



## LEASE OPTION TENANT PLACEMENT AGREEMENT

This agreement dated \_\_\_\_\_ is made between \_\_\_\_\_ (“Owner”), whose property address is \_\_\_\_\_ (“Property”), and BuyBaltimoreProperties.com, LLC, and/or Assigns (“Agent”), whose address is 2657G Annapolis Rd., Suite 399, Hanover MD 21076.

1. **Agency.** The Owner hereby employs the Agent to lease the Owner’s Property located and described above with a Lease Option (commonly known as “rent-to-own”) tenant (“Tenant-Buyer”). **This is not an exclusive agreement.** Owner is free to market the Property on their own via For Sale By Owner or For Rent By Owner. Owner is also free to market the Property through a licensed Realtor (for SALE ONLY) with a Realtor of Owner’s choice. Should owner also want to list the Property through a licensed Realtor for a RENTAL listing, Owner agrees to use Agent’s recommended licensed Realtor who specializes in Rent Only/Rent-To-Own Listings. Owner further agrees to inform Agent if Owner finds a buyer or has a potential buyer in play so that Agent may be fully and timely informed of the property’s availability and/or discontinue marketing if applicable.
2. **Duties of Owner and Agent.** In order to properly lease the Property, the Agent and Owner shall have the following duties, responsibilities, and understandings:

- a. **Best Efforts.** The Agent shall use its best efforts to attract and retain a Tenant-Buyer for the Property. All efforts which include: visible placement of a rent-to-own (“RTO”)/lease option sign on the premises of the Property to attract prospective Tenant-Buyers, directional signs surrounding the Property, full use of Agent’s Tenant-Buyer database, including Tenant-Buyers that have been pre-approved (through background check, employment and/or income verification, rental history verification, and/or credit and reference checks), newspaper ad placement if necessary, listing in Multiple List Service for Rent To Own with a licensed Realtor specializing in rental/rent-to-own listings, Craig’s List ads, real estate websites, and any other advertising sources that Agent may deem necessary.
- b. **Intention of Agent.** The Owner understands and agrees that the Agent intends to market the Property described herein as a lease option to an as yet unidentified third party Tenant-Buyer via Agent’s RTO program. The Owner agrees to cooperate fully with the Agent on marketing and showing the Property, including, but not limited to access for showings, placement of RTO signs on the Property and in the surrounding areas (unless otherwise prohibited by the HOA), internet advertisements, etc.

This Lease Option Tenant Placement Agreement (“Agreement”) is strictly used for a Tenant-Buyer procurement/placement service offered by the Agent. This service is used when the Owner wants to personally handle the day to day management of the home, but seeks assistance locating, qualifying, screening and contracting the ideal Tenant-Buyer.

- c. **Access Rights.** Agent shall maintain a key and have the right to show the Property to potential occupants in the event the Property is vacant, and may install a lock box. If the Property is occupied, the Owner will make arrangements with the residents to allow the Agent entry to show potential Tenant-Buyers and/or contractors sent by Agent into the Property with a 24 hour notice (or otherwise agreed upon time frame) by phone, fax, or email.
- d. **Lease Negotiations.** The Agent shall handle all negotiations with the Tenant-Buyers with respect to lease option agreements. All such agreements are subject to the approval of the Owner, and all qualifying Tenant-Buyers will be presented to the Owner for final approval. Agent cannot and does not make any further warranties or representations regarding the Tenant-Buyer or ultimate fulfillment of the Rental Agreement and/or Option Agreement (separate agreements executed between Owner and Tenant-Buyer at the time of Tenant-Buyer acceptance and placement).

[\_\_\_\_\_] Owner [\_\_\_\_\_] Owner AND [\_\_\_\_\_] Agent HAVE READ THIS PAGE.

- e. **Collection of Rents.** The Agent shall collect the first full month's rent from the Tenant-Buyer for Owner, prior to the Tenant-Buyer moving into the Property. Future payments of rent will be paid by the Tenant-Buyer directly to the Owner, unless otherwise negotiated in writing between the Owner and Agent.
  - f. **Compensation of Agent.** The Agent will collect their entire fee from the Tenant-Buyer's non-refundable down payment ("Option Fee"), which is collected upfront from the Tenant-Buyer. The Agent builds this Option Fee into the purchase price of the house so that the Owner will still ultimately net the desired and agreed upon asking price. Owner agrees to apply this Option Fee towards the purchase price of the home. Nothing is due to Agent on the "back-end" when the home ultimately sells.
  - g. **Owner Property Documents.** The Owner will provide all necessary documents and records and fully cooperate with the Agent in all matters with respect to this Agreement. The Owner will provide the Agent with written proof that the mortgage is current and that the Property is properly insured. Owner will provide the Agent with the Owner's most recent mortgage statement for all mortgage loans on the Property. Also, Owner will provide Agent with any lead certificates and county inspection reports if applicable. Agent may require additional Property specific documentation from Owner, depending on the circumstances.
3. **Purchase Price and Terms.** The price and terms of the monthly lease payment and option/sales price are contained in the Property Information Worksheet attached hereto and shall be no less than these amounts unless otherwise agreed upon in writing by the Owner and Agent.
  4. **Owner Default.** Should Owner default on the Rental Agreement and/or Option Agreement, and the Tenant-Buyer is entitled to a refund of the Option Fee, Owner agrees to accept full and complete responsibility for any such refund. Under no circumstances is Agent to be pursued or perceived as responsible for any refund of the Option Fee.
  5. **Option Fee.** Owner understands and agrees that the Option Fee will be credited to the Tenant-Buyer in the form of a down payment at the time Tenant-Buyer purchases the Property (i.e., the Option Fee counts towards the purchase price of the Property). Additionally, Owner fully understands that the Option Fee provided by the Tenant-Buyer is non-refundable except under the following two scenarios:
    - a. Owner is not able to deliver marketable title, not able to cure title defects, and Tenant-Buyer refuses or is unable to accept unmarketable title. Examples of title defects include, but are not limited to, the Owner further leveraging the Property by refinancing, taking out additional Property loans, encumbering the Property with third party liens and/or judgments, etc. that can not be paid off in full with the agreed upon purchase price.
    - b. Owner causing the mortgage loan to go delinquent over thirty (30) days by not paying the mortgage on time and/or missing one or more payments, despite having received rent from the Tenant-Buyers per the Rental Agreement.
  6. **Term of Agreement.** This Agreement shall continue for a period of time it takes to lease the Property unless terminated by either party upon written notice sent to the other party.
  7. **Termination of Agreement.** This Agreement may be terminated at any time by the Owner upon giving the Agent three (3) days written notice for any reason or in the event of a bona fide sale of the Property.
  8. **Notices.** All written notices to the Owner or to the Agent may be addressed and mailed, by United States first class (with delivery confirmation) mail, to the addresses written below, or by email confirmation (reply to sender confirmation required).
  9. **Modification.** This Agreement may not be modified, altered, or amended in any manner except by an agreement in writing executed by the parties hereto.
  10. **Disputes.** This Agreement is governed by the laws of the State of Maryland, and any dispute arising

