



RESIDENTIAL PROGRAM AGREEMENT With Option to Purchase

This RESIDENTIAL PROGRAM AGREEMENT With Option to Purchase (“**Agreement**”) is entered into by and between Mr Joe Example (collectively, “**Resident**”), and REAL Homeownership Trust, a Delaware statutory trust (“**Landlord**”), for the residence described below (“**Residence**”) as of May 05, 2021 (the “**Effective Date**”) on the terms and conditions set forth in this Agreement.

Transaction Summary:

Resident has selected the Residence in connection with entering into this Agreement. Landlord will acquire the Residence for use by the Resident pursuant to the terms of this Agreement. Resident is paying the Acquisition Premium as an option premium for the option to purchase the Residence anytime during the Term in accordance with the terms of this Agreement (the “**Option to Purchase**”). If Resident is in, and has been in, compliance with the terms and covenants of this Agreement, Resident can exercise the Option to Purchase by giving the Landlord 30 days’ written notice of intent to exercise the Option to Purchase. The written notice shall specify the manner in which the Resident intends to pay the Program Balance and any Related Purchase Amount. Resident may pay the Program Balance in cash or by paying the Program Balance and any Related Purchase Amount either by (i) arranging financing for purchase of Residence by Resident or (ii) arranging for the sale of Residence to a third party upon terms satisfactory to Landlord. Section 21 of this Agreement sets forth the specific terms governing exercise of the Option to Purchase. Capitalized terms used in this Summary have the meanings in the following table:

Residence	123 S. Sunshine St Sunnyside, CA 98000	The property address of the real property and improvements that are the subject of this Agreement.
Program Manager	Seashine Property Services, Inc.	The Program Manager is authorized to manage the Residence and to act on behalf of Landlord with respect to any provision or obligations of this Agreement.
Commencement Date	05/30/2021	The date the Landlord completes the purchase of the Residence.
Term	24 Months	The Term begins on the Commencement Date and continues until the Termination Date.
Termination Date	5:00 pm local time on the last calendar day of the month, 24 months after the Commencement Date, unless extended or terminated as described in this Agreement.	
Program Purchase Price	\$650,000.00	The Landlord’s purchase price for the Residence including any improvements, alterations and repairs.

Transaction Fee	\$12,594.00	The amount paid to the Landlord as consideration for sales, marketing and origination services.
Gross Purchase Price	\$662,594.00	The Program Purchase Price plus the Transaction Fee plus Extraordinary Expenses. See Sections 3 and 12 of this Agreement for a description of Extraordinary Expenses.
Acquisition Premium	\$146,250.00	The amount Resident pays to Landlord to acquire the Option to Purchase the Residence.
Program Balance	\$516,344.00	The amount the Resident pays to exercise the Option to Purchase which shall be equal to the Gross Purchase Price minus the Acquisition Premium.
Monthly Payment Amount	\$3,613.00	The Resident's monthly payment amount, subject to increase per the terms of this Agreement and in accordance with Applicable Law upon at least 30 days' written notice to Resident.
Related Purchase Amount		In connection with Resident exercising the Option to Purchase under this Agreement, Resident is responsible for payment of (i) any title insurance fees, real estate agent fees and commissions, recording fees, appraisal fees, inspection fees, escrow agent fees and services and other residential property sale closing costs associated with the sale of the Residence ("Closing Costs") to the Resident or a third party, (ii) special assessments against the property by a municipality, county or other government department applicable to the Residence (if any), and any governmental fees or taxes payable to transfer title to the Residence from Landlord to Resident, (iii) pro-rated property taxes, insurance premiums, HOA transfer fees and HOA Dues and (iv) seller concessions and seller paid repairs.

AGREEMENT

As of the Commencement Date, Landlord agrees to lease to Resident the Residence described above, subject to the terms and conditions contained in this Agreement.

The Acquisition Premium is due on or before the Commencement Date of this Agreement. Landlord and Resident intend that the Acquisition Premium be treated solely as a payment for the Option to Purchase, and not as a security deposit, down payment, or capitalized cost reduction. Accordingly, the Acquisition Premium shall not be subject to any laws applicable to security deposits between landlords and residents. If Resident exercises the Option to Purchase in accordance with the terms of this Agreement, the Acquisition Premium will be applied toward the amount the Resident shall pay for the Residence.

All references in this Agreement to "**Applicable Law**" shall mean all applicable laws, ordinances, directives, temporary orders, and rules and regulations enacted now or hereinafter by any governmental authority with jurisdiction over the Residence. All references to "**State**" shall mean the state in which the Residence is located. "**HOA**" shall mean Homeowner's Association. "**HOA Dues**" shall mean regularly occurring dues payable to any applicable HOA.

1. **PROPERTY.**

- A. Landlord leases to Resident and Resident leases from Landlord, the Residence.
- B. The Residence is for the sole use as a personal residence by the Resident. Resident must notify Landlord of the names of any other parties occupying the Residence (“**Occupants**”) including any children. As used in this Agreement, Occupants, sub-tenant, guests and licensees of Resident shall be referred to as resident parties (each a “**Resident Party**”). Every Occupant over the age of 18 shall submit to background checks as further described in Section 15 of this Agreement.

2. **TERM.**

- A. Term of Agreement. This Agreement shall begin on the Commencement Date and terminate on the Termination Date. Resident shall vacate the Residence upon termination of the Agreement, unless: (a) the Resident exercises the Option to Purchase the Residence, (b) Landlord and Resident have extended this Agreement in writing or signed a new agreement, (c) otherwise mandated by local rent control law or (d) Landlord accepts Monthly Payment Amount from Resident (other than past due Monthly Payment Amounts), in which case a month-to-month tenancy shall be created which either party may terminate by giving written notice at least 30 days prior to the intended termination date. In the event of a month-to-month tenancy, Resident shall be responsible for paying the Monthly Payment Amount through the Termination Date even if moving out early. The Monthly Payment Amount shall be at a rate agreed to by Landlord and Resident, subject to Applicable Law. All other terms and conditions of this Agreement shall remain in full force and effect.
- B. HOA Approval. If occupancy of the Residence by the Resident must be approved by any HOA, Resident shall be responsible for any application fees and deposits related to any HOA approval process, regardless of whether Resident is approved. If any required HOA approval is not obtained prior to the Commencement Date, either Landlord or Resident may terminate this Agreement by written notice at any time prior to the Commencement Date, in which event the Acquisition Premium less reasonable costs and expenses shall be returned to Resident. Resident agrees to cooperate with any HOA approval process and to take all reasonable actions required to obtain HOA approval, including but not limited to completing the application or any other required documentation, paying any related fees and/or deposits, and submitting to a background and/or credit check.

3. **PAYMENT AMOUNT.**

- A. Resident agrees to pay:
 - (i) Monthly Payment Amount: as set forth in the Summary above.
 - (ii) Additional Monthly Payment Amount.

Additional Monthly Payment Amount means all other monetary obligations of Resident to Landlord under the terms of this Agreement in addition to the Monthly Payment Amount

including, without limitation, (1) fines or charges imposed or levied against Landlord for the Residence during the Term by any HOA, private utility company or governmental agency due to any violation by Resident, or by any Resident Party, (2) in the event Landlord establishes and maintains a utilities account on the Residents' behalf, any utility amounts, including set-up and termination fees, (3) any rental tax and (4) all expenses which Landlord may suffer or incur by reason of any default by Resident of the provisions of this Agreement, including, without limitation, the cost of weatherization of the Residence, repairing damage to the Residence, Service Charges and any other charges related to the Residence as permitted by this Agreement and Applicable Law. All such Additional Monthly Payment Amounts shall be payable by Resident within ten (10) Business Days after Landlord's delivery of notice to Resident of the Additional Monthly Payment Amount; provided, however, that if Resident is unable to pay the Additional Monthly Payment Amount, Landlord will consider in good faith any reasonable written request by Resident for Landlord to reduce the Additional Monthly Payment Amount or provide repayment terms reasonably satisfactory to the Resident.

