PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

11-07-2022

# ADDENDUM REGARDING RESIDENTIAL LEASES

EQUAL HOUSING OPPORTUNITY

**CONCERNING THE PROPERTY AT:** _____
(Street Address and City)

"Residential Lease" means any lease of the Property to a tenant including any addendum, amendment, or move-in condition form.

Seller may not execute any new Residential Lease or amend any Residential Lease without Buyer's written consent. Existing Residential Leases will have the following status at closing. (Check only A or B)

❑ A. Termination of Residential Leases: All Residential Leases must be terminated by closing. Seller shall deliver possession of the Property in accordance with Paragraph 10 of the contract with no tenant or other person in possession or having rights to occupy the Property. **[Notice: This paragraph will not amend or terminate any existing lease. Consult an attorney and refer to the Residential Leases for rights to terminate before agreeing to this provision.]**

❑ B. Assignment and Assumption of Residential Leases: Existing Residential Leases shall be assigned by Seller and assumed by Buyer at closing.

(1) Delivery of Residential Leases:

❑ (a) Buyer has received a copy of all Residential Leases.

❑ (b) Buyer has not received a copy of all Residential Leases. Seller shall provide a copy of the Residential Leases within 3 days after the Effective Date. Buyer may terminate the contract within _____days after the date the Buyer receives the Residential Leases and the earnest money shall be refunded to Buyer.

❑ (c) Seller provides Buyer with notice of the following oral Residential Lease(s) (or on the attached exhibit), identifying the name of the tenant(s), rental amount, and term: _____

(2) At closing, Seller shall transfer security deposits (as defined under §92.102, Property Code), if any, to Buyer. At closing, Buyer shall deliver to the tenant a signed statement acknowledging that the Buyer has acquired the Property and is responsible for the return of the security deposit, and specifying the exact dollar amount of the security deposit.

(3) Except as described below, and to Seller's knowledge for each Residential Lease:
(a) the Residential Lease is in full force and effect;
(b) no tenant is in default or in violation of the Residential Lease;
(c) no tenant has prepaid any rent;
(d) no tenant is entitled to any offset against rent;
(e) there are no outstanding tenant claims against Seller involving the Property;
(f) there are no pending disputes with any tenant or prior tenant; and
(g) there are no other agreements, options, or rights outside the Lease between Landlord and Tenant regarding the Property.

Explain if any of the above is not accurate (attach additional sheets if necessary): _____

(4) Seller will promptly notify Buyer if Seller learns that any statement in Paragraph B(3) becomes untrue after the Effective Date. Seller shall cure the condition making the statement untrue within 7 days after providing the notice to Buyer. If the statement remains untrue beyond the 7-day period, Buyer may, as Buyer's sole remedy, terminate the contract within 5 days after the expiration of the 7-day period, by delivering notice to the Seller and the earnest money will be refunded to Buyer. If Buyer does not terminate the contract within the time required, Buyer waives the right to terminate. The Closing Date will be extended daily as necessary to afford the parties their rights and time to provide notices under this paragraph.

_____ _____
Buyer Seller

_____ _____
Buyer Seller

The form of this addendum has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated forms of contracts. Such approval relates to this contract form only. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (www.trec.texas.gov) TREC No. 51-1.