OR approved** with or by the Authorities in order to actually sale condominiums and make you owner of the townhouse you are interested in buying.

- Until such time as the Declaration of Condominiums has been approved and the Condo Document is filed with the Clerk of Courts, **you will be considered a tenant.**
- The monthly rent will be equal to the price you will have to pay for financing and maintenance fees, see above, **therefore \$ 695 per months (see loan payoff schedule).**
- The amount is significantly lower than the present rent we are receiving for the townhouses.
- There are several differences between being a tenant and being an owner.
- One of the differences is the fact that **any and all repair, renovation, upkeep, and upgrade of the interior for the townhouse you are renting and interested in buying, will be your responsibility beginning with the time you move in.** This will include all appliances in the townhouse including Stove, Refrigerator, AC/Heading system and any other.
- You will permit inspections of the townhouse by the management when so requested to confirm upkeep and maintenance of the unit.
- You are permitted to improve the townhouse you are renting.
- The following are items in the townhouse you will change or improve

_____ completed by _____.

_____ completed by _____.

- With entering into **this Option to Purchase Agreement**, you will be responsible for maintaining the townhouse interior in good condition, free of violations, and according to any City or State rules and regulations.
- Each of the townhouses has installed water meters in order to read the monthly water consumption for each unit.
- Water is expensive and most people do not know that \$ 10 in fresh water cost approximately \$ 20 in sewer water, for a total

of \$ 30. Therefore \$ 20 in fresh water will cost \$ 40 in sewer. And so on.

- As owner (or tenant) in our townhouses, you will receive a monthly water/sewer bill. Dependent on how many people are in your household and how water is used or in some cases wasted, your water bill will be between \$ 40 and \$ 80 per months, or higher when wasted.
- Unfortunately we had very bad experience with tenants who have moved out and not paid their water bill.
- Some of the tenants we had in the past had used up to 15,000 gallons (!) of water in one single month. These tenants did not care about running water.
- Therefore, part of the reason we offer such attractive low monthly payment with our rent to own program is the understanding that **you will be responsible for your monthly water bill** and prompt payments thereof.
- Any water leaking, running toilets, or any other kind of **water waste in your townhouse, will be YOUR responsibility** to cure.
- The payment of the monthly cost for your rent to own program in the amount of \$ 695 is due and payable by the 5th of every months. We will charge a \$ 25 late fee if payment is received after the 5th.
- The payment of your monthly water bill, which is billed separate and not included in the \$ 695 is due by the 15th.
- If water is not paid by the 25th we will charge a \$ 20 late fee.
- None payment of water or \$ 695 rent, will terminate your Option to Purchase the townhouse.
- In the event this Option to Purchase agreement is canceled, the **monthly rent for the townhouse will be \$ 850.** (see lease)
- Subject to this Option to Purchase Agreement being in good standing, your monthly payment will be \$ 695. Any payments received until such time as the condo documents have been approved are considered "rent".

- In the monthly payment of \$ 695 is an amount of \$ 82.50 included for principal reduction. See loan repayment schedule.
- With your first payment, your loan balance will reduce.

For the first two years, \$ 412.50 in Interest per months or 5% for the loan of \$ 99,000 and \$ 82.50 in principal per months.(loan reduction) The amount of \$ 200 per months is for payment to the future condominium association and will be used for outside property maintenance, insurance and management fee. See future condominium association budget.

- Subject to satisfactory payment history during the time of “tenancy” , which is considered the time you have lived in the townhouse, until the Declaration of Condominium is approved and recording of the same, the monthly portion of \$ 82.50 will be deducted from your purchase price.
- Sample: The purchase price for your townhouse is \$ 99,000 and you had lived there for 3 years until the ownership for your townhouse can be transferred, you paid \$ 82.50 x 12 (for 1 year) for a total of \$ 990. At the time of ownership transfers, your purchase price will be \$ 98,010. (\$ 99,000 minus \$ 990)
- **Interest rate and terms of owner financing.** We have based our calculation on a **5% interest** rate **for the first 3 years.** Thereafter the interest rate will be **5.5% for the 4th year** and **6% for the 5th year.** The monthly cost for interest will be **\$ 440** based on a loan amount of \$ 96,000 in the **4th year** and **\$ 475** based on a loan amount of \$ 95,000 in the **5th year.**
- Tenant will commit to a **lease term of minimum 3 years** in order to qualify for this program.
- Please note the Rules and Regulations of the condominium association in order to have many questions you may have answered.
- Guests staying longer than 2 weeks must be approved by the management.
- All residence must be approved by management.

- Only registered tenants / future owners are permitted to occupy the townhouse.
- **Each occupant is required to provide their Name, Day of Birth, and Social Security number to the management.**
- Any unauthorized person, not registered with the management staying longer than 3 weeks will increase the monthly payment for rent by \$ 50 per months.
- Subject to criminal back ground check, the management reserves the right to refuse any guest of tenant occupancy.
- **None payment of said \$ 50 per person per months will be considered a default under the lease and Option to Purchase Agreement and provide reason for eviction.**
- **The maximum number of tenants occupying townhouse unit number _____ will be _____**
- It is our intention to improve the property and have a save and confirmative housing look for the townhouses.

The outside of the townhouses must be free of debris, not to be used for storage of any kind, tenants / owners shall comply with requests made by management for clean up. The windows will have window blinds of same style. No sheets or curtains are permitted.

Your 36 months lease will expire at the time the Declaration of Condominium has been approved by the Authorities in Tallahassee.

After the Declaration of condominium has been approved your will be presented with a **Standard Purchase Contract** for Real Estate used by the Florida Realtors Association.

You will also be presented with a **Standard Mortgage Agreement** to finance the townhouse you are purchasing.

After you have received the two documents, you will have 30 days to deliver both documents signed.

In the event you refuse to sign the Standard Purchase Agreement or Standard Mortgage Agreement, no matter for what reason, your Option to Purchase the townhouse will expire and you will be considered a tenant.

- UNTIL SUCH TIME AS THE DECLARATION OF CONDOMINIUM HAS BEEN FILED AND APPROVED BY THE AUTHORITIES, YOU WILL REMAIN BEING A TENANT and ANY DEFAULT UNDER THIS AGREEMENT OR ANY DEFAULT FOR PAYMENT UNDER THIS AGREEMENT or OBLIGATION TO MAINTAIN THE TOWNHOUSE IN GOOD CONDITION WILL LEAD TO TERMINATION OF THIS AGREEMENT AND EVICTION.

Tenant has read the forgoing and understood their responsibilities and the opportunity provided in the Option Agreement to Purchase their townhouse.

Tenant had the opportunity to consult with their attorney before signing this agreement.

By: RRBT, LLC

Owner of 14410-12-14 N 19th Street Tampa

By: _____

Tenant(s) of townhouse unit _____