If HOA Dues, Taxes or Insurance expenses related to the Property are subject to a material increase (generally an increase of 3% or more in such HOA Dues, Taxes or Insurance expenses), Landlord may, as permitted by applicable law, upon thirty (30) days' notice to the Resident, increase the Monthly Payment Amount by an amount equal to the annualized amount of the increase divided by 12. However, upon request from the Resident, the Landlord may in its discretion, add the increased amounts of HOA Dues, Taxes or Insurance expenses to the Program Balance as extraordinary expenses ("**Extraordinary HTI Expenses**").

- B. Monthly Payment Amount and all Additional Monthly Payment Amounts are payable in advance on the 1st day of each calendar month.
- (iii) All amounts shall be made payable to REAL Homeownership Trust and paid by personal check, cashier's check, money order, electronic funds transfer or another payment method acceptable to the Landlord and the Resident.
 - (iv) Each payment shall be made electronically or mailed to the Lockbox address specified on the statement delivered monthly by email.
 - (v) If any payment is returned for non-sufficient funds or because Resident stops payment, then, after that: (i) Landlord may, in writing, require Resident to pay the Monthly Payment Amount in certified funds for three months and (ii) all future Monthly Payment Amounts shall be paid by money order, or cashier's check.
 - (vi) Payments received by Landlord shall be applied to the earliest amount(s) due or past due.
 - (vii) Payment of less than the full Monthly Payment Amount for a month shall be deemed a partial payment of that month's Monthly Payment Amount. Landlord reserves the right to reject any partial payment by not applying the partial amount to the Monthly Payment Amount and notifying the Resident of

such rejection, in which case the Resident will have failed to make the required Monthly Payment Amount or other required payment. Under no circumstances shall Landlord's acceptance of a partial payment of Monthly Payment Amount constitute accord or satisfaction or forfeit Landlord's right to collect the Monthly Payment Amount balance due, despite any endorsement, stipulation, or other statement on Resident's check. Landlord may accept any partial payment by applying the partial payment to the Monthly Payment Amount and notating the payment as a partial payment on its books without prejudice to the right to recover the balance remaining due, or to pursue any other remedy available to Landlord.

4. LATE CHARGE; RETURNED CHECKS.

- A. Resident acknowledges either late payment of the Monthly Payment Amount or any Additional Monthly Payment Amount or issuance of a returned check may cause Landlord to incur costs and expenses, the exact amounts of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of the Monthly Payment Amount or any Additional Monthly Payment Amount due from Resident is not received by Landlord within 10 calendar days after the date due, or if a check is returned, Resident shall pay to Landlord, respectively, an additional sum of \$125.00 as a Late Charge and \$35.00 as a Dishonored Check fee for a returned check.
- B. Landlord and Resident agree that the foregoing charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Resident's Late Charge or Dishonored Check fee. Any Late Charge or Dishonored Check fee due shall be paid with the current installment of Monthly Payment Amount. Landlord's acceptance of any Late Charge or Dishonored Check fee shall not constitute a waiver as to any default of Resident. Landlord's right to collect a Late Charge or Dishonored Check fee shall neither be deemed an extension of the date the Monthly Payment Amount is due under Section 3 nor prevent Landlord from exercising any other rights and remedies under this Agreement and as provided by Applicable Law.

5. RULES/REGULATIONS.

Resident agrees to comply with all Landlord rules and regulations that are specified in this Agreement. Resident shall not, and shall ensure that any Resident Party shall not, disturb, annoy, endanger or interfere with neighbors, or use the Residence for any unlawful purposes, under federal, state, or local law including, but not limited to, using, manufacturing, selling, storing or transporting illicit drugs or other contraband, or violate any law or ordinance, or commit a waste or nuisance on or about the Residence.

6. CONDOMINIUM; PLANNED UNIT DEVELOPMENT.

If the Residence is a unit in a condominium, planned unit development, common interest subdivision or other development governed by an HOA:

- A. The name of the HOA is N/A.

- B. Resident agrees to comply with all HOA covenants, conditions and restrictions, bylaws, rules and regulations and decisions (“**HOA Rules**”), Resident shall pay Landlord as Additional Monthly Payment Amount for any fines or charges imposed by HOA or other authorities, due to any violation by Resident, or by any Resident Party.
- C. Resident shall pay any fees to the HOA to gain access to certain areas within the development such as but not necessarily including or limited to the front gate, pool, and recreational facilities. Resident is solely responsible for payment of such fees and shall reimburse Landlord for any fees paid by Landlord on Resident’s behalf.
- D. Landlord shall provide Resident with a copy of the HOA Rules no later than ten (10) days following the Commencement Date.

7. CONDITION OF RESIDENCE.

- A. Prior to the Commencement Date, Resident has inspected the Residence and any and all appliances, landscaping, fixtures, improvements, equipment, hardware, smoke detector(s) and carbon monoxide detector(s).
- B. Landlord will deliver to Resident a residence move-in condition form (“**Residence Condition Form**”) no later than three (3) days following the Commencement Date, not as a contingency of this Agreement but rather as an acknowledgement of the condition of the Residence.
- C. Resident shall complete and return the Residence Condition Form to Landlord within three (3) days after delivery. Resident’s failure to return the Residence Condition Form within that time shall conclusively be deemed Resident’s acknowledgement of the condition as stated in the Residence Condition Form.

8. VEHICLES AND STORAGE. Resident shall abide by all parking and/or storage rules and any applicable HOA Rules.

9. PERMITTED USE. Resident shall not use or permit the Residence to be used for any purpose other than as the principal and primary residence of Resident. No retail or commercial or professional use of the Residence shall be made unless Resident has obtained the prior written consent of Landlord. Resident shall in all material respects comply with, or cause to be complied with, and conform to all Applicable Law and any HOA Rules which may be applicable from time to time, to the Residence or to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of any part of the Residence. Resident shall promptly notify Landlord if Resident no longer uses or occupies the Residence as Resident’s principal and primary residence or if Resident fails to occupy the Residence for at least one hundred eighty-one (181) days per year. Landlord may choose to inspect a Residence unoccupied for more than 60 days at a cost to the Resident of \$125.00 per inspection. Landlord may or may cause a third party on its behalf to, maintain, weatherize or perform repairs to the Residence during the time the Residence is unoccupied for a period of 60 days or more; provided, however, in no event is Landlord obligated to weatherize the Residence. Furthermore, Landlord shall not be deemed to have undertaken a continuing obligation to weatherize the Residence due to it having performed such functions on one or more occasions. Any charges incurred by Landlord in the weatherization

or maintenance of the Residence will be paid by Resident as Additional Monthly Payment Amount.

