



**AIR COMMERCIAL REAL ESTATE ASSOCIATION
OPTION TO PURCHASE
Standard Lease Addendum**

Dated _____

By and Between (Lessor) _____

(Lessee) _____

Address of Premises: _____

Paragraph _____

(a) Lessor hereby grants to Lessee an option to purchase the Premises upon the terms and conditions herein set forth.

(b) In order to exercise this option to purchase, Lessee must give written notice of the exercise of the option to Lessor during the period from _____ to _____ (the "Option Period"), time being of the essence. If such notice is not so given, this option shall automatically expire. At the same time the option is exercised, Lessee must deliver to Lessor a cashier's check in the amount of _____ payable to _____, as and for the Deposit referred to in paragraph 4.1 of the Standard Offer, Agreement and Escrow Instructions for the Purchase of Real Estate.

(c) The provisions of paragraph 39, including those relating to Lessee's Default set forth in paragraph 39.4 of this Lease are conditions of this Option.

(d) If Lessee elects to exercise this option to purchase as provided above, the transfer of title to Lessee shall occur on the close of escrow and until that time the terms of this Lease shall remain in full force and effect.

(e) If Lessee elects to exercise this option to purchase, the purchase price to be paid by Lessee shall be \$ _____

(f) Within 10 days after this option to purchase is exercised, Lessor and Lessee shall give instructions to consummate the sale to _____, located at _____, who shall act as escrow holder, on the normal and usual escrow forms then used by such escrow holder, as follows:

- (i) Escrow shall close 40 or _____ days after the exercise of the option to purchase by Lessee;
- (ii) Lessor shall deposit the check referred to in paragraph (b) into escrow upon opening thereof, with the balance of the purchase price to be deposited into escrow no later than 2:00 P.M. on the last business day prior to the expected closing date;
- (iii) The parties agree to execute any additional instructions as are normal and usual;
- (iv) The balance of the terms and conditions of sale shall be as set forth in the AIR Commercial Real Estate Association

"STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS FOR THE PURCHASE OF REAL ESTATE", a copy of which is attached hereto, except for the following: _____

and paragraphs 4.2; 5; 6; 9.1 a,b,c,d,e,h,~~i,j~~, and ~~k~~, ~~k~~ and ~~l~~; and 20, which do not apply.

(g) Either Lessor or Lessee shall, upon request of the other, execute, acknowledge and deliver to the other a short form memorandum of this Lease for recording purposes. The Party requesting recordation shall be responsible for payment of any fees applicable thereto.

(h) In the event that this option to purchase is not exercised by Lessee in a timely fashion, the Lessee shall, upon request of Lessor, execute, acknowledge and deliver to Lessor a quit claim deed releasing Lessee's interest in such option. Lessor shall be responsible for the preparation of such deed and the payment of any fees applicable to the recording thereof.

WARNING:

LESSEE SHOULD NOT EXERCISE THIS OPTION UNTIL LESSEE HAS COMPLETED SUCH INVESTIGATION AS MAY BE APPROPRIATE, OBTAINED ANY NECESSARY FINANCING, AND IS OTHERWISE IN A POSITION TO COMPLETE SUCH PURCHASE.

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

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