

Residential Lease Purchase Agreement

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This Residential Lease Agreement (“Lease”), dated as of July 23rd 2019 (“Effective Date”), is by and between Hariharashudhan Shanmugam and Bridgehouse America (“Landlord”) and Bridgehouse America LLC an Arizona Company assigns purchase option to Eraka Childs (“Tenant.”)

1. **RENTAL PROPERTY:** Landlord agrees to rent to Tenant(s), for residential purposes only, the residential premise located at 3727 Cibolo Ct, Pearland, TX 77584 (“Premise”).

In addition, Landlord does hereby rent the following personal property located at the address above to Tenant(s), including:

Washer Dryer Refrigerator Range/Oven Dishwasher Microwave
 Other: _____

2. **TERM:** The lease shall begin on 09/01/2019 at 8 am and end on 09/30/2021 at 5pm at which time this Lease shall automatically continue on a month-to-month basis, with all other terms and conditions set forth herein remaining the same, unless either party gives written notice of at least 30 days prior to the last rental due date to the other party of their intention to terminate the Lease. Upon the termination of the Lease, Tenant(s) must return all keys/garage door/entry gate openers as described herein and vacate the premise. Failure to return keys/garage door/entry gate openers will result in either assessed charges or an eviction action for possession. Contract can be extended each year if payments are made on time for a maximum of four years.

3. **HOLDOVER NOTICE: IF TENANT(S) WILLFULLY FAILS TO VACATE THE PREMISE AS PROVIDED FOR IN THIS LEASE, INCLUDING THE RETURN OF ALL KEYS/GARAGE DOOR/ENTRY GATE, LANDLORD SHALL BE ENTITLED TO RECOVER AN AMOUNT EQUAL TO TWO (2) MONTHS’ PERIODIC RENT OR TWICE THE ACTUAL DAMAGES SUSTAINED BY LANDLORD, WHICHEVER IS GREATER, AS PROVIDED FOR IN THE TEXAS RESIDENTIAL LANDLORD TENANT(S).**

4. **SECURITY DEPOSITS AND NONREFUNDABLE FEES:** Tenant(s) agrees to pay rent, deposits, fees, utilities, and tax as specified below:

4.1 SECURITY DEPOSIT AND NONREFUNDABLE FEES: The following security deposits, fees, and prepaid rent are due prior to Effective Date in full as a prerequisite to occupancy. In the event that a payment for these deposits and fees is dishonored for

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any reason, Landlord, in Landlord's sole discretion, shall be immediately released from any obligations under this Lease immediately upon notice to Tenant(s). These deposits and fees are as follows:

Security Deposit: \$0.00	<input type="checkbox"/> nonrefundable
Pet Fee: \$0.00	<input type="checkbox"/> nonrefundable
Option Money (nonrefundable): \$8,000.00	<input checked="" type="checkbox"/> nonrefundable
Cleaning fee (nonrefundable): \$0.00	<input type="checkbox"/> nonrefundable
Application fee (nonrefundable): \$50.00 (pre-paid)	<input checked="" type="checkbox"/> nonrefundable
Total: \$ 8,000.00	

4.2 REFUNDABLE DEPOSITS: Security deposits shall be refunded to Tenant(s) if the Property is surrendered to Landlord at the termination or expiration of this Agreement in a clean and undamaged condition acceptable to Landlord. However, if the Property is surrendered to Landlord in an unclean or damaged condition not acceptable to Landlord, Landlord May, at Landlord's option, retain all or a portion of the refundable deposits and may hold Tenant(s) liable for any addition charges. Retaining refundable deposits does not limit Landlord from exercising all other legal rights should Tenant(s) violate this Agreement. Tenant(s) shall not use any refundable deposit as a credit towards last month's rent. Refundable deposits shall be refunded to Tenant(s) within fourteen (14) business days from the date Tenant(s) surrenders Property to Landlord along with an itemization of necessary deductions. Tenant(s) must provide Landlord with an address to mail refundable deposits to.