10. **UTILITIES.** Except in the event Landlord has agreed in writing to establish necessary utilities in its name, (i) Resident agrees to pay for all utilities or services supplied to or consumed in, on, about or related to the Residence, including but not limited to gas, water, sewer, electricity, telephone, television, internet and garbage during the Term separately in addition to the Monthly Payment Amount under this Agreement and (ii) Resident shall place all such utilities in Resident's name as of the Commencement Date and Resident shall provide Landlord with evidence of the transfer of such utilities into Resident's name within 30 days following the Commencement Date, or otherwise upon request by the Landlord. In the event Landlord has established necessary utilities in its name, utilities will be paid as Additional Monthly Payment Amount. In no event is Landlord responsible for telephone service, internet service, satellite or cable television service or any other service to the Residence, and no such services are guaranteed to be available to the Residence.
11. **NEIGHBORHOOD CONDITIONS.** Landlord makes no representations or warranties as to the current or future character or condition of the area or neighborhood in which the Residence is located. Further, Resident acknowledges that Landlord is not representing or warranting that the Residence is safe or secure and is not guaranteeing the safety or security of any Resident.

Resident has selected the Residence for habitation in connection with entering into this Agreement. Resident acknowledges and agrees that Resident has been advised by Landlord to satisfy himself/herself as to neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime statistics, proximity of registered felons or offenders, fire protection, other governmental services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, proximity to airports, existing and proposed transportation, construction and development that may affect noise, view, or traffic, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, cemeteries, facilities and conditions of common areas, conditions and influences of significance to certain cultures or religions, and personal needs, requirements and preferences of Resident.

12. **MAINTENANCE, USE AND REPORTING.** Resident is responsible for proper maintenance of the Residence. Resident should carefully review this Section and all other maintenance provisions of this Agreement.
- A. Resident shall, at all times, use, operate and safeguard the Residence, including any and all equipment, hardware, appliances, landscaping, fixtures, and all mechanical, electrical, gas, and plumbing fixtures, carbon monoxide detector(s) and smoke alarms, located in, on or about the Residence, and maintain, at Resident's own expense, the Residence in its original condition per the Residence Condition Form, normal wear and tear excepted, and perform all other maintenance obligations imposed upon Resident under this Agreement.

- (i) Except as otherwise set forth in this Agreement, Landlord shall have no obligation, in any manner whatsoever, to repair and maintain the Residence, or the equipment therein, all obligations are intended to be that of the Resident. Landlord reserves the right to either perform the service or hire a reputable third party to complete repairs at Resident's cost. Any such amounts paid by Landlord together with any applicable Service Charges, shall be payable as Additional Monthly Payment Amount.
- (ii) Any repairs related to the health and safety or structural integrity of a Residence, including malfunction or failure of systems, such as the heating system, roof, foundation, and bearing walls, as well as mold or pest infestation shall be the obligation of, and paid for by, the Resident. If Resident does not perform and pay for the repairs, the Landlord shall perform repairs and pay the expenses, and such amount, together with any applicable Service Charges, shall be referred to as "**Extraordinary Repair Expenses**", and together with any Extraordinary HTI Expenses, "**Extraordinary Expenses**".
- (iii) Resident must contact Landlord to report conditions requiring repairs to the Residence, excluding ordinary wear and tear. Resident is responsible for all repairs or replacements. Resident shall be charged for all damage to Residence as a result of failure to maintain the Residence or report damage requiring repairs in a timely manner.
- (iv) Landlord and Resident agree that State or local water use restrictions shall supersede any obligation of Landlord or Resident to water or maintain any garden, landscaping, trees or shrubs.
- (v) At all times, Resident shall maintain any swimming pool, hot tub, and/or any related equipment at the Residence in accordance with manufacturer instructions and shall observe any applicable HOA Rules.
- (vi) Resident agrees to take all reasonable steps to maintain the cleanliness and proper housekeeping of the Residence, including, without limitation, ensuring the conditions at the Residence are not conducive to the presence, proliferation, or infestation of insects, bed bugs, rodents, or other pests. Resident agrees to immediately notify Landlord of any conditions, signs, or evidence, whether known or suspected, indicating pest or bed bug infestation or presence in the Residence or in any of Resident's furnishings, clothing, possessions, or other personal property that is currently, or was previously, present in the Residence.
- (vii) Resident agrees to immediately notify Landlord of any conditions, signs, or evidence, whether known or suspected, indicating the presence of mold in the Residence.
- (viii) Resident agrees that, upon notification or reasonable belief of a pest infestation or the presence of mold, Landlord and its agents shall have access at reasonable times, subject to the notice requirements under this Agreement and Applicable Law, for mold inspections or pest inspections of the Residence

including, if applicable, Resident's furnishings, clothing, possessions, and any other personal property present in the Residence. Resident shall cooperate and not interfere with inspections or mold or pest control treatments.

- B. Unless restricted under Applicable Law, if Landlord is required because of the actions or inactions of Resident to inspect the Residence and/or perform repairs, Landlord shall have the right to charge for all costs of such inspection and repairs. The "**Service Charge**" shall be equal to the amount Landlord pays for a service call and any related inspections and/or repair work, which in no event will be less than \$200.00. All such charges shall be payable as Additional Monthly Payment Amount.

13. ALTERATIONS. In conjunction with the duties and obligations of Resident under this Agreement, including, without limitation, the maintenance provisions of Section 12, Resident agrees not to alter or impair the Residence (collectively referred to as "**Alterations**"), without first obtaining the written consent of Landlord. Such Alterations include, but are not limited to, the following activities: demolishing, repairing, removing, renovating, replacing or modifying any interior or exterior building materials at the Residence or the conditions at, in or under and within the Residence or Property. Prior to commencing any Alterations, Resident shall provide Landlord with thirty (30) days' notice to allow Landlord to post any notices of non-responsibility or such other notices permitted by Applicable Law. Resident shall comply with all applicable HOA Rules. Disability-related request for reasonable modification of the Residence or reasonable accommodations such as necessary exceptions to community policies will be granted pursuant to Applicable Law.

14. ENTRY AND INSPECTION. Resident shall arrange safe access to the Residence by the Landlord and any agent or contractor of Landlord to make necessary or agreed upon repairs (including, but not limited to, installing, repairing, testing, and maintaining smoke detectors and carbon monoxide devices, and bracing, anchoring or strapping water heaters, pest treatments or repairing dilapidation relating to the presence of mold), alterations or improvements, to supply necessary or agreed upon services, or in the event the Resident terminates this Agreement, to show the Residence to prospective or actual purchasers, appraisers or contractors, during normal business hours and upon reasonable written notice, normally forty-eight (48) hours, but no such notice shall be required in the event of an emergency or if giving such notice is impracticable under the circumstance. Said notice may be sent to the Resident electronically in accordance with Section 28. Resident shall cooperate with the Landlord to allow access to pest control personnel on reasonable notice and will carry out any preparations that are requested prior to any such visit.

No notice is required: (a) to enter in case of an emergency when immediate action is necessary in the opinion of Landlord or Landlord's agent for the protection of Resident or the Residence; (b) if Resident is present in the Residence and consents at the time of entry; (c) if Resident has abandoned or surrendered the Residence; or (d) if notice is not required under Applicable Law.

15. ASSIGNMENT AND OCCUPANCY.

- A. Resident shall commence occupancy of the Residence within 30 days of the Commencement Date unless the Landlord otherwise agrees to postpone occupancy.

Resident shall notify Landlord and provide Landlord with information (including but not limited to the name, date of birth and nature relationship) of any and each natural person that will occupy the Residence for any reason for more than 14 calendar days per year (each an "Occupant"). Landlord will obtain an annual background check to verify that any Occupant 18 years of age or older. The cost of each background check shall be paid by the Resident as Additional Monthly Payment Amount. Occupant background check is estimated to cost \$15 per Occupant per year.

