

Chapter 47G.

Option to Purchase Contracts Executed With Lease Agreements.

§ 47G-1. Definitions.

The following definitions apply in this Chapter:

- (1) Covered lease agreement or lease agreement. – A residential lease agreement that is combined with, or is executed concurrently with, an option contract.
- (2) Cure the default. – To perform the obligations under the lease agreement and/or option contract that are described in the notice of default and intent to forfeit required by G.S. 47G-5 and that are necessary to reinstate the lease agreement and/or the option contract. This term is synonymous with the term "cure."
- (3) Forfeiture. – The termination of an option purchaser's rights to exercise an option to purchase property that is the subject of the option contract, and those rights of persons or entities claiming by or through an option purchaser, to the extent permitted by this Chapter, because of a breach of one or more of the purchaser's obligations under the option contract and/or covered lease agreement.
- (4) Option contract or contract. – An option contract for the purchase of single-family residential real property that includes or is combined with, or is executed in conjunction with, a covered lease agreement.
- (5) Option fee. – Any payment, however denominated, made by the option purchaser to the option seller that constitutes the price the option purchaser pays for the right to buy the property at a specified price in the future.
- (6) Option purchaser or purchaser. – An individual who purchases an interest in property under an option contract, or any legal successor in interest to that individual.
- (7) Option seller or seller. – A person or entity that makes a sale of an option by means of an option contract, or the person's or entity's successor in interest. If an option contract is subsequently assigned or sold to a third party, the assignor shall be deemed to be an option seller or seller for purposes of this Chapter.
- (8) Property. – Real property located in this State, upon which there is located or there is to be located a structure or structures designed principally for occupancy of from one to four families that is or will be occupied by the purchaser as the purchaser's principal dwelling. (2010-164, s. 3; 2015-178, s. 3.)