

OPTION TO BUY REAL ESTATE IDAHO

This Option Agreement (the "Option") is made _____ (Date) between
_____ ("Buyer") and
_____ ("Seller").

1. **TYPE OF OPTION.** This Option ☐ is ☐ is not part of a lease between Buyer, as Tenant, and Seller, as Landlord dated _____ (the "Lease") for the real property legally described as set forth ☐ in the Lease, or ☐ in Exhibit A, attached to this Option (the "Property"). If this Option is part of a lease, any default by Buyer on the Lease shall also cause Buyer to default on this Option.
2. **OPTION PAYMENT AND EXPIRATION.** In consideration of ☐ the terms of and rent paid under the Lease, which the parties agree contains additional consideration for the granting of this Option ☐ \$ _____ paid by Buyer to Seller; Seller grants to Buyer, and Buyer's successors and assigns, the right to close the purchase of the Property on or before _____ (the "Expiration Date"), without grace or extension of said date.
3. **NOTICE - EXERCISE OF OPTION.** Buyer shall give written notice to Seller that Buyer intends to exercise this Option at least _____ days (thirty (30) days if not filled in) in advance of the Expiration Date of this Option. Buyer shall send notice by certified mail to Seller at the following address: _____
4. **PURCHASE AND SALE AGREEMENT.** Buyer and Seller have completed and attached a purchase and sale agreement (the "Purchase Agreement") to this Option as Exhibit B. If Buyer exercises this Option, Buyer and Seller shall proceed with the transaction according to the terms and conditions set forth in the Purchase Agreement and, unless otherwise stated in the Purchase Agreement, all time periods stated therein shall run from the date Buyer gives Seller notice that Buyer will exercise this Option (e.g., time periods for financing, inspections, and title review). If a conflict arises between the terms of this Option and the Purchase Agreement, the terms of this Option shall control.
5. **PURCHASE PRICE.** The purchase price of the Property is _____ Dollars (\$ _____), payable as follows:

The following shall be applied to the: ☐ Down Payment ☐ Purchase Price:
☐ All rent paid under the Lease.
☐ The dollar amount filled in at Paragraph 2, above;
☐ Other: _____
6. **CLOSING.** Closing shall take place as set forth in the Purchase Agreement but in no event later than the Expiration Date set forth in this Option at the offices of _____ (the "Closing Agent"). No later than _____ days (5 days if not filled in) before the closing date, Buyer shall deposit in escrow with the Closing Agent all money and documents necessary to close.

INITIALS: BUYER _____ DATE _____ SELLER _____ DATE _____
BUYER _____ DATE _____ SELLER _____ DATE _____

**OPTION TO BUY REAL ESTATE
IDAHO**

(continued)

7. TIME IS OF THE ESSENCE. Time is of the essence of this Option. In the event that: (a) Buyer shall fail to give notice of exercise of this Option within the time provided herein; (b) this sale shall fail to close prior to the Expiration Date (through no fault of Seller); (c) Buyer shall fail to deposit all necessary documents and money into escrow on or before the time required in paragraph 6, above; or (d) Buyer defaults on the Lease (if this Option is part of a lease), then this Option shall be null and void, Buyer's privilege to purchase the Property shall terminate, and the option payment filled in at paragraph 2, above, shall be retained by Seller.

8. REPRESENTATION CONFIRMATION; LIMITED DUAL AGENCY.

(a) Representation Confirmation. Check one (1) box in Section 1 below and one (1) box in Section 2 below to confirm that in this transaction, the brokerage(s) involved had the following relationship(s) with the BUYER(S) and SELLER(S).

Section 1:

- ☐ The brokerage working with the BUYER(S) is acting as an AGENT for the BUYER(S).
- ☐ The brokerage working with the BUYER(S) is acting as a LIMITED DUAL AGENT for the BUYER(S), without an ASSIGNED AGENT.
- ☐ The brokerage working with the BUYER(S) is acting as a LIMITED DUAL AGENT for the BUYER(S), and has an ASSIGNED AGENT acting solely on behalf of the BUYER(S).
- ☐ The brokerage working with the BUYER(S) is acting as a NONAGENT for the BUYER(S).

