

# Tara Development

& Investments, LLC

Rent to Own Program

Dear Future Homeowner,

Thank you for your interest in our rent to own program.

Enclosed you will find more detailed information regarding our rent to own program. Please read over the information carefully, and complete the application included.

In order to proceed, we will need the following:

1. Credit report (may be obtained from [www.annualcreditreport.com](http://www.annualcreditreport.com) for free, or we will pull it if you send a check or money order for \$20 to cover the cost) for each adult tenant (over 18 years of age)
2. Copy of the most recent pay stub for each adult tenant
3. Copy of last year's W-2/1040s (if applicable) for each adult tenant
4. Copies of most recent bank statements/liquid assets for each adult tenant.

Once we have received these items, we may begin to process your rent to own application. You may fax the items to (856) 218-8061, email them to [ams.jennifer@comcast.net](mailto:ams.jennifer@comcast.net), or snail mail them to the address below.

Thank you for your interest in our rent to own program. We look forward to working with you!

Sincerely,

Andrew Smith

140 South Broadway • Suite 1 • Pitman • NJ • 08071  
Phone: 856-863-0062  
Fax: 856-218-8061

**Tara Development & Investments, LLC**  
**140 South Broadway, Suite 1, Pitman, NJ 08071**  
**Phone: (856) 863-2163**

## **RENT TO OWN PROGRAM**

**Overview:** The Tara Development RENT TO OWN program is designed to assist prospective home buyers transition from rental to home ownership. This program provides a specific time frame and a specific sales price in which the buyer/applicant will be able to accomplish home ownership in a step by step process.

### **HERE IS HOW IT WORKS:**

***First, the prospective buyer/applicant must qualify to be a tenant.*** The buyer/applicant must show **sufficient income** to pay **all** obligations on a timely basis. The buyer/applicant will be required to provide **proof** of income, and possess sufficient liquid assets for a security deposit and the first months' rent.

***\*Note that an applicant CAN have damaged credit, but NOT ALL credit will be accepted into the program. We are looking for people who have a good chance at succeeding with home ownership within a 2 year/24 month period.***

***Second, the buyer/applicant will simultaneously pre-qualify for a mortgage using standard mortgage qualifiers.*** The seller will determine how long it will take the buyer/applicant to qualify for a mortgage, taking into consideration their present credit situation, income/expenses, employment, etc. The buyer/applicant has up to two (2) years to qualify for a mortgage and execute their option to purchase the property. The price to purchase the property is determined by the seller and is based on reasonable market value at the time the option is signed. If the buyer is qualified before the option period is over, they have the opportunity to purchase the property sooner. The buyer/applicant may have the opportunity to finance a portion of the option fee depending on their financial situation, and this is determined on a case by case basis.

***This program is best suited for people that have good, steady and reliable income, some savings or reserves, and have experienced a situation in which their credit has become damaged and needs to be repaired. PLEASE NOTE: It will be up to the buyer/applicant to take the initiative and repair his/her credit situation. This program will require considerable effort on the part of the buyer/applicant. We are looking for highly motivated individuals who are willing to do what it takes to acquire home ownership.***

## THE PURCHASE OPTION AGREEMENT

The "Purchase Option" is a separate contract from the lease/rental agreement. There is a consideration, or "Option" fee that is paid to the seller at the time of signing. This fee is based on the purchase price of the property, and is determined by the seller. The fee is credited to the buyer at closing, providing the buyer/applicant executes their option to purchase and is in full compliance with the option agreement and the lease. If the buyer/applicant does not purchase the subject property, the option fee is non-refundable.

## WHAT YOU WILL GET FOR YOU OPTION MONEY

1. You are purchasing an option to buy your rental property at a locked in price. If your property value goes up during the time of your option, you are protected by your option agreement.
2. You will receive comprehensive credit counseling from us and a designated credit repair service. A detailed plan will be prepared for you to follow for the purpose of qualifying for a mortgage.
3. You will have a mortgage "Get Ready" plan that will cover all aspects of qualifying for your mortgage.
4. You will be given a First Time Home Buyer's course (if applicable).

Remember – the option fee is credited back to you at closing. You may use it for closing costs or you may deduct from the sales price. Our company will be making a substantial investment in the Rent To Own property you are purchasing. The option fee shows us that you have made a financial commitment to the property and are not likely to walk away from your commitment.