- B. Resident shall not sublet all or any part of the Residence, or parking or storage spaces, or assign or transfer this Agreement or any interest in it, without Landlord's prior written consent. Unless such consent is obtained, any assignment, transfer or subletting of the Residence or this Agreement, by voluntary act of Resident, operation of law or otherwise, shall, at the option of Landlord, terminate this Agreement.
- C. Landlord is making the Residence available for occupancy by the Resident, and the Resident is personally acquiring the Option to Purchase under this Agreement. The Landlord has a choice as to whom it contracts with and has determined that the Resident is of good reputation and has the resources necessary to enter into and perform under this Agreement. Accordingly, any proposed assignee or transferee of this Agreement, which must include the Option to Purchase, shall submit to Landlord an application fee of \$25, credit/background check information for each proposed assignee or transferee and an Assignment Fee of \$1,000.00.
- D. Participation in short term, vacation, and transient rentals such as, but not limited to, those arranged through AirBnB, VRBO, HomeAway or other short-term rental services must be in compliance with Applicable Law.
- E. Landlord can assign its interest in this Agreement and the Residence without consent of the Resident. If Landlord does so and notifies Resident, Resident agrees to make all payments thereafter to the assignee and, unless provided by Applicable Law, agree not to make any claims you have against Landlord against the assignee.

16. **RESIDENT'S DEFAULT.**

Sections 16 and 17 describe what events constitute a default and the remedies available to Landlord for a default. You should understand the consequences of a default and Landlord's rights and remedies in such case. The occurrence of any of the following shall constitute a default by Resident under this Agreement:

- A. Any Monthly Payment Amount or Additional Monthly Payment Amount that remains due and payable 10 calendar days following the related due date, provided that Landlord shall provide Resident three (3) days' notice of default (unless a longer period is required by Applicable Law).
- B. Failure to have adequate unencumbered funds to make a payment under this Agreement on the date that a payment becomes due.
- C. Resident terminates this Agreement prior to the Termination Date.

- D. Failure to perform any other obligation of Resident under this Agreement or comply with any provisions of this Agreement (excluding a default under A. above), provided that Landlord shall provide Resident a notice of default and the opportunity to cure such default within the time period that is the least of (a) five (5) days (unless a longer period is required by Applicable Law), (b) the period afforded Landlord by a third party to cure a violation of Applicable Law, or (c) the minimum period provided by Applicable Law, except that in no case shall a cure period be given for incurable defaults.
- E. Any event of default under another Residential Program Agreement to which the Resident is a party shall have occurred and be continuing.

17. LANDLORD'S REMEDIES.

Subject to any rights of the Resident under this Agreement, in addition to any remedies available to Landlord under Applicable Law, Landlord shall have the following remedies if Resident commits a default and does not cure such default within any applicable cure period:

- A. Landlord may continue this Agreement in full force and effect, and this Agreement will continue in effect if Landlord does not terminate Resident's right to possession, and Landlord shall have the right to collect Monthly Payment Amount, Additional Monthly Payment Amount and any other Payment Amount when due.
- B. Landlord may terminate Resident's right to possession of the Residence at any time. No act by Landlord other than giving notice to Resident in accordance with Applicable Law shall terminate this Agreement. Acts of maintenance, efforts to relet the Residence, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Agreement shall not constitute a termination of Resident's right to possession.
- C. Landlord, at any time after Resident commits a default, may cure the default at Resident's cost. If Landlord, at any time, by reason of Resident's failure to cure a default within the required timeframe, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due from Resident to Landlord as Additional Monthly Payment Amount.
- D. Landlord and Resident shall have all legal and equitable remedies permitted by Applicable Law, which includes filing an immediate dispossessory action. In any dispossessory action, and to the extent permitted by Applicable Law, Resident shall deposit any unpaid Monthly Payment Amounts or Additional Monthly Payment Amounts with the applicable Court by money order or cashier's check. As described in Section 38, if Landlord determines that any authority, court of competent jurisdiction or other party in interest might assert or determine that this Agreement constitutes or is part of a mortgage, deed of trust or similar security agreement, Landlord is also intended to have all of the rights of a real property secured lender, including the power of sale and the right to judicial or nonjudicial foreclosure to the extent necessary to confirm Landlord's rights and to extinguish Resident's rights in the Residence following Resident's default, if applicable. Notwithstanding the

foregoing sentence, the parties intend that this Agreement constitutes a lease of the Residence according to the terms set forth in this Agreement, including the Option to Purchase.

To the fullest extent permitted by Applicable Law, Resident shall be liable for Landlord's costs and expenses for breach of this Agreement, including, without limitation, the cost of finding and processing a replacement resident, locator service fees, cleaning costs, make-ready costs, administrative fees and eviction processor fees.

18. ABANDONMENT. If Resident removes or attempts to remove any property from the Residence other than in the usual course of continuing Resident's occupancy of the Residence, without having first paid Landlord all moneys due under this Agreement, or if the Resident takes actions consistent with having abandoned the premises such as, by way of example, the premises remain unoccupied without supervision by or on behalf of the Resident, the Residence and any personal property, belongings and/or effects contained therein may be considered abandoned, and Landlord shall have the right to begin dispossessory proceedings together with all rights and remedies available to Landlord under Applicable Law. Such an act by the Resident under this Section shall constitute a default under Section 16 and shall give rise to Landlord's remedies under Section 17 together with all rights and remedies available to Landlord under Applicable Law and statutes of the State.

19. RESIDENT'S OBLIGATIONS UPON VACATING RESIDENCE.

- A. Upon termination of this Agreement, Resident shall: (a) give Landlord all keys or opening devices for the Residence, providing, at a minimum, the number of keys and opening devices that were provided to Resident as of the Commencement Date; (b) clean, vacate, surrender and deliver the Residence to Landlord in as good of a condition as existed on the Commencement Date, normal wear and tear excepted; (c) vacate any/all parking and/or storage space; (d) remove all debris; (e) give written notice to Landlord of Resident's forwarding address; and (f) remove all personal property of Resident. Resident acknowledges that damage caused by pets, burns, stains, holes and tears in the carpeting, draperies or walls do not constitute normal wear and tear. Resident shall be responsible for the costs and expenses associated with repairing damage that does not constitute normal wear and tear.
- B. All Alterations made by or caused to be made by Resident, with or without Landlord's consent, become the property of Landlord upon termination. Landlord may charge Resident for restoration of the Residence to the condition it was in prior to any unpermitted Alterations. Resident shall not be entitled to recover any amounts paid by Resident for said Alterations, or otherwise be entitled to an offset of any monies due Landlord, for having undertaken any such Alterations.
- C. (i) After giving or receiving notice of termination of this Agreement, or before the expiration of this Agreement, Resident has the right to request that an inspection of the Residence take place prior to termination of this Agreement. If Resident requests such an inspection, Resident shall be given an opportunity to remedy identified deficiencies prior to termination, consistent with the terms of this Agreement. (ii) Any repairs or alterations made to the Residence as a result of this inspection shall be

made at Resident's expense. Repairs may be performed by Resident or through others, who have adequate insurance and licenses and are approved by Landlord. The work shall comply with Applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all repairs may not be possible, (iii) Resident shall: (a) obtain receipts for repairs performed by others; (b) prepare a written statement indicating the repairs performed by Resident and the date of such repairs; and (c) provide copies of receipts and statements to Landlord prior to termination.