4.3 NON-REFUNDABLE FEES: All fees marked as nonrefundable shall be used for normal cleaning of carpets, blinds, drapes, painting, and other normal refurbishing costs. Tenant(s) agrees to clean the Property to a degree acceptable to Landlord prior to surrendering the Property to Landlord. In the case of fees for cleaning and damage beyond normal wear and tear, stain and/or odor removal, etc. and in excess of the nonrefundable fee, Landlord reserves the right to retain all or a portion of any refundable deposits to cover the additional refurbishing costs.

5 RENT AND UTILITIES:

5.1 MONTHLY RENT: The following monthly rent and all accrued charges (collectively "Rent") shall be due and payable no later than 5 pm on the first day of each month with a 4 day grace period, regardless of weekends or holidays. Rent shall be payable in advance without deductions or offsets. Landlord is not required to accept a partial payment of rent or other charges. In the event that taxes change during the term of this Lease, Landlord may adjust the amount due upon thirty (30) days written notice to Tenant(s).

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Monthly Rent: \$2,550.00 _____
Rental Tax: \$0.00 _____
Total: \$2,550.00 _____

5.2 RENT PRORATION: If the first monthly installment of rent is for a period of other than a full month, Tenant(s) shall pay n/a in prorated rent for occupancy from n/a.

5.3 UTILITIES: Tenant shall be responsible for the following utilities EXCEPT:
 Electric Gas Water Landscaping Pest Control
 Pool Care Other: Landlord pays HOA, taxes, home insurance and warranty.
 None

5.4 ACCEPTABLE PAYMENT OPTIONS: Rent and other accrued charges must be made payable to the Landlord and deposited with the Landlord in the following manner:
 Cash Check Cashier's Check Money Order
 Direct Deposit to Account Number Provided Other: _____

5.5 LATE CHARGES AND RETURNED CHECKS.

- a. A late charge of \$25.00 a day shall be added to all Rent not received by 5 p.m. on the 5th day of the month. Tenant shall pay a charge of \$35.00 for all funds dishonored for any reason in addition to the late charges provided herein. These additional charges shall be collectible as Rent. In the event a Rent payment has been returned unpaid for any reason, Landlord shall be entitled to demand that all sums due pursuant to this Lease be paid in the form of a cashier's check or money order.

- b. The acceptance by Landlord of any late or partial payment shall not change the due date or amount of any required payment in the future and shall not relieve Tenant of any obligation to pay the balance of the Rent and any applicable late fees or costs. Landlord shall not be required to accept a late or partial payment on account of having previously agreed to do so.

6 MAINTENANCE, REPAIRS, AND INSPECTIONS.

6.1 CONDITIONS AT INITIAL OCCUPANCY: Tenant(s) has examined and knows the condition of the Property and is satisfied with its physical condition, except as otherwise noted in writing. No representations as to the condition or repair of the

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premises have been made by Landlord or its agents prior to the execution of the Agreement, other than those expressed in this Agreement. Tenant(s) shall have seven (7) days after the time of initial occupancy to give Landlord written notice of any defects or needed repairs on the Property. This notice shall be given only on the attached "Rental Property Move-In Checklist" and shall be hand delivered to Landlord.

If no notice is given within the specified time period, Tenant(s) are conclusively presumed to have received the Property in good order and repair.

6.2 PROPERTY MAINTENANCE AND REPAIRS: Landlord, shall comply with the requirements of applicable building codes materially affecting health and safety; make all repairs necessary to keep the Property in a fit and habitable condition; keep all common areas in a clean and safe condition; maintain, in good and safe working order, all existing electrical, plumbing, sanitary, heating, ventilating, air condition, elevators, and other facilities and appliances. Tenant(s), shall maintain the Property in a neat and undamaged condition and, in particular, shall comply with applicable provision of building codes affecting health and safety; maintain the Property in a clean and safe condition; dispose of all ashes, rubbish, garbage, and other waste in a clean and safe manner; keep clean and use in a reasonable manner all plumbing, electrical, sanitary, heating, ventilating, air conditioning, elevators, and other facilities and appliances; generally conduct themselves and others in their charge, including pets, in a manner so as not to disturb their neighbors or in any way deface, damage, impair, or otherwise destroy any part of the Property. Tenant(s) also agrees to replace furnace filters monthly, air conditioning filters monthly, and light bulbs and smoke alarm batters as frequently as conditions require. If Tenant(s) fails to comply with such requirements, Landlord may make necessary repairs and submit a bill to Tenant(s).