Section 2:

- ☐ The brokerage working with the SELLER(S) is acting as an AGENT for the SELLER(S).
- ☐ The brokerage working with the SELLER(S) is acting as a LIMITED DUAL AGENT for the SELLER(S), without an ASSIGNED AGENT.
- ☐ The brokerage working with the SELLER(S) is acting as a LIMITED DUAL AGENT for the SELLER(S), and has an ASSIGNED AGENT acting solely on behalf of the SELLER(S).
- ☐ The brokerage working with the SELLER(S) is acting as a NONAGENT for the SELLER(S).

Each party signing this document confirms that the party has received, read and understands the Idaho Agency Disclosure Brochure adopted or approved by the Idaho real estate commission and has consented to the relationship confirmed above. In addition, each party confirms that the brokerage's agency office policy was made available for inspection and review. EACH PARTY UNDERSTANDS THAT HE IS A "CUSTOMER" AND IS NOT REPRESENTED BY A BROKERAGE UNLESS THERE IS ALSO A SEPARATE, SIGNED, WRITTEN AGREEMENT FOR AGENCY REPRESENTATION.

(b) Limited Dual Agency and Assigned Agency. The parties have received, read and understand the Idaho Real Estate Commission's "Agency Disclosure Brochure." The parties understand that Broker may provide agency representation to both Seller and Buyer. The parties understand that, as an agent for both Buyer/client and Seller/client, Broker will be a limited dual agent of each client and cannot advocate on behalf of one client over another, and cannot legally disclose to either client certain confidential client information concerning price negotiations, terms or factors motivating the Buyer/client to buy or the Seller/client to sell without specific written permission of the client to whom the information pertains. The specific duties, obligations and limitations

INITIALS: BUYER _____ DATE _____ SELLER _____ DATE _____
BUYER _____ DATE _____ SELLER _____ DATE _____



OPTION TO BUY REAL ESTATE
IDAHO
(continued)

of a limited dual agent are contained in the Agency Disclosure Brochure as required by Section 54-2085, Idaho Code. The parties understand that a limited dual agent does not have a duty of undivided loyalty to either client.

The parties further acknowledge that, to the extent Broker offers assigned agency as a type of agency representation, individual sales associates may be assigned to represent each client to act solely on behalf of the client consistent with applicable duties set forth in Section 54-2087, Idaho Code. In an assigned agency situation, the designated broker (the broker who supervises the sales associates) will remain a limited dual agent of the client and shall have the duty to supervise the assigned agents in the fulfillment of their duties to their respective clients, to refrain from advocating on behalf of any one client over another, and to refrain from disclosing or using, without permission, confidential information of any other client with whom the brokerage has an agency relationship.

- ☐ Both parties are represented in this transaction by separate brokers, and limited dual agency and assigned agency are not applicable in this transaction.
- ☐ Broker **may** act as a Limited Dual Agent and may, in Broker's discretion, assign individual agents to represent Seller and potential buyers of the Property.
- ☐ Broker **may not** act as a Limited Dual Agent.

_____/_____
[Seller's Initials]

_____/_____
[Buyer's Initials]

- 9. CUSTOMER COMPENSATION AGREEMENT.** THIS PROVISION SHALL APPLY ONLY IN THE EVENT THAT THE BROKERAGE WORKING WITH THE SELLER IS A NON-AGENT, AND, THEREFORE, THE SELLER REMAINS A CUSTOMER AND NOT A CLIENT. IF SELLER IS A CLIENT, THE BROKERAGE AND SELLER MUST ENTER INTO A SEPARATE, SIGNED, WRITTEN AGREEMENT FOR AGENCY REPRESENTATION THAT ADDRESSES COMPENSATION OF THE BROKERAGE. Seller should review the Representation Confirmation provision of this Option as well as the Agency Disclosure Brochure for additional information.