- D. Landlord may place signage in the front yard or any other reasonable location at the Residence (a) ninety (90) days prior to the end of the Term, (b) upon receipt of Resident's notice to terminate, and (c) at such other reasonable times as Landlord determines, to advertise the Residence to potential renters and/or buyers.

20. DAMAGE TO RESIDENCE. If partial destruction occurs to the Residence by fire, earthquake, flood, accident or other casualty that renders the Residence substantially uninhabitable, Landlord shall make timely repairs of the same, provided that such repairs can reasonably be made within thirty (30) days under Applicable Law, and provided further that the cause of casualty is covered by Landlord's insurance policies in force at the time of said destruction. Any partial destruction of the Residence shall in no way void this Agreement, except Resident shall be entitled to a proportionate reduction in Monthly Payment Amount, if any, while such repairs are being made, based on the extent to which such damage and repairs shall interfere with the habitability and/or the normal use and occupancy of the Residence by Resident. The Monthly Payment Amount will be adjusted based on the number of days the Residence is uninhabitable. Landlord retains the sole authority to determine whether the Residence is rendered uninhabitable as a result of any such partial destruction and, if the entire Residence is deemed uninhabitable, Landlord may terminate this Agreement upon appropriate notice. If such repairs cannot be made within thirty (30) days under Applicable Law and/or are not covered by Landlord's insurance policies, this Agreement may be terminated by either party upon appropriate notice. Resident shall be fully liable for all loss and/or destruction, whether partial or whole, caused by Resident or any Resident Party. Landlord may make such repairs and demand immediate payment from Resident.

Upon termination of this Agreement, provided that neither the Resident nor any Resident Party is responsible for such damage, and provided Landlord is able to establish a Net Market Value for the Residence, Landlord shall pay to the Resident an amount equal to the Net Market Value with respect to the Residence minus the Program Balance and any Related Purchase Amount.

21. EXERCISE OF OPTION TO PURCHASE. Landlord provides Resident with two ways to exercise the Option to Purchase the Residence – Purchase of Residence by Resident and Sale of Residence by Resident.

- A. Notice of Exercise of Option to Purchase. Resident may exercise the Option to Purchase upon 30 days' prior written notice to Landlord at any time during the Term of this Agreement as long as the Resident is current on payment of all Monthly

Payment Amounts and Additional Monthly Payment Amounts and otherwise is, and has during the Term of this Agreement been, in compliance with the terms and covenants of this Agreement. Resident's written notice to the Landlord of intent to exercise the Option to Purchase shall specify the way in which the Resident intends to pay the Program Balance. Resident may pay the Program Balance and any Related Purchase Amount in cash or it may pay the Program Balance and any Related Purchase Amount by (i) arranging financing for purchase of Residence by Resident or (ii) arranging for the sale of Residence to a third party upon terms satisfactory to the Landlord.

- (i) Purchase of the Residence by Resident. In the event the Resident intends to purchase the Residence, the Notice of Exercise of Option to Purchase shall so specify and shall identify the source of financing to pay the Program Balance and any Related Purchase Amount. The Resident and Landlord agree that the terms of Exhibit A shall be incorporated herein by reference for the purposes of completing the exercise of the Option to Purchase and the definition of Related Purchase Amount includes the amounts listed as Title & Escrow Fees, Assessments, Prorations and Transfer Taxes. If the Resident intends to obtain a mortgage, the Notice of Exercise of Option shall include a letter from a reputable financial institution pre-approving the Resident for such financing. Resident is solely responsible for payment of any and all financing costs. Upon receipt of payment of the Program Balance and any Related Purchase Amount, Landlord shall convey title to the Resident by grant deed or the applicable State's reasonable equivalent to the grant deed (with limited representations and warranties and excluding latent defects).
- (ii) Sale of Residence by Resident. In the event the Resident intends to exercise the Option to Purchase arranging the sale of the Residence to a third-party purchaser in order to pay the Program Balance and any Related Purchase Amount, the Notice of Exercise of Option to Purchase shall include the proposed terms of sale. The estimated sales proceeds from the sale of the Residence must be sufficient to pay the Program Balance plus any Related Purchase Amount incurred in connection with the sale of Residence. Unless otherwise agreed upon in writing by the parties, an escrow agent selected by the Resident, and approved by the Landlord, will be used for the closing of the sale. Upon receipt of payment of the Program Balance and any Related Purchase Amount, Landlord shall convey title to the third party by grant deed or the applicable State's reasonable equivalent to the grant deed (with limited representations and warranties and excluding latent defects) and shall remit to Resident the net sales proceeds as determined by Landlord. The net sales proceeds shall be paid to Resident within 10 days following the sale of the Residence together with a break-down of costs and expenses.

NOTE: The Resident will be provided an IRS Form 1099-S in conjunction with the sale of the Residence to a third party and may be responsible to report any gain or income after obtaining their own tax advice.

- B. Residence Sale by Landlord. Landlord recognizes the Resident's Option to Purchase and shall not seek to execute a sale of the Residence during the Term of this Agreement without the prior written consent of Resident.
- C. Payment of a Portion of Net Market Value.
- (i) If the Resident was unable to exercise the Option to Purchase during the Term of this Agreement in the manner specified in 21A. above, provided that this Agreement has not been terminated for cause by the Landlord and the Resident has surrendered the Residence following the Termination Date, if applicable, the Landlord shall pay to the Resident an amount equal to the difference between the Net Market Value (as defined below) of the Residence minus (i) the Program Balance plus (ii) any Related Purchase Amount but in no event will Landlord pay Resident an amount that exceeds the Acquisition Premium. In the event the then-outstanding Program Balance exceeds the Net Market Value, no amount shall be paid by the Landlord to the Resident. Landlord and Resident intend that the Acquisition Premium be treated solely as a payment for Resident's right to purchase the Residence, and not as a security deposit. Accordingly, the Acquisition Premium shall not be subject to any laws applicable to security deposits between landlords and tenants.
 - (ii) **"Net Market Value"** shall be equal to the **"Market Value"** of the Residence less an amount equal to 15% of the Market Value as an estimate of the fees, commissions, and other reasonable expenses and out of pocket costs incurred by the Landlord in connection with the disposition of the Residence following termination of the Agreement.
 - (iii) **"Market Value"** shall be determined promptly, but in any event within 90 days following an Event of Default or other termination of this Agreement, either as the amount (i) specified in writing by the Landlord and the Resident , (ii) as established by the insurance company in connection the payment of a covered loss to the Landlord where the Residence is subject to damage or destruction, or (iii) equal to the value as determined by an independent qualified professional selected by the Landlord and paid for by the Resident.

22. LIMITED LIABILITY OF LANDLORD.

To the maximum extent permitted by Applicable Law, Landlord shall not be liable to Resident for any damage or losses to person or property arising from any cause including, but not limited to, theft, burglary, assault, vandalism, fire, flood, water leaks, rain, hail, ice, snow, smoke, lightning, wind, explosion, interruption of utilities, earthquake, or any other cause not directly caused by fraud, willful injury or violation of law (negligent or intentional). Resident, for himself/herself/themselves and on behalf of all Resident Parties, (i) acknowledges that Landlord has acquired the Residence upon request of, and direction from, the Resident and (ii) waives any right to bring a legal action to assert a claim against the Landlord for any of the matters set forth in this Section 22. Further, Resident agrees, for himself/herself/themselves and on behalf of all Resident Parties and their personal representatives, heirs, executors, administrators, agents and assigns, to release and

discharge the Landlord Parties from any and all Claims (known or unknown) arising out of Resident's or the Resident Parties' use of, or acts or omissions in or on, the Residence and/or the planned community or the Property in which the Residence is a part.

