



STANDARD OPTION TO PURCHASE

Irrevocable Right-to-Buy

Prepared by: Agent _____ Phone _____
Broker _____ Email _____

DATE: _____, 20_____, at _____, California.

Items left blank or unchecked are not applicable.

1. OPTION MONEY:

Optionor herewith receives from Optionee option money in the amount of \$_____, evidenced by:
 cash, check, or _____, given in consideration for this option to purchase real property.

2. REAL PROPERTY UNDER OPTION:

Address _____
Legal description/Assessor's parcel number _____

3. ADDITIONAL CONSIDERATION:

As further consideration for this option, Optionee is to obtain at his expense and deliver to Optionor prior to expiration of this option the following checked items regarding the property:

- Property survey report by licensed California surveyors
- Architectural plans and specifications
- Zoning ordinance request
- On-site engineering plans
- Application for a parcel map or waiver
- Off-site improvement plans
- Soil engineer's report
- Land use study
- Application for a conditional use permit

4. OPTION PERIOD:

Optionor hereby grants to Optionee the irrevocable option to purchase the Optionor's right, title and interest in the property on the terms stated, for a period commencing with the acceptance of this option and expiring _____, 20_____, or on termination of the optionee's leasehold interest in the property.

5. EXERCISE OF OPTION:

Optionee may exercise this option during the option period by:

- 5.1 Signing escrow instructions identical in provisions to those attached as **Exhibit A** and delivering the instructions to escrow [See **ft** Form 401];
- 5.2 Depositing cash in escrow of \$ _____; and
- 5.3 Delivering an escrow-certified copy of the signed escrow instructions to Optionor within the option period, in person or by both certified and regular mail.

6. ESCROW CONTRACT:

In the event this option is exercised, the transaction will be escrowed with _____.

6.1 Escrow will close within _____ days after exercise.

7. DELIVERY OF TITLE:

On Optionee's exercise of this option, Optionor will timely place all documents and instruments into escrow required of the Optionor as necessary for escrow to close as scheduled.

8. BROKERAGE FEE:

Optionor agrees to pay a brokerage fee of \$ _____, or _____% of the selling price, IF:

- 8.1 This option is exercised;
- 8.2 Within one year after expiration of option period and any extension or renewal, Optionor enters into an agreement to option, sell, lease or exchange with Optionee, or their assigns or successors; or
- 8.3 Optionor wrongfully prevents the exercise of this option;
- 8.4 Payable to Broker(s) _____
- 8.5 Optionor and Optionee acknowledge receipt of the Agency Law Disclosure. [See **ft** Form 305]

9. SALE TERMS:

Price of \$ _____ payable as follows:

- 9.1 All cash.
- 9.2 Cash down payment in the amount of \$ _____.
- 9.3 Take title subject to, or Assume, an existing first trust deed note held by _____, with an unpaid principal balance of \$ _____, payable \$ _____ monthly, including interest not exceeding _____%, ARM, type _____, plus a monthly tax/insurance impound payment of \$ _____.

 - a. At closing, loan balance differences per beneficiary statement(s) to be adjusted into:
 - cash, carryback note, or sales price.
 - b. The impound account to be transferred: charged, or without charge, to Optionee.

- 9.4 Take title subject to, or Assume, an existing second trust deed note held by _____, with an unpaid principal balance of \$ _____, payable \$ _____ monthly, including interest not exceeding _____%, ARM, type _____, due _____, 20_____.

- 9.5 A note for the balance of the purchase price in the amount of \$ _____ to be executed by Optionee in favor of Optionor and secured by a trust deed on the property junior to the above referenced financing, payable \$ _____ monthly, or more, beginning one month after closing, including interest at _____% per annum from closing, due _____ years after closing.
- a. This note and trust deed to contain provisions to be provided by Optionor for:
 - due-on-sale, prepayment penalty, late charges, _____
 - b. The attached Financial Disclosure Statement is an addendum to this agreement (mandatory on four-or-less residential units). [See **ft** Form 300]
 - c. Optionee to provide a Request for Notice of Default and Notice of Delinquency to senior encumbrancers. [See **ft** Form 412]

10. GENERAL PROVISIONS:

- 10.1 See attached addendum for additional provisions. [See **ft** Form 250]
- 10.2 Attached as addenda are the following checked disclosures mandated on four-or-less residential units:
- a. Condition of Property Disclosure — Transfer Disclosure Statement (TDS) [See **ft** Form 304]
 - b. Natural Hazard Disclosure Statement [See **ft** Form 314]
 - c. Disclosure of Sexual Predator Database [See **ft** Form 319]
 - d. Hazard Disclosure Booklet, and related Optionor disclosures, containing Environmental Hazards, Lead-based Paint and Earthquake Safety [See **ft** Forms 313 and 315]
 - e. Documentation on any Homeowners' Association (HOA) involved. [See **ft** Form 309]
 - f. Notice of Supplemental Property Tax Bill [See **ft** Form 317]
- 10.3 Possession of the property to be delivered on:
 close of escrow, or see attached Occupancy Agreement. [See **ft** Forms 271 and 272]
- 10.4 Both parties reserve their rights to assign, and agree to cooperate in effecting an Internal Revenue Code §1031 exchange prior to close of escrow, on either party's written notice.

11. EXPIRATION OF OPTION:

This offer to sell will be deemed expired if not accepted by exercise during the option period.

11.1 This option contract will automatically terminate by expiration on _____, 20_____.

<p>OPTIONOR'S BROKER: _____</p> <p>Broker's CalBRE #: _____</p> <p>Agent's Name: _____</p> <p>Agent's CalBRE #: _____</p> <p>Signature: _____</p> <p>Is the agent of: <input type="checkbox"/> Optionor exclusively. <input type="checkbox"/> Both Optionor and Optionee.</p> <p>Address: _____</p> <p>Phone: _____ Cell: _____</p> <p>Email: _____</p>	<p>OPTIONEE'S BROKER: _____</p> <p>Broker's CalBRE #: _____</p> <p>Agent's Name: _____</p> <p>Agent's CalBRE #: _____</p> <p>Signature: _____</p> <p>Is the agent of: <input type="checkbox"/> Optionee exclusively. <input type="checkbox"/> Both Optionor and Optionee.</p> <p>Address: _____</p> <p>Phone: _____ Cell: _____</p> <p>Email: _____</p>
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<p>I hereby grant this option and agree to the terms stated above.</p> <p>Date: _____, 20_____</p> <p>Optionor: _____</p> <p>Signature: _____</p> <p>Signature: _____</p> <p>Address: _____</p> <p>Phone: _____ Fax: _____</p> <p>Email: _____</p>	<p>I hereby accept this option and agree to the terms stated above.</p> <p>Date: _____, 20_____</p> <p>Optionee: _____</p> <p>Signature: _____</p> <p>Signature: _____</p> <p>Address: _____</p> <p>Phone: _____ Fax: _____</p> <p>Email: _____</p>
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