In the event that this Option shall be exercised, and the sale closed, Seller agrees to pay, at closing of the sale, a commission of \$ _____ or _____ % of the sale price to _____, a licensed real estate broker. No broker involved in this transaction is receiving compensation from more than one party unless disclosed on an attached addendum, in which case Buyer and Seller agree to such compensation. This Agreement may be recorded.

- 10. TITLE INSURANCE.** Within _____ days (10 days if not filled in) following the date of this Option, Seller shall obtain from _____, at Seller's expense, and deliver to Buyer a preliminary commitment for a standard purchaser's policy of title insurance showing title. Buyer shall notify Seller in writing of any objectionable matters in the title report or any supplemental report no later than 5 days after Buyer receives the title report. If Seller cannot, at Seller's sole expense, make title satisfactory to Buyer in Buyer's sole discretion within _____ days (60 days if not filled in) following Buyer's receipt of a copy of said preliminary commitment, all money paid to Seller by Buyer pursuant to this Agreement shall, unless Buyer elects in writing

INITIALS: BUYER _____ DATE _____ SELLER _____ DATE _____
BUYER _____ DATE _____ SELLER _____ DATE _____

OPTION TO BUY REAL ESTATE
IDAHO
(continued)

to waive such defects or encumbrances, be immediately refunded to buyer and this Agreement shall thereupon be terminated; provided, however, that Seller shall have until closing to remove monetary encumbrances. Nothing in this provision shall cause the termination of any lease agreement between the parties unless otherwise provided.

At closing of this transaction, Seller shall, at Seller's expense, obtain a policy of title insurance as required by the Purchase Agreement.

11. OTHER AGREEMENTS. ☐ None ☐ As follows:

Buyer _____
Printed name and type of entity

Buyer _____
Printed name and type of entity

Buyer _____
Signature and title

Buyer _____
Signature and title

Date signed _____

Date signed _____

Seller _____
Printed name and type of entity

Seller _____
Printed name and type of entity

Seller _____
Signature and title

Seller _____
Signature and title

Date signed _____

Date signed _____

INITIALS: BUYER _____ DATE _____ SELLER _____ DATE _____
BUYER _____ DATE _____ SELLER _____ DATE _____



OPTION TO BUY REAL ESTATE
IDAHO
(continued)

STATE OF IDAHO

COUNTY OF _____

ss.

On this _____ day of _____, in the year _____, before me personally appeared _____ known or identified to me (or proved to me on the oath of _____) to be the person whose name is subscribed to within instrument, and acknowledged to me that ☐ he ☐ she executed the same:

- ☐ on his or her own behalf.
- ☐ on behalf of _____ as attorney-in-fact.
- ☐ on behalf of _____ as partner of the partnership.
- ☐ on behalf of _____ as manager of member of the LLC.
- ☐ on behalf of _____ as officer of the corporation.
- ☐ on behalf of _____ as trustee.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Idaho

Residing at _____

My appointment expires _____

INITIALS: BUYER _____ DATE _____ SELLER _____ DATE _____
BUYER _____ DATE _____ SELLER _____ DATE _____



**OPTION TO BUY REAL ESTATE
IDAHO
(continued)**

STATE OF IDAHO

COUNTY OF _____

ss.

On this _____ day of _____, in the year _____, before me personally appeared _____ known or identified to me (or proved to me on the oath of _____) to be the person whose name is subscribed to within instrument, and acknowledged to me that ☐ he ☐ she executed the same:

- ☐ on his or her own behalf.
- ☐ on behalf of _____ as attorney-in-fact.
- ☐ on behalf of _____ as partner of the partnership.
- ☐ on behalf of _____ as manager of member of the LLC.
- ☐ on behalf of _____ as officer of the corporation.
- ☐ on behalf of _____ as trustee.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Idaho

Residing at _____

My appointment expires _____

INITIALS: BUYER _____ DATE _____ SELLER _____ DATE _____
BUYER _____ DATE _____ SELLER _____ DATE _____

EXHIBIT A
[Legal Description]

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

INITIALS: BUYER _____ DATE _____ SELLER _____ DATE _____

BUYER _____ DATE _____ SELLER _____ DATE _____