

Option to Purchase Agreement (Sample)

FOR REFERENCE ONLY

DISCLAIMER:

The Option to Purchase Agreement Sample provided here is for reference purposes only and should not be construed as legal advice. Please consult qualified professionals for specific advice or information tailored to your unique circumstances.

OPTION TO PURCHASE AGREEMENT

This OPTION TO PURCHASE AGREEMENT (hereinafter called the “**Option Agreement**”) is entered into by and between:

Owner(s): _____

IC Number: _____ (hereinafter called the “**Owner**”); and

Buyer(s): _____

IC Number: _____ (hereinafter called the “**Buyer**”);

KEY TERMS

A. **Option Property:** Owner hereby agrees to grant to Buyer, and Buyer hereby agrees to obtain from Owner, the exclusive option to acquire the real property described as: _____

_____.

B. **Purchase Price** of the Option Property is Ringgit Malaysia _____
_____ (RM) _____.

C. **Down payment of 10%** of the purchase price will be settled upon signing of Sale & Purchase Agreement (“SPA”).

D. **Earnest Deposit** of Ringgit Malaysia _____
(RM) _____ forms part of the 10% down payment.

Paid by cash / online transfer / banker's draft / cheque (Cheque no. _____)

Payable to _____

E. **Commencement Date:** _____ **Closing Date:** _____.

AGREEMENT

1. Upon the execution of this Option Agreement, the Buyer acknowledges and agrees to promptly sign the Sale and Purchase Agreement (SPA) within 14 days from the Commencement Date of this Option Agreement. Failure to comply with this requirement will result in the forfeiture of the Earnest Deposit by the Owner. Conversely, if the Owner fails to sign the SPA within the agreed timeframe, the Owner shall refund the Earnest Deposit to the Buyer, along with liquidated damages equal to the amount of the Earnest Deposit.
2. In the event that the Buyer is unable to sign the SPA within the agreed timeframe **due to the rejection of his/her/their housing loan application by the bank(s), the Owner is obligated to fully refund the Earnest Deposit to the Buyer.**

Initial by:

Owner

Buyer

3. Both parties agree to designate _____
as the stakeholder for the aforementioned Earnest Deposit.

TENANCY (Please remove this clause if it is not applicable)

Considering that the Option Property is presently occupied by tenants, both parties mutually consent to the termination of the tenancy upon the sale and transfer of vacant possession to the Buyer. (Alternatively) the tenancy may be assigned to the Buyer after the completion of the sale.

FIXTURES & FITTINGS (Please remove this clause if it is not applicable)

Both parties agree that the purchase price includes the following fixtures and fittings:

- As is where is basis. Refer to Appendix 1 for more details.

AMENDMENTS ON OPTION AGREEMENT

In the event any amendment is made on this Option Agreement, both parties must initial at the amendment for it to take effect.

SIGNATURE

IN WITNESS WHEREOF, the Owner and the Buyer have executed this Option Agreement as of the date first above written.

OWNER:

(1) _____ (2) _____

Signature:

(1) _____ (2) _____

Name:

(1) _____ (2) _____

IC Number:

WITNESS:

Name:

IC Number:

Date:

BUYER:

(1) _____ (2) _____

Signature:

(1) _____ (2) _____

Name:

(1) _____ (2) _____

IC Number:

WITNESS:

Name:

IC Number:

Date:

APPENDIX 1

Fixtures & Fittings

No.	Item	Quantity	Remark
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			

Initial by:

Owner

Buyer