6.3 INSPECTIONS. Tenant(s) understands and agrees to comply with any and all inspections of the property. Landlord will give Tenant(s) 48-hour notice of the inspection. If Tenant(s) does not make themselves available for the inspection, landlord will enter at the time specified in writing to the Tenant(s). Notice of intent to inspect must be made in writing via email or text to tenant.

6.4 MAINTENANCE REQUESTS. All maintenance/repair requests must be submitted to Landlord in writing. In the event of an emergency situation occurs where the maintenance/repair request affects the health and/or safety of the Tenant(s) and or property Landlord or Tenant can make repairs immediately. Tenant agrees to cover maintenance and repairs up to \$500 starting 30 days after possession. Landlord is responsible for all maintenance request over \$500 and or insurance claims or warranty claims.

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- 7 **OCCUPANCY**: The Property shall be used only for residential purposes by Tenant. Tenant may sublease the property to qualified tenants, and they must have a written short term or long-term lease agreement. Guests remaining more than fourteen (14) days shall be considered additional occupants unless Landlord gives prior written consent and Tenant(s) agrees to pay additional monthly rent in the amount of \$10.00 per day that the unauthorized occupants remain on the Property. If Tenant(s) attempts to sublet, transfer and/or allows any person other than those listed above to occupy the Property without a written agreement, such act shall be deemed a material non-compliance by the Tenant(s) of this Agreement and Landlord may terminate this Agreement. Tenant may sell the property and keep all profits over principle balanced owed to Landlord (Tenant would be responsible for any realtor fees).
- 8 **INSURANCE, INDEMNITY, AND RELEASE**: Tenant(s) shall maintain a renter's insurance policy to cover loss of personal property caused by any casualty including, but not limited to: fire, theft, wind, rain, electrical outages, or flooding (including bursts or leaking water pipes). Tenant(s) assumes all liability for personal injury, property damage or loss, and insurable risks. Tenant(s) agrees to indemnify and hold harmless Landlord and any of Landlord's respective agents, representatives, employers, or employees from any and all claims, liability, penalties, damages, expenses, and judgments or injuries or accidents to persons or property of any nature and howsoever caused occurring on or about the Property before, during, and after the lease term, including all costs, expenses, and attorney's fees incurred by Landlord in defense of any such claims, whether or not such claims are covered adequately by insurance.
- 9 **RULES, REGULATIONS, AND APPLICABLE LAW**: Both Landlord and Tenant(s) agree to comply with applicable laws, ordinances, regulations, Covenants, Conditions, and Restrictions, and Homeowners' Association rules and regulations concerning the Property. Tenant(s) agrees to supervise Tenant(s)'s family, guests, and invitees to insure their compliance with these rules, regulations, and laws. Tenant(s) shall be responsible for any actions of Tenant(s)'s family, guests, and invitees who violate this Agreement or Landlord's rules and regulations, pursuant to Florida Law. Tenant(s) is responsible for any fines or penalties assessed by any governing body as a result of Tenant(s)'s violation of any of these rules, regulations, and laws. Tenant(s) has either received a copy of any rules, regulations, and laws concerning the Property, or has made an independent investigation of the applicability of such rules, regulations, and laws as to Tenant(s)'s use of the Property. If the state, county, municipal, or other governmental bodies adopt new ordinances, rules, or other legal provisions affecting this Agreement, Landlord may make immediate amendments to bring this Agreement into compliance with the law. In such an event, Landlord agrees to give Tenant(s) written notice that this Agreement has been amended and shall provide a brief description of the amendment and the effective date.

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and/or amend any and all rules and regulations. Such modifications or amendments will be considered to be in effect upon receipt by Tenant(s), whether mailed, posted on Tenant(s)'s front door, or posted about the Property, of Landlord's written notice of such modifications or amendments.