## SAVING FOR YOUR DOWN PAYMENT

A portion of your monthly rental amount will be allocated to a down payment savings account that will be held in a local bank in your name. Tara Development will have no claim to this account. However, we will verify deposits are being made in accordance with your purchase schedule.

## F.A.Q.

**1. What if I have done everything in my "Get Ready" plan, and I still do not qualify for a mortgage?**

*Tara Development will extend your option term if an honest effort has been made. Our goal is a 100% success rate in our program.*

**2. How much money monthly goes towards my down payment savings?**

*Usually between \$150 and \$300 a month will go towards your down payment savings, dependant on the purchase price of the property.*

**3. Is that money refundable if I terminate my contract?**

*The savings portion of the money will be deposited into your bank account, so the money is yours and the account is yours in the case of default or termination.*

**4. Can I use this money anytime I want for other purposes?**

*You can, however using the down payment savings money prior to termination of the contract or the purchase of the property will void your contract.*

**5. If I fail to contribute to my down payment savings account for an extended period of time, will I terminate my option?**

*Technically, yes, but if you have a hardship we can make an exception.*

**6. Is the option fee refundable?**

*NO. The option fee is 100% NON-REFUNDABLE if you do not complete the program. If you complete the program and purchase the property, you will receive a credit for the FULL amount of the option fee at closing.*

**7. Is my option fee part of my down payment?**

*No. The option fee is a CREDIT to go towards reducing the purchase price on the property or for closing costs.*

**8. How much of a down payment will we need?**

*FHA requires 3.5% of the purchase price for a down payment. We will base your savings plan on acquiring your down payment in the prescribed option period.*

# DEFY THE CREDIT CRUNCH!

Call Tara Development  
And Begin Your  
HOME OWNERSHIP  
Journey Today!

(856) 863-2163 Andrew Smith  
Owner

Thank you for your interest!

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Andrew Smith, Owner

RENT TO OWN APPLICATION

Applicant

Name: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/2008

Current Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

RENT / OWN Monthly Payment: \_\_\_\_\_

SSN: \_\_\_\_\_ DOB: \_\_\_\_\_

Monthly Income: \$ \_\_\_\_\_ Other Income: \$ \_\_\_\_\_

Employment Information

Employer: \_\_\_\_\_ Supervisor: \_\_\_\_\_

City/State: \_\_\_\_\_ Phone No.: \_\_\_\_\_

Date Started: \_\_\_\_\_ Base Pay Rate: \$ \_\_\_\_\_

Position: \_\_\_\_\_ Bonuses: \$ \_\_\_\_\_

Previous Employment (If less than 2 years at current Employer)

Employer: \_\_\_\_\_ Supervisor: \_\_\_\_\_

City/State: \_\_\_\_\_ Phone No.: \_\_\_\_\_

Dates: \_\_\_\_\_ Ending Pay Rate: \_\_\_\_\_

Reason For Leaving: \_\_\_\_\_

Desired County:    GLOUCESTER            CAMDEN            BURLINGTON

Desired Town: \_\_\_\_\_

Bedrooms: \_\_\_\_\_ Bathrooms: \_\_\_\_\_ Other: \_\_\_\_\_

Misc. Amenities:

List any mitigating circumstances that were beyond your control and negatively affected your credit profil:

RENT TO OWN APPLICATION

Spouse/Partner

Name: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/2008

Current Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

RENT / OWN Monthly Payment: \_\_\_\_\_

SSN: \_\_\_\_\_ DOB: \_\_\_\_\_

Monthly Income: \$ \_\_\_\_\_ Other Income: \$ \_\_\_\_\_

Employment Information

Employer: \_\_\_\_\_ Supervisor: \_\_\_\_\_

City/State: \_\_\_\_\_ Phone No.: \_\_\_\_\_

Date Started: \_\_\_\_\_ Base Pay Rate: \$ \_\_\_\_\_

Position: \_\_\_\_\_ Bonuses: \$ \_\_\_\_\_

Previous Employment (If less than 2 years at current Employer)

Employer: \_\_\_\_\_ Supervisor: \_\_\_\_\_

City/State: \_\_\_\_\_ Phone No.: \_\_\_\_\_

Dates: \_\_\_\_\_ Ending Pay Rate: \_\_\_\_\_

Reason For Leaving: \_\_\_\_\_