Owner  Owner AND  Agent HAVE READ THIS PAGE.

hereunder must be brought in a court of competent jurisdiction in Maryland. In the event of litigation, the parties agree to reimburse the prevailing party's reasonable legal services fees, court costs, and all other expenses, in addition to any other relief to which the prevailing party may be entitled.

- 11. **Risks/Indemnity.** Owner understands that there is risk in leasing the Property. The Tenant-Buyers may not pay the rent on time, may not pay the rent at all, may not purchase the Property, and may damage the property. Owner understands that it is important to have their Property inspected at least quarterly. Owner has been encouraged to start the eviction process the first day after the grace period if the rent is late. The Owner shall indemnify, hold harmless, and release Agent from any and all liability if the Tenant-Buyer has to be evicted or does not purchase the Property. Owner shall indemnify and hold Agent harmless with respect to liability and damages, costs and expenses in connection with any damage or injury whatsoever to persons or property arising out of use, management, operation, occupation, ownership, maintenance or control of the Property or out of any matter or thing with respect to which it is elsewhere in this agreement provided or agreed that the Agent shall not be under responsibility. However, the Owner will not indemnify the Agent against the willful misconduct of the Agent, its contractors, etc. Agent will not reveal to anyone, unless mandated by federal, state, or municipal law, the name, address or any other information concerning the Owner, unless agreed to in writing by the Owner and Agent.
- 12. **Bonus – Prepaid Legal Services.** When Agent places an acceptable Tenant-Buyer into Owner's property, Agent will enroll and immediately reimburse up front Owner with a full year of paid Pre-Paid Legal (PPL) services (fee must be drafted directly from Owner, however Agent will reimburse Owner immediately after purchase). With the PPL membership, Owner will have full access to unlimited legal advice from one of Maryland's largest and top-rated law firms, Weinstock, Friedman & Friedman, P.A. (WFF). **This includes unlimited advice, assistance and direction for any Landlord/Tenant issues.** WFF is a full service law firm, including departmental concentration in commercial and retail collection, bankruptcy matters, general litigation, auto accident, workers' compensation, business, criminal and family law. They hold the highest law firm rating by Martindale-Hubbell. Owner also has full access to all of WFF's services, including the free preparation of a will.
- 13. **Entire Agreement:** This agreement and any attached addendums constitute the entire agreement between the parties and no oral statements shall be binding. It is further agreed that this Agreement may be executed in counterparts, each of which when considered together shall constitute the original contract.
- 14. **Electronic Delivery:** The parties agree that this Agreement shall be deemed validly executed and delivered by a party if a party executes this Agreement and delivers a copy of the executed Agreement to the other party by telefax or telecopier transmittal, or delivers a digital image of the executed document by email transmittal.

**THIS LEASE OPTION TENANT PLACEMENT AGREEMENT** supersedes all prior written or oral agreements and can be amended only through a written agreement signed by both parties. Provisions of this Lease Option Tenant Placement Agreement shall bind and inure to the benefit of Agent and to the Owner and their respective heirs, successors, and assigns. **OWNER AGREES TO RECEIVE COMMUNICATIONS FROM AGENT AT THE EMAIL ADDRESS, PHONE AND FAX NUMBER LISTED BELOW.**

\_\_\_\_\_  
Owner Name

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_  
Owner Mailing Address

Agent Information:  
**Keith French**  
**410-905-5454 Direct, 443-244-9414 Fax**  
**2657-G Annapolis Rd #399, Hanover, MD 21076**  
**keith@BuyBaltimoreProperties.com**

\_\_\_\_\_  
Owner Phone

\_\_\_\_\_  
Owner Fax

\_\_\_\_\_  
Agent Signature

\_\_\_\_\_  
Owner Email

**[ ] Owner [ ] Owner AND [ ] Agent HAVE READ THIS PAGE.**