RESIDENT ACKNOWLEDGES THAT RESIDENT HAS CAREFULLY READ THIS WAIVER AND RELEASE AND FULLY UNDERSTANDS THAT IT IS A RELEASE OF LIABILITY TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW. RESIDENT IS WAIVING ANY RIGHT WHICH RESIDENT OR THE RESIDENT PARTIES MAY HAVE TO BRING A LEGAL ACTION TO ASSERT A CLAIM AGAINST THE LANDLORD PARTIES, FOR RESIDENT'S AND/OR SUCH RESIDENT PARTIES' OR THEIR RESPECTIVE PERSONAL REPRESENTATIVES', HEIRS', EXECUTORS', ADMINISTRATORS', EMPLOYEES' OR ASSIGNS' ACTS OR OMISSIONS IN OR ON, OR USE OF, THE RESIDENCE OR THE PROPERTY OF WHICH THE RESIDENCE IS A PART.

23. INSURANCE.

- A. Neither the personal property nor vehicles of the Resident or any Resident Party are insured by Landlord against loss or damage. Resident is advised to carry Resident's own insurance (renter's insurance) to protect Resident or any applicable Resident Party from any such loss or damage.
- B. Resident shall comply with any requirement imposed by Landlord's insurer to avoid: (a) any increase in Landlord's insurance premium, or (b) loss of insurance.
- C. Resident shall maintain insurance, naming Landlord and, if applicable, Property Manager as additional insured, for injury or damage to, or upon, the Residence during the term of this Agreement or any extension, to address liabilities arising from any specific use by Resident or Resident Party, such as covering damage caused by dog-bites or liquid-filled furniture. Landlord may require evidence of Resident's liability insurance.

24. WAIVER. No failure of Landlord to enforce any provision of this Agreement shall be deemed a waiver of that term or of any other term of this Agreement. The waiver by Landlord of any provision of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision of this Agreement, nor shall any custom or practice which may arise between the parties be construed to waive or to lessen the right of Landlord to insist upon performance by Resident of all the provisions of this Agreement. The subsequent acceptance of Monthly Payment Amount or Additional Monthly Payment Amount by Landlord shall not be deemed to be a waiver of any preceding breach by Resident of any term of this Agreement, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Monthly Payment Amount or Additional Monthly Payment Amount. Landlord's acceptance of a partial payment of Monthly Payment Amount or Additional Monthly Payment Amount shall not constitute a waiver of Landlord's right to the full amount due nor shall Landlord's acceptance of Monthly Payment Amount or Additional Monthly Payment Amount paid late ever constitute a waiver of Landlord's right to terminate this Agreement for habitual late payment of Monthly Payment Amount or Additional Monthly Payment Amount.

25. JOINT AND SEVERAL LIABILITY. Resident expressly acknowledges and agrees that if Resident is comprised of more than one (1) individual, each such individual shall be individually and jointly and severally liable for the performance of each part of this Agreement. In particular, in the event of default by any one such individual, each and every remaining individual comprising Resident shall be responsible for timely payment of Monthly Payment Amount, any Additional Monthly Payment Amount, payment of any damages (however or whenever incurred) and the performance of all other provisions of this Agreement, whether or not such Resident continues in possession of the Residence.

26. MILITARY PERSONNEL.

In addition to the other termination rights under this Agreement, Resident may terminate this Agreement prior to termination of this Agreement if Resident is (a) a member of the U.S. Armed Forces or reserves on active duty or a member of the National Guard called to active duty for more than thirty (30) days in response to a national emergency declared by the President of the United States, or (b) receives orders for permanent change-of-station, receives orders to deploy with a military unit or as an individual in support of a military operation for ninety (90) days or more or is relieved or released from active duty. Upon written notice from Resident to Landlord of such event, this Agreement will be terminated thirty (30) days after the date on which Resident's next Monthly Payment Amount is due. Resident shall be required to provide to Landlord a copy of such military orders which warrant termination of this Agreement. Military permission for base housing in the local area in which the Residence is a part of does not constitute a change-of-station hereunder. For the purposes of this Agreement, orders described in subsection (b) above will only release (i) a Resident who qualifies under both subsections (a) and (b) above and receives the orders during the Term and (ii) such Resident's spouse or legal dependent living in the Residence.

Unless Resident has notified Landlord in writing signed by the Landlord prior to the date of this Agreement, Resident represents at execution of this Agreement that: (x) Resident does not have deployment or change-of-station orders; (y) Resident does not intend to retire from the military during the Term; and (z) the term of Resident's enlistment or obligation will not end before the Term. Resident shall be required to immediately notify Landlord if Resident is called to active duty or receives deployment or permanent change-of-station orders.

27. LIENS AND INDEMNITY.

Resident agrees to keep the Residence and this Agreement free from any liens or encumbrances. Resident shall not obtain any leasehold mortgage or other loan, or financing secured by, or otherwise encumbering, this Agreement, the leasehold interest, or any other interest of Resident, in the Residence. Resident shall indemnify, protect, defend and hold Landlord Parties harmless from and against any and all Claims in connection with any construction liens, mechanic's or material supplier's liens, or any similar liens or encumbrances recorded against the Residence and not resulting from the actions of Landlord or any Landlord Parties. Resident agrees to indemnify and hold Landlord Parties harmless against any Claims arising from the habitation, condition or ownership of the Residence, including those arising from a strict or vicarious liability claim but excluding any Claims arising from the actions of Landlord or any Landlord Parties. As used in this Agreement, "**Landlord Parties**" shall mean Landlord and/or any of its affiliates, and/or any of

our or their members, partners, shareholders, managers, officers, principals, investors, affiliates, employees, agents, representatives, successors and assigns, and “**Claims**” shall mean any and all suits, actions, causes of action, damages, demands, claims, liabilities, judgments, fines, penalties and costs, and fees and expenses, including, without limitation, attorneys’ fees and costs and costs of enforcement for the subject matter therein.

- 28. NOTICE.** All information, advice or notices which either party is permitted or required to give to the other (excluding eviction notices which will be served as required by Applicable Law) shall be in writing and mailed (certified mail, return receipt requested, postage prepaid), sent by overnight courier (charges prepaid), personally delivered, or delivered via electronic mail using the email addresses set forth in the signature blocks below and Applicable Law. Each party shall promptly provide written notice to the other of a change in its address, telephone number or email address provided herein. Notices and service of process to the Landlord shall be sent to REAL Homeownership Trust, Attn: Notices, c/o Seashine Property Services, 4 Park Plaza, Suite 650, Irvine, CA 92614, Tel. 888-401-0285; email: RHT@RealHomeownership.com. Notices to Program Manager shall be sent to Seashine Property Services, Inc., 4 Park Plaza, Suite 650, Irvine, CA 92614, Tel. 888-401-0285; email: RHT@RealHomeownership.com.
- 29. RESIDENT ESTOPPEL CERTIFICATES.** Resident shall execute and return an estoppel certificate delivered to Resident by Landlord or the Program Manager confirming there are no defaults by Landlord and other information reasonably requested by Landlord within five (5) days following receipt. Failure to comply with this requirement shall be deemed Resident’s acknowledgment that the estoppel certificate is true and correct, and may be relied upon by a lender or other third party dealing with the Landlord.
- 30. SUBORDINATION OF AGREEMENT.** This Agreement and Resident’s interest hereunder are and shall be subordinate, junior and inferior to any and all mortgages, liens or encumbrances now or hereafter placed on the Residence by Landlord, all advances made under any such mortgages, liens or encumbrances (including, but not limited to, future advances), the interest payable on such mortgages, liens or encumbrances and any and all renewals, extensions or modifications of such mortgages, liens or encumbrances.