10 OPTION TO PURCHASE – LEASE PURCHASE OFFER.

10.1 CONDITIONS. Notwithstanding anything to the contrary contained in this Lease, at any time after September 1st, 2019 (“Option Date”) but no later than July 30th, 2021 (“Expiration Date”), Tenant(s) may purchase the above referenced property if and only if the following conditions (“Conditions”) are met:

- a. Tenant(s) timely exercise this Lease Purchase Option;
- b. The terms of this Lease are not violated in any material manner, Lease payments are being made on time. Rent late over 40 days without legal cause will void all contract terms and tenant will forfeit option consideration;
- c. All sums due and payable are made timely and in full, failure to purchase will be at a cost of \$8,000 to tenant (see additional terms) ; AND
- d. Tenant(s) execute all required documents to complete a purchase

Failure to meet all required Conditions shall result in a termination of this Right of First Offer. If Tenant(s) are evicted in a judicial proceeding for any reason whatsoever, this Right of First Offer shall terminate on the day a judicial eviction is granted.

10.2 NOTICE. Tenant(s) shall give thirty (30) day written notice to Landlord stating Tenant(s) intention to exercise Tenant(s) Right of First Offer.

10.3 COOPERATION. Each Party shall take all actions as may be reasonably necessary to consummate the sale of the Premises including, but without limitation, entering into a purchase agreement, seeking financing, and other actions as may be necessary or appropriate.

10.4 LEGAL DESCRIPTION. The legal description and parcel number(s) of the Premise is
See title report

_____.

10.5 PURCHASE PRICE. The purchase price is \$ 380,000 (“Purchase Price”).
Tenant(s) agree to this Purchase Price regardless of any appraiser report.

10.6 INSPECTION. Tenant(s) have inspected the Premise and accept it in “AS-IS” condition. Tenant(s) understand, agree, and accept that Landlord is not making any warranties or guarantees as to the condition of the property.

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- 11 COUNTERPART & FACSIMILE:** This Agreement, any attached exhibits, and any addenda or supplements signed by both Landlord and Tenant(s) shall constitute the entire Agreement between Landlord and Tenant(s) and shall supersede any other written or oral Agreement between Landlord and Tenant(s). This Agreement can only be modified in writing and signed by landlord and Tenant(s). A fully executed facsimile copy of the entire Agreement shall be treated as an original Agreement. This Agreement may be signed in counterpart.
- 12 TRANSFERS:** Military personnel on active duty may terminate this Agreement upon receipt of orders transferring them to another base, releasing them from active duty, or orders requiring occupancy of government quarters. Tenant(s) agrees to give Landlord as much written notice as possible and Rent will be prorated from the notice date to move-out date. Assignment instructions for the voluntary occupancy of government quarters are not sufficient for termination of this Agreement.
- 13 WAIVERS:** Failure of Landlord to insist upon strict compliance with the terms of this Agreement shall not constitute a waiver of landlord's rights to act on any violation of this Agreement or to insist upon compliance by Tenant(s) with the terms of this Agreement.
- 14 ATTORNEY'S FEES AND COSTS:** If a lawsuit or arbitration proceeding is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to receive reasonable attorney's fees and costs as set by the court or arbitrator.
- 15 NOTICES:** All notices, communications, and demands of any kind, which either Landlord or Tenant(s) may be required or desire to give or serve upon the other party, shall be made in writing and be either hand delivered or sent by registered or certified mail. Tenant(s) will be charged \$20.00 for the preparation and delivery of any notices pertaining to violations of this Agreement. Notices to Tenant(s) shall be sent to the Premise. Notices to Landlord shall be sent to bridgehouseamerica@gmail.com.
- 16 LEASE EXPIRATION:** Should Tenant(s) wish to vacate the Property at the end of the Agreement term, Tenant(s) shall provide Landlord with proper written notice of Tenant(s)'s intent to vacate the Property. Vacate dates must be the last day of any given month; therefore, proper notice must be received prior to the first day of the last month in which Tenant(s) wishes to occupy the Property (e.g., should Tenant(s) wish to vacate July 31st, notice must be received on or before May 31st.) If Landlord receives no notice, this Agreement will continue on a month-to-month basis under the terms and conditions of this rental agreement. If notice is provided, but not prior to the first of the month immediately preceding the month in which Tenant(s) wishes to vacate, Tenant(s) will be responsible for the rental amount for the full month following the month in which notice is received (e.g., if notice is received June 2nd, Tenant(s) is responsible for the full amount of July's rent). Regardless of whether proper notice

