



OPTION ADDENDUM
Hawaii Association of REALTORS® Standard Form
Revised 5/17/12 (NC) For Release 5/17/16 through 11/16/16
subcomm mtg



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Purchase Contract Reference Date: \_\_\_\_\_

Property Reference or Address: \_\_\_\_\_

Tax Map Key: Div. \_\_\_\_\_/Zone \_\_\_\_\_/Sec. \_\_\_\_\_/Plat \_\_\_\_\_/Parcel \_\_\_\_\_/CPR \_\_\_\_\_ (if applicable).

Buyer: \_\_\_\_\_

Seller: \_\_\_\_\_

THIS IS NOT AN OPTION AGREEMENT. The information contained in this addendum is to be supplied to an attorney for the drafting of an Option Agreement between Buyer and Seller for the above referenced property. It is strongly recommended that Buyer and Seller seek legal counsel prior to executing an Option Agreement. Although the Purchase Contract has been executed by Seller and Buyer, the Purchase Contract shall not be effective as to Buyer's obligation to close unless the option addendum and option agreement has been fully timely exercised.

1. Preparation of Option Agreement: Option Agreement will be drafted by an attorney selected shall be prepared by [ ] Seller's attorney [ ] Buyer's attorney. Parties will pay their own attorneys' fees. If approved by the parties, Option Agreement shall be executed on or before \_\_\_\_\_.

Contingency terms of the Purchase Contract to be included in the option agreement.

Should either the parties party fail to execute an option agreement by the specified date, the parties hereby agree that the Purchase Contract shall not become immediately null and void effective and deposits shall be returned to Buyer less Buyer's share of escrow fees.

Check if applicable: [ ] Notice of Option to be recorded [ ] Release of Option to be executed and held by Escrow

Should either party fail to execute Option Agreement by the specified date, either party may elect to terminate the Purchase Contract pursuant to paragraph O-3 shall not become effective.

2. Option Period:

a. Starting date of Option: \_\_\_\_\_.

b. Deadline to deliver written notice to exercise Option: Date \_\_\_\_\_, \_\_\_\_\_ AM [ ] PM [ ]

3. In the event Buyer notifies Seller in writing of Buyer's intent not to exercise Option, or if Option is not exercised by the deadline specified date, the parties hereby agree that the Purchase Contract shall not become immediately null and void and remaining deposits under the Purchase Contract shall be returned to Buyer less Buyer's share of escrow fees subject to terms of option agreement effective.

4. It is agreed and understood that Option Consideration is not a deposit and shall not be refundable for any reason.

5. Option Consideration: \$ \_\_\_\_\_ to be deposited into Escrow on or before \_\_\_\_\_. Option consideration shall be released to Seller on the starting effective date of the option agreement. The option consideration shall be non-refundable upon the starting date of the option agreement as specified in 2a above. If the option agreement is exercised by Buyer, then \$ \_\_\_\_\_ (if any) of the option consideration shall be applied as a credit toward the Purchase price. Amount of Option Consideration to be applied toward the purchase price, if any: \$ \_\_\_\_\_.

6. If a Lease is associated with Option to Purchase, Rental Agreement is attached. Amount of Rent to be credited applied towards the purchase price, if any: \$ \_\_\_\_\_, (if any).

7. Transferable: Option to purchase [ ] may [ ] may not be sold, assigned or conveyed.

8. Brokerage Fees:

Commissions shall be paid to Brokerage Firm per the terms of the Listing Agreement, or if there is no Listing Agreement, then per other agreement between the parties and Brokerage Firm.

9. Special Terms:

\_\_\_\_\_
\_\_\_\_\_
\_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



Title: \_\_\_\_\_

Title: \_\_\_\_\_

Buyer \_\_\_\_\_

Date \_\_\_\_\_

Seller \_\_\_\_\_

Date \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**NOTE:** THERE IS NO WARRANTY ON PLAIN LANGUAGE. An effort has been made to put this agreement into plain language. But there is no promise that it is in plain language. In legal terms, THERE IS NO WARRANTY, EXPRESSED OR IMPLIED, THAT THIS AGREEMENT COMPLIES WITH CHAPTER 487A OF THE HAWAII REVISED STATUTES, ~~AS AMENDED~~. This means that the Hawaii Association of REALTORS® is not liable to any Buyer, Seller, or other person who uses this form for any damages or penalty because of any violation of Chapter 487A. People are cautioned to see their own attorneys about Chapter 487A (and other laws that may apply).

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