In connection with Resident’s exercise of the Option to Purchase, Landlord agrees at the time of conveyance of title to the Resident, Landlord shall cause the removal of any mortgage, lien or other encumbrance placed on the Residence by Landlord.

31. RESIDENT REPRESENTATIONS; OBLIGATIONS REGARDING OCCUPANTS; CREDIT.

Resident represents and warrants that all statements in Resident’s application are complete and accurate. Any misrepresentation of any facts material to Landlord’s decision to enter into this Agreement shall be considered a breach of this Agreement and subject Resident to dispossession proceedings. Resident represents, warrants and covenants that Landlord, has been provided, and will in the future be provided, with notice of all Occupants including those 18 years of age or older all emancipated minors and all minor children living in the Residence and shall comply with the requirements of Section 15. Resident represents and warrants that it has legal custody and is legally responsible for all minors occupying the Residence. Resident authorizes Landlord to obtain Resident’s credit report and/or to

perform a background check periodically during the tenancy in connection with the modification or enforcement of this Agreement. Landlord may cancel this Agreement: (a) before the Commencement Date; (b) upon disapproval of the credit report(s); or (c) at any time, upon discovering that material information in Resident's application is false. A negative credit report reflecting on Resident's record may be submitted to a credit reporting agency if Resident fails to fulfill the terms of payment and other obligations under this Agreement.

32. ATTORNEY FEES. In any action or proceeding arising out of this Agreement, the prevailing party between Landlord and Resident shall be entitled to reasonable attorney fees and costs, collectively not to exceed Five Thousand Dollars (\$5,000), except as provided in Section 34.

33. GOVERNING LAW. This Agreement shall be governed, construed and interpreted by and in accordance with the laws of the State where the Residence is located.

34. ARBITRATION PROVISION.

A. Resident agrees that any claims arising from or relating to this Agreement or related agreements or relationships, including the validity, enforceability, arbitrability or scope of this Provision, at either party's election, are subject to binding arbitration. This includes, without limitation, claims in contract, tort, pursuant to statute, regulation, ordinance or in equity or otherwise, and any and all claims asserted by Resident or any Landlord Party against each other arising from or relating to this Agreement (excluding unlawful detainer actions); provided, however, notwithstanding anything to the contrary contained in this Agreement, at either parties election any and all actions for possession of the Property (including unlawful detainer actions) may be commenced in the county or circuit courts of the State in the county where the real property is located. Any arbitration shall be administered by this Administrator: JAMS (its rules may be obtained by visiting www.jamsadr.com); or by some other arbitration service provider mutually agreed to by the Parties. In all cases, the arbitrator must be a lawyer with at least 10 years of experience or a retired judge. Such claims shall be resolved in accordance with (i) the Federal Arbitration Act (the "**FAA**"); (ii) the Administrator's rules and procedures in effect at the time the claim is filed; and (iii) this Provision. Any arbitration hearing at which you appear shall be conducted at a location that is reasonably convenient to where Resident lives. If Resident cannot afford to pay and cannot obtain a waiver of the fees charged by the Administrator or Arbitrator or if Resident believes that such fees are or will be prohibitively expensive or excessive, Landlord will consider in good faith any reasonable written request by Resident for Landlord to pay or reimburse Resident for all or part of such fees. In any event, if Applicable Law or the arbitration provider's rules require Landlord to pay or reimburse Resident for any such fees, such law or rules will control. Each party shall bear the expense of that party's attorneys, experts, and witnesses, regardless of which party prevails in the arbitration, unless Applicable Law, the arbitration provider's rules and/or the Agreement gives a party the right to recover any of those fees from the other party. Landlord Parties and Resident are prohibited from participating in any class action in court or classwide arbitration with respect to any claims. There will also be no joinder or consolidation of parties, except for parties to this Agreement. In the event of a conflict or inconsistency between this Provision, on the one hand, and the

applicable rules of the arbitration provider or the other provisions of this Agreement on the other hand, this Provision shall govern. If any portion of this Provision is deemed invalid or unenforceable under any law or statute consistent with the FAA, it shall not invalidate the other portion of this Provision or this Agreement. Resident also will not be subject to this Provision for any individual claim brought in small claims court or Resident's state's equivalent court, unless such claim is transferred, removed or appealed to a different court. IF ANY PARTY ELECTS ARBITRATION WITH RESPECT TO A CLAIM, NEITHER LANDLORD PARTIES NOR RESIDENT WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT; TO HAVE A JURY TRIAL ON THAT CLAIM; TO ENGAGE IN PRE-ARBITRATION DISCOVERY EXCEPT AS PROVIDED FOR IN THE RULES OF THE ARBITRATION PROVIDER; OR TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO SUCH CLAIM. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING EXCEPT FOR A LIMITED RIGHT TO APPEAL AS PROVIDED IN THE FAA. OTHER RIGHTS THAT RESIDENT PARTY WOULD HAVE IF YOU WENT TO COURT MAY NOT BE AVAILABLE IN ARBITRATION. This Provision is made pursuant to a transaction in interstate commerce and shall be governed by the FAA. Judgment upon the award may be entered in any court having jurisdiction. This Provision will survive Resident's full payment under this Agreement; Landlord's sale or transfer of this Agreement; any termination of this Agreement and eviction; and bankruptcy of either Landlord or Resident.

35. **SURVIVAL**. All indemnity obligations set forth in this Agreement shall survive the early termination or expiration of this Agreement.

36. **SEVERABILITY**. To the extent that any term or provision of this Agreement is illegal, invalid, or unenforceable under existing or future Applicable Law, all remaining terms and provisions of this Agreement shall not be affected and shall remain binding. Additionally, Landlord and Resident hereby agree that any such illegal, invalid, or unenforceable term or provision shall be deemed replaced by a term or provision that is legal, valid, and enforceable and that is as similar as reasonably practicable to such invalid, illegal or unenforceable term or provision, except to the extent that such replacement term or provision does not express the parties' intent.

37. **INTENTION OF THE PARTIES**.

