

## **Answers to Common Lease Option Questions**

**"What is the difference between rent-to-own and a lease option?"**

"A rent-to-own is a bilateral agreement where the owner/landlord must sell the property and the buyer/tenant must purchase it at the end of the rental agreement. In a lease option, the owner/seller must sell only if the buyer/tenant decides to exercise the option and buy the property."

**"How long is the lease?"**

"Because you want to use this program as a means to save up for a down payment and repair/establish your credit so that you can obtain a mortgage, these leases are usually 2-5 years in length; however they can be shorter or longer."

**"What are the fees involved?"**

"The only additional fee is an upfront option deposit that would be dependant on the property you would like to live in and eventually purchase. The monthly rent is slightly higher than the average rent in the area for comparable units because a portion of it will be put aside for your down payment."

**"How does a lease option work?"**

"Basically we sign a lease agreement with an option to purchase. It is similar to a rent-to-own however you, the tenant have the option to purchase the property or to walk away at the end of the lease agreement."

**"What if I do not want to purchase the house after the lease is up?"**

"You don't have to!"

**"Can I sublet the whole/part of the house to another person?"**

"We will have to discuss this when we meet as it will depend on the property. In most cases, as long as you are making your payments to me and assume responsibility for the property, I would have no problem allowing you to sublease it."

**"What are you looking for to qualify me?"**

"There are a few things I am looking for. Why don't we set up an appointment to meet and discuss what it is you are looking for in person and then we can go over the details?"

**"What if I cannot qualify for a mortgage after the end of the lease?"**

"We can look at the option of extending the lease agreement until you do qualify, however then I will be working closely with you to make sure you're taking the steps to qualify."