



Lease Signing

Date: \_\_\_\_\_

Time: \_\_\_\_\_

**OPTION AGREEMENT**

1. The parties to this agreement are Parker Real Estate Management ("Parker"), as agent for \_\_\_\_\_, and \_\_\_\_\_, hereinafter called "Prospective Tenants."

2. Whereas the Prospective Tenants desire to enter into a Lease Agreement with Parker for a property located at \_\_\_\_\_ Bloomington, Indiana, and in order to secure the lease to that property agree to pay the sum of \$ \_\_\_\_\_ dollars ("Option Fee") for an option to lease the said property (generic copy of standard lease attached for reference). **Option Fee is equal to one month's rent.**

3. To exercise this Option Agreement Prospective Tenants must complete all documentation to complete the lease (Lease Agreement for the premises, Lease Guarantees from parents may be required from Prospective Tenants), provide all requested information on the Application Form and have all security deposits paid by \_\_\_\_\_ a/p.m. on the \_\_\_\_\_ day of \_\_\_\_\_, 2010 ("End of Option Period"). In consideration of the amount received, Parker will not enter into a Lease Agreement with any other party prior to the End of the Option Period (subject to conditions of Paragraph 5).

4. It is further understood and agreed by the parties hereto that should the Prospective Tenants fail to execute and complete all documentation to complete the lease by the End of the Option Period for the aforementioned property that the Option Fee received from the Prospective Tenants will be kept by Parker as the cost of entering into this Option Agreement and of turning away other Prospective Tenants interested in this property.

5. If, prior to the End of the Option Period, Prospective Tenants notify Parker they do not intend to execute and complete all documentation to complete the lease, the Option Fee received from the Prospective Tenants will be kept by Parker as the cost of entering into this Option Agreement and of turning away other Prospective Tenants interested in this property. Under these circumstances Parker may enter into a Lease Agreement with any other person or parties prior to the End of the Option Period.

**It must be very clearly understood that the cost of this Option Agreement is \$ \_\_\_\_\_ dollars (equal to one month's rent) and that failure to complete, by the end of**

**option period, all documentation to complete the Lease Agreement for this property will be considered by Parker to have been a failure to complete the exercise of the Option Agreement by Prospective Tenants. In that case the Prospective Tenants have been advised that no part of the amount received by Parker may be refunded to them.**

6. If Prospective Tenants fail to exercise this Option Agreement, they may be liable for Liquidated Damages in the amount of rent on this property from the date they intended to begin a lease until a new tenant has been secured.

7. Should a valid Lease Agreement be entered into before the End of Option Period by Prospective Tenants, then all of the Option Fee except \$1.00 shall be applied to the security deposit required in the Lease Agreement. The security deposit is controlled then by the terms of the lease.

So agreed this \_\_\_\_\_ day of \_\_\_\_\_, 2010

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Prospective Tenant

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Prospective Tenant

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Prospective Tenant

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Agent for Parker Real Estate Management