

OPTION TO PURCHASE (LAKESIDE MHC)

THIS OPTION AGREEMENT is made and entered into this ____ day of _____, 2017, by and between MDunn Properties, LLC, hereinafter referred to as "Seller," and _____, hereinafter referred to as "Buyer".

DISCLOSURE

THIS IS NOT AN EXTENSION OF CREDIT. This is a unilateral obligation on Seller because you are only obligated to make payments so long as you continue to lease the premises. If you choose to stop leasing the premises you are under no further obligation to make any additional payments but, unless you arrange for an assignment of your option you will forfeit your initial option payment and any renewal option payments that you have made. In such event there will be no reporting made to any credit bureau and thus no adverse effect on your credit rating.

The designated option portion of each monthly lease payment is a renewal monthly option payment giving you the legal right for another month to buy the property at the stated price, less any prior option payments.

Description of Mobile Home and Personal Property:

- a. Size: _____

b. Make and Model: _____

c. Identification Number: _____

d. Location: Lot _____, Lakeside MHC
2013 S. Lake Harris Rd.
White Oak, TX 75693

e. Personal Property:

Central air conditioning unit

Refrigerator

Stove

TERMS AND CONDITIONS

The Seller hereby grants to the Buyer, its successors and assigns, an irrevocable option to purchase the property upon the following terms and conditions:

1. **TERMS:PRICE and OPTION PAYMENT:** In consideration of the initial option payment, which amount is non-refundable, the Seller grants Buyer an Option to Purchase the property for the stated price and monthly renewal options of:

Price \$ _____

Less Initial Option -

Balance \$

2. EXERCISE OF OPTION:

- A. The payment of each monthly option payment renews the option for the next month until the stated number of months have been paid and no other notice of the exercise of the option is required.
- B. Buyer has the right to prepay all or any part of the remainder of the purchase price at any time with no prepayment penalty. In this event, Buyer shall give Seller written notice of intent to exercise the option for the remaining amount of the purchase price. If a partial prepayment is made there will be a corresponding reduction in the number of months to complete the payment of the purchase price.
- C. Upon Buyer exercising this option and fully paying the purchase price, the Seller shall deliver title to the Mobile Home to the Buyer. All taxes and transfer costs will be borne by the Buyer.

3. NET LEASE/MAINTENANCE: As part of the consideration for this Option, the Buyer agrees with the Seller to "Net" Lease the above-described Mobile Home. Buyer will be responsible for all repairs and maintenance after the first 30 days of occupancy. If Buyer fails to make such repairs and maintenance Seller shall have the right but not the obligation to advance such expenses and add a sufficient number of monthly payments to the option term to recoup such expense plus interest at 12%. Seller shall have the right of inspection of the premises on reasonable notice to Buyer to insure compliance with Buyer's maintenance responsibilities.

4.a. EXPIRATION OF OPTION BY CASUALTY LOSS: In the event that property is damaged or destroyed by fire, weather or other casualty loss, Seller shall confer with Buyer on whether to apply insurance proceeds to repair or replace the property. If at the time of such loss Buyer has paid more than 50% of the purchase price, Buyer's decision will control. In the event the property is repaired or replaced the Option will continue accordingly. In the event it is decided not to apply the insurance proceeds to repair or replacement of the property then this Option shall terminate and the insurance proceeds shall be allocated between Buyer and Seller in the same percentage that buyer has paid towards the purchase price of the property.

4.b. EXPIRATION OF OPTION BY OTHER THAN CASUALTY LOSS: In the event Park rules are violated which lead to Buyer's eviction from the Park even if all payments are current, Buyer shall have sixty (60) days to exercise this option to pay in full the remaining option price and move the house from the Park. Failure to do so will result in this option expiring and Seller shall retain any consideration paid as full liquidated damages and all obligations of each party shall terminate.

5. NOTICE OF DEFAULT/RIGHT TO CURE: In the event buyer fails to make timely payments or otherwise violates terms and conditions of the Lease constituting a default of Lease or this Option to Purchase agreement, Seller shall give Buyer written notice of the default and Buyer shall have ten (10) days after said written notice to cure the default. Failure to cure the default after written notice shall cause this Option to become null and void.

6. NOTICES: Any notice to be given under this Agreement may be delivered in person, by U.S. Mail, or by private overnight courier and shall be deemed to have been given upon the day of the postmark of the mail or receipt by private overnight courier, or upon receipt, if given in person, at the following addresses:

BUYER:

2013 S. Lake Harris Rd.. Lot # _____
White Oak, Texas 75693

SELLER:

MDunn Properties, LLC
681 Hamby Rd.
Longview, Texas 75605 _____

7. **TRANSFER**: This Option may be assigned by the Buyer; provided however, any assignment must first be approved by the park manager and the Seller, in which case a \$100.00 fee will be charged for administration and documentation.

8. **BINDING EFFECT**: This Option is binding on the heirs, assigns, trustees and successors of the Seller only. If you make all payments set forth herein Seller will be obligated to convey title to the house to you.

9. **VALIDITY**: This Option Agreement shall be governed pursuant to the laws of Texas with venue in Gregg County, Texas; and invalidation of any portion of this Agreement shall not invalidate the remainder.

SIGNED this ____ day of _____, 2017.

SELLER:

By: _____
MDunn Properties, LLC

BUYER:
