



5650 Marconi Avenue Suite 23, Sacramento, CA 95825 – (916) 550-8443

Check us out on the web at www.tkrproperty.com

HOME OWNERSHIP PROGRAM

MEMORANDUM OF UNDERSTANDING

Earn \$500 towards the purchase of a home today, plus an additional 5% for every month you rent from TKR Property Management.

This memorandum of understanding, dated _____ is between TKR Property Management, Inc. (the Landlord) and _____ (Tenant/Buyer). This program allows tenants to receive credit towards the down payment or closing costs on a home they may eventually purchase. The purpose of this program is to provide an incentive for tenants to be long-term, good quality residents who pay rent timely and take above-average care of the rental property during their tenancy. There is no cost to the Tenant/Buyer to participate, and rents are not marked up. There is a \$20 set-up fee to cover the costs of accounting, mailing, and administration of the program.

Both parties expressly understand as follows:

1. To be accepted as Tenants/Buyers, applicants must complete the TKR Property Management's application and meet TKR Property Management's minimum rental criteria as outlined on the rental application.
2. The moment you sign your rental agreement, pay your deposit, pay your first month's rent, and pay your set up fee of \$20, **you will receive a \$500 credit towards the purchase price of a home.** That credit will come from Travis Reich.

3. For every month rent from the Tenant/Buyer is received in the TKR Property Management's office by the close of business on the 5th calendar day of the month AND there are no lease violations in or on the rental property during that calendar month, the Tenant/Buyer shall be eligible to receive an additional credit equivalent to 5% of that month's rent from Travis Reich (excluding utilities, maintenance, etc.) to be applied to the closing costs or down payment on the purchase of a home purchased through Travis Reich, owner of TKR Property Management and broker with TKR Real Estate.

3. Tenants/Buyers may transfer earned credits between rental properties managed by TKR Property Management. Every rental property managed by TKR Property Management is eligible for the credit.

4. If a Tenant/Buyer moves away from TKR Property Management managed rental properties, all credits are forfeited. If a TKR Property Management managed property is removed from our inventory, credits will not continue to accumulate.

5. If a lease is terminated early in order to purchase a home, Tenants/Buyers will be required to pay rent until the unit is re-rented, advertising costs, and other fees as specified in the rental agreement.

6. The cumulative credit shall not exceed 1.5% of the sale price of the real estate purchased. **So if you purchased a \$250,000 home, the maximum cumulative credit you can earn is \$3,750.** Travis Reich shall instruct the title company to credit your closing statement prior to closing. The credit may only be applied towards the down payment or closing costs for the associated purchase.

7. Tenants/Buyers must be pre-approved for financing through any lender of their choosing before viewing any homes for sale.

8. In order for our Tenants to receive these credits towards their home, they must purchase the homes through TKR Property Management's Owner, Travis Reich, who is also a broker with TKR Real Estate.

9. Qualified homes are only those listed on the multiple listing services (MLS) or through participating builders. Properties for sale by owner, lease options, or other types of sales do not qualify.

10. In the event that two or more parties rent a property together and subsequently split up, the credits will be divided evenly amongst the

parties for all months in which the parties had responsibility for the lease.

11. TKR Property Management and Travis Reich reserve the right to re-title the name of this program to comply with some lending program requirements where gifts are not allowed or Tenant/Buyer must provide a certain percentage of the funds.

Tenant/Buyer _____ Date _____

Rental Address _____

Phone Number _____ Home / Cell

Email Address _____

Travis Reich _____ Date _____

Owner of TKR Property Management and Broker with TKR Real Estate