

## OPTION TO PURCHASE REAL ESTATE

Option, granted effective the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by:

[**OWNER**], a person of full age who is domiciled in the Parish of East Baton Rouge, State of Louisiana, his mailing address is declared to be: : \_\_\_\_\_, Baton Rouge, LA 708\_\_;

hereinafter (individually and collectively) called "**OPTIONOR**" or "**SELLER**", unto:

[**OPTIONEE**] a person of full age who is domiciled in the Parish of East Baton Rouge, State of Louisiana, his mailing address is declared to be: : \_\_\_\_\_, Baton Rouge, LA 708\_\_;

hereinafter (individually and collectively) called "**OPTIONEE**" or "**PURCHASER**", who agree as follows, to-wit:

1. **Grant of Option.** For the consideration hereinafter mentioned, the **OPTIONOR** hereby grants unto the **OPTIONEE** the exclusive option to purchase the following described property, to-wit:

[Description of property].

2. **Term of Option.** This option shall be effective for an **initial term of eighteen (18) months** from the effective date hereof as mentioned hereinabove, namely **commencing this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ and expiring the last day of \_\_\_\_\_**, and, thereafter, for such extended or additional terms as hereinafter provided or as otherwise may be agreed upon in writing by the parties.

3. **Consideration for Option.** In consideration hereof and as consideration for the **initial eighteen (18) month term** of this option, **OPTIONEE** has paid **OPTIONOR** the sum of **\$10,000.00** cash, receipt of which **OPTIONOR** acknowledges.

4. **Notice of Exercise.** This option to purchase the subject property may be exercised by and in favor of **OPTIONEE** by his written notice postmarked by registered or certified mail prior to the expiration of the term hereof, sent to the **OPTIONOR** at the address indicated hereinabove. Recordation of the said notice in the Official Records for the Parish of East Baton Rouge, Louisiana, shall, additionally, constitute valid notice, however, such recordation is not required.

5. **Purchase Price.** The total purchase price of the subject property shall be \$\_\_\_\_\_ which shall be payable in cash at closing of the sale. **PURCHASER** shall be entitled as a credit against the cash portion of the price the sum of **\$10,000.00** which was paid as consideration for the initial term of this option.

6. **Warranty of Title.** **OPTIONOR** warrants that the title to the property shall be merchantable at act of sale and if **OPTIONOR** is unable to deliver such title within said time this agreement is null and void without penalty to **OPTIONEE** and all monies paid to **OPTIONOR** shall be immediately refunded. However, if bona fide curative work in connection with title is required, the parties hereto agree to and do extend the time for passing the act of sale by sixty (60) days.

7. **Failure to Exercise Option.** If the **OPTIONEE** or his successors or assigns fail to exercise as herein provided, his rights hereunder shall expire and the parties shall have no further rights or claims against each other under this option, any monies paid to **OPTIONOR** hereunder being forfeited.

8. **Exercise of Option.** If the option is exercised as herein provided, the parties will, respectively, execute an act of sale of the subject property, and such other appropriate instruments, together with other necessary documents incidental thereto, before the expiration of thirty (30) days and within a reasonable time after notice to **OPTIONOR** that the option will be exercised unless further extended as per the provisions of paragraph six hereinabove. The sale shall be passed before Purchaser's Notary, at the expense of Purchaser except as otherwise provided herein.

9. **Assignment.** This option and all rights hereunder shall be freely assignable by both parties and, if assigned by the **OPTIONEE**, any and all acts to be performed by such party, may be assigned by any assignee, whether such assignment is made before or after the notice of exercise is given.

10. **Miscellaneous.** Time is of the essence of this agreement. Should any party default on any of the obligations created hereby, said party shall be liable to each other party for all damages occasioned thereby, including reasonable attorney's fees. As used herein, the masculine shall include the feminine and neuter and the singular shall include the plural as proper context requires. Any amounts payable hereunder shall bear interest at the rate of 10% per annum from date payable until paid if not timely paid.

11. **Additional Matters:**

a. **Extension of term of option.** **OPTIONEE** shall have the **option to extend the term of this option an additional eighteen (18) months** from the expiration of the initial term hereof as mentioned hereinabove, namely **commencing the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ and expiring the last day of \_\_\_\_\_**, upon the payment by **OPTIONEE** unto **OPTIONOR** during the initial term hereof the additional sum of **\$12,000.00** as consideration for said extended term. The option, if so

extended, shall be on the same terms as provided hereinabove for the initial term except that the **\$12,000.00** additional consideration for the extended term shall **not** be credited against the \$\_\_\_\_\_ purchase price if the option is exercised (although the consideration for the initial term would nevertheless still be so credited).

b. **Survey.** **OPTIONOR** shall immediately provide **OPTIONEE** with copies of such surveys as **OPTIONOR** may have of the subject property. During the term of the option, **OPTIONEE** shall be permitted reasonable access to the property to make such other surveys of the property as he desires and/or to take soil tests thereof, provided that the expense of same shall be borne by **OPTIONEE**.

c. **Other.** The parties acknowledge that the subject property consists of unimproved land, however, each **OPTIONOR** warrants that he will not remove any of the trees and/or make any alterations to the subject property during the term hereof without the express prior written consent of the **OPTIONEE**, which consent will not be unreasonably withheld.

IN WITNESS WHEREOF, the parties have signed and acknowledged this option effective the date first above written, executed on the dates and at the various places hereinafter set forth.

**Prepared By:**

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