Notwithstanding paragraph 38 below, the parties intend that this Agreement constitutes a lease of the Residence with an Option to Purchase according to the terms set forth in this Agreement for the purposes of Applicable Law (excluding Federal, state and local income tax laws). Accordingly, to the extent any party seeks to recharacterize this Agreement in a court of competent jurisdiction, this provision shall constitute admissible evidence of the intention of the parties that this be treated solely as a lease of the Residence with an Option to Purchase for all purposes except Federal, state and local income tax laws. In the event that it was determined by a court of competent jurisdiction that this Agreement constitutes a mortgage loan or other form of financing secured by an interest in the Residence, then the parties agree that the ownership of the Residence and Property by the Landlord shall be deemed to be a pledge of, and grant of security interest in, the Residence and Property by the Resident to secure a debt, which debt will be equal to the Program Balance and any Related Purchase Amount, together with interest thereon from and after the date the

Resident failed to make payments as required under this Agreement at the rate per annum not to exceed the rate permitted by Applicable Law. Further, this Agreement together with Landlord's fee title to the Residence and the Property shall constitute a security agreement, mortgage, deed of trust or other form of document creating a security interest in the Residence and the Property within the meaning of Applicable Law of the State as in effect from time to time, and in consideration for the purchase and acquisition of the Residence and the Property by the Landlord, the Resident hereby grants to the Landlord a security interest in all of Resident's right, title and interest, legal or equitable, whether now owned or hereafter acquired, in and to the Residence and the Property and all interests of the Resident therein arising from time to time. The obligations secured by such security interest are the obligations to pay the Program Balance and any Related Purchase Amount, together with interest thereon, on demand from Landlord (which obligation Resident hereby agrees to pay to Landlord). Resident agrees to execute if required by Applicable Law, and authorizes Landlord to file and record, a memorandum of lease reflecting this Agreement and/or another security instrument (a deed of trust or mortgage, depending on the State) regarding all or any part of this Agreement and Residence and any Uniform Commercial Code financing statements as Landlord shall deem appropriate in order to perfect the security interest granted hereunder; provided such memorandum of lease may be filed without the signature of Resident where permitted by Applicable Law.

Upon the occurrence of an Event of Default under this Agreement, and in the event a court of competent jurisdiction shall have held that this Agreement constitutes a mortgage loan, deed of trust or other form of document creating a security interest in real property, then the obligation to pay the Program Balance and any Related Purchase Amount, will at the option of the Landlord become immediately due and payable. Further, the Landlord shall have the right to foreclose and force the sale of the Residence and the Property by judicial proceeding, or without any judicial proceeding if so provided by Applicable Law. In the event a court of competent jurisdiction was to recharacterize this Agreement as a mortgage, the Landlord shall be permitted to appoint a trustee with the power of sale for this purpose. Landlord may substitute a different person or entity as trustee if required by Applicable Law or for any other reason. Any delay in exercising this right will not constitute a waiver of default by the Landlord. The Landlord will have the right to pursue all remedies for the collection of the amounts owing under this Agreement that are provided for by Applicable Law, whether or not such remedies are expressly granted in this Agreement, including without limitation foreclosure proceedings.

- 38. TAX BENEFITS.** The parties intend to treat this Agreement as a mortgage solely for federal, state and local income tax purposes. Such intended treatment shall have no effect on the intention of the parties as set forth in paragraph 37 above. Landlord will not attempt to claim any deductions, credits and other tax benefits that might be available under federal, state and local laws to owners of property ("**Tax Benefits**"). Resident is responsible for making its own determination regarding the tax and accounting impact of the transactions evidenced by this Agreement based on the advice of Resident's own tax and accounting advisors and have not relied on any advice, opinion or representation, if any, made by Landlord or its employees or agents as to such matters, which Landlord hereby disclaims. You agree that neither the Landlord nor any Landlord Party shall be liable, nor shall there be any reduction in your obligations under this Agreement, including your obligation to pay the Monthly

Payment Amounts or any Additional Monthly Payment Amounts payable hereunder, if for any reason you are not permitted, or able, to take advantage of any Tax Benefits.

- 39. MISCELLANEOUS.** Time is of the essence to each and every provision contained in this Agreement. All understandings between the parties are incorporated in this Agreement. All terms and conditions are intended by the parties as a final, complete and exclusive expression of their agreement with respect to its subject matter and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed except in writing. This Agreement and any supplement, addendum or modification, including any copy, may be signed in two or more counterparts, by email, facsimile, portable document format (pdf) or any electronic signature complying with the U.S. federal E-SIGN Act of 2000 (including DocuSign), all of which shall constitute one and the same writing. Resident's failure to initial any page or provision within this Agreement shall invalidate this Agreement nor any provision included herein. To the extent permitted by Applicable Law, Landlord shall be excused from any obligation under this Agreement if performance of such obligation is impracticable due to an act of God, strikes, epidemics, war, acts of terrorism, riots, flood, fire, hurricane, tornado, sabotage, or any other event that is beyond Landlord's control. If Resident has any questions regarding this Agreement, Resident should consult an attorney before signing this Agreement.
- 40. RECORDS.** The records of the Landlord shall be conclusive proof of the amounts paid and owing under this Agreement and all calculations of the amounts paid and owing absent manifest error.

****Remainder of Page Intentionally Blank****

SIGNATURES:

NOTICE TO RESIDENT: (1) Do not sign this Agreement before you have read all the pages and do not sign this Agreement if it has a blank space. (2) You have a right to receive a completed copy of this Agreement. (3) By your signature below, you acknowledge that we may grant a security interest or otherwise encumber this Agreement as collateral.

By signing below, you acknowledge that: (1) you have read the entire Agreement before signing it; (2) you have received a legible, fully completed copy of this Agreement; and (3) you have received a fully completed copy of any credit statement or other document you have been asked to sign in connection with this Agreement. By signing below, both you and we agree to the terms, conditions and obligations of this Agreement.

Landlord:	Resident:
<p>REAL Homeownership Trust, a Delaware statutory trust</p> <p>By: Seashine Owner Co, LLC, as Initial Beneficiary and Depositor</p> <p>By: Cindy Sample</p> <p>Name: Cindy Sample</p> <p>Title: Director of Asset Management</p> <p>Date: 05/05/2021</p> <p>Email: RHT@realhomeownership.com</p>	<p>_____</p> <p>Signature Joe Example</p> <p>Name: Joe Example_____</p> <p>Date: 05/05/2021_____</p> <p>Email: Joesunnyman@msn.com_____</p>
<p>THIS IS A LEASE AGREEMENT. THIS IS NOT A PURCHASE AGREEMENT. PLEASE REVIEW THESE MATTERS CAREFULLY AND SEEK INDEPENDENT PROFESSIONAL ADVICE IF YOU HAVE ANY QUESTIONS CONCERNING THIS TRANSACTION. YOU ARE ENTITLED TO AN EXACT COPY OF THE AGREEMENT YOU SIGN.</p>	

**EXHIBIT A
PURCHASE OF RESIDENCE**

The parties intend that the following terms shall apply to a sale of the Residence by the Landlord to the Resident:

Topic	Agreed Terms	Details
Gross Purchase Price	\$662,594.00	The sum of the Program Purchase Price and the Transaction Fee plus Extraordinary Expenses.
Acquisition Premium	\$146,250.00	The Landlord recognizes the Acquisition-Premium paid by the Resident as funds received towards the Gross Purchase Price.
Financing Type	ANY	Landlord does not restrict any form of financing if the Program Balance and any Related Purchase Amount is paid in full and all other obligations are satisfied.
Closing Costs	Resident Responsible	Resident is responsible for both buyer side and seller side title insurance, escrow agent services and fees, recording fees, appraisal fees, inspection fees, loan pay-off fees and conveyance fees and other costs associated with the sale.
Home Warranty	Optional – Resident Responsible	Resident may elect, at their cost, to purchase a home warranty.
Assessments	Resident Responsible	Special assessments against the property by a municipality, county or other governmental department will be charged as a cost to the Resident.
Prorations	Allocated	Property taxes, homeowners' insurance, HOA transfer fees and HOA Dues will be prorated through closing and paid by the Landlord through the closing and remaining amounts will be paid by the Resident.
Transfer Taxes	Resident Responsible	Resident is responsible for any governmental fees or taxes applied or payable to transfer title to the Residence to Resident.
Representation by Real Estate Agent	Resident Responsible	Resident is responsible for any Real Estate related commissions and fees.