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is given, Tenant(s) agrees to allow Landlord to show the Property to prospective Tenant(s) or purchasers from the time notice is received to the time the property is vacated. Landlord will also be allowed to install a “MLS” lockbox on the Property during the same time period in order to allow other Real Estate Agents to show the Property for lease or sale when Tenant(s) is not at the Property. Tenant(s) also agrees that Landlord may place a “For Rent” or “For Sale” sign on the Property during this same time period.

17 CONSTRUCTION OF LANGUAGE: the language of this Agreement shall be construed according to its fair meaning and not strictly for or against either Landlord or Tenant(s). Words used in the masculine, feminine, or neuter shall apply to either gender or the neuter as appropriate. All singular and plural words shall be interpreted to refer to the number consistent with circumstances and context.

18 REALTORS. One or more of the Parties to this Lease may be licensed Realtors (“Licensed Party”). However, a Licensed Party is not acting as a realtor or on behalf of any third-party for the purposes of this Lease.

19 PETS: Tenant(s) shall keep no pets on or about the Property unless a pet addendum is included with this Agreement. Pets and animals are allowed.

20 SWIMMING POOL: The Property does not contain a swimming pool. If the Property does contain a swimming pool, Tenant(s) acknowledges receipt of the Florida Department of Health Services approved Private Pool Safety Notice as required by mail.

Tenant(s)’s Initials Required. DS
El _____

21 LEAD-BASED PAINT DISCLOSURE: The U.S. Department of Housing and Urban Development requires a Landlord of most residential real property built prior to 1978 to notify Tenant(s) of any known lead-based paint or lead-based paint hazards, and to provide Tenant(s) with any information contained in lead-based paint risk assessments or inspections in Landlord’s possession. (These disclosure requirements do not apply to certain leases including a lease of property that has been determined by a certified lead-based paint inspector to be free from lead-based paint or lead-based paint hazard; and short-term leases of 100 days or less, as long as no renewal or extension of the lease can occur.) By initialing below, Tenant acknowledges either:

that the property and buildings included in this lease were constructed prior to 1978, and that Tenant(s) has received and executed the Disclosure of Information on Lead Based Paint and Lead-Based Paint Hazards, see attached addendums, and has received any

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reports, records, pamphlets, and/or other materials referenced therein, including the pamphlet "Protect your Family from Lead in Your Home"; or

that the property and buildings included in this lease were constructed in 1978 or later.

Tenant(s)'s Initials Required: EL

22 **ADDENDA:** The following addendums are incorporated into this Agreement:


- Lead Based Paint
- Crime/Drug Free Housing
- Swimming Pool
- Maintenance
- Move Out Addendum

Additional Terms: Option Assignment Fee of \$8,000 paid to Bridgehouse America and is non-refundable and will be reduced from the purchase price. There is no penalty for early payoff. Tenant will receive a monthly credit of \$500 off purchase price for all payments made on time.

23 TENANT(S) ACKNOWLEDGEMENT: BY SIGNING BELOW, TENANT(S) ACKNOWLED THAT:

22.1 Tenant(s) understands and agrees to the terms and conditions of this Agreement, and acknowledges a receipt of a copy of all pages of this Agreement and any addenda.

TENANT(S)

X 	7/23/2019	
Tenant Signature	Date	Phone Number

Eraka Childs

Tenant Printed Name

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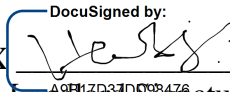
X _____
Tenant Signature Date Phone Number

Tenant Printed Name

X _____
Tenant Signature Date Phone Number

Tenant Printed Name

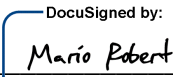
LANDLORD

X  _____
Landlord Signature Date Phone Number

Hariharashudhan Shanmugam

Landlord Printed Name

ASSIGNOR

X  _____
Assignor Signature Date Phone Number

BRIDGEHOUSE AMERICA

Assignor Printed Name