

Rent-To-Own Addendum

Addendum to Purchase and Sale Agreement (P&SA) Dated _____

by and Between _____ as Seller(s) and
_____ as Buyer(s)
for the sale of property located at _____.

Notwithstanding anything to the contrary in the main part of the above mentioned Contract, the parties agree as follows:

- A. Buyer will be in breach of this agreement if Buyer vacates property before closing for any reason or if Seller has to initiate eviction action for breach of Rental/Lease Agreement.
- B. Seller agrees to rent home to Buyer until closing for at least \$_____ per month as outlined in Rental/Lease Agreement dated _____, in exchange for Buyer's agreement to purchase the home and be responsible for repairs and maintenance. Monthly rent is subject to _____% annual increase beginning with the rental payment due on _____.
- C. \$_____ of the amount shown in Paragraph _____ of P&SA includes an additional non-refundable purchase deposit of \$_____ due each month, on the rental payment due date, beginning _____ through _____.
- D. \$_____ (total rent credit) of the amount shown in Paragraph _____ of P&SA includes a \$_____ non-refundable purchase credit (rent credit) from each monthly rental payment made in full on or before the due date. Purchase credits are only applied against the purchase price at closing and a mortgage lender will typically not apply this amount to the amount they require a borrower to put down in cash.
- E. Unless otherwise agreed in the P&SA, Seller is relying on Buyer's ability to close with cash or a new loan within _____ months. Failure to close forfeits all purchase deposits paid, however, Buyer may extend the closing date _____ months by notifying Seller AND paying an additional non-refundable purchase deposit of \$_____ no later than 45 days in advance of closing date. No rent credit will accumulate during any extension beyond the total rent credit shown in Paragraph D above.
- F. The purchase price will increase by _____% each month on the rental payment due date beginning _____.
- G. All purchase deposits, purchase credits, rent credit and improvements made to the property are non-refundable.
- H. \$_____ of the amount shown in Paragraph _____ of P&SA includes a one-time \$_____ purchase deposit due from Buyer on _____.

Buyer

Date

Buyer

Date

Seller

Date

Seller

Date