

MOTOR VEHICLE LEASE AGREEMENT

THIS LEASE AGREEMENT ("Agreement") is entered into on _____, **20**__ ("Effective Date"), between:

LESSOR: Company/Individual Name: _____ Business
Address: _____ City, State, ZIP: _____
Telephone: _____ Fax: _____
Email: _____ Federal Tax ID/SSN: _____

LESSEE: Full Legal Name: _____ Residential Address: _____
City, State, ZIP: _____
Telephone: _____ Mobile: _____
Email: _____ Social Security Number: _____
Driver's License Number: _____
State of Issuance: _____ Expiration Date: _____
Date of Birth: _____ Employer: _____
Employer Address: _____
Annual Income: _____
\$ _____

I - VEHICLE DESCRIPTION AND IDENTIFICATION

Section 1.1 Vehicle Specifications The vehicle subject to this lease ("Vehicle") is described as follows:

Year: _____ Make: _____ Model: _____ Body Style: _____ Engine: _____
Transmission: _____ Vehicle Identification Number (VIN): _____
License Plate Number: _____ State: _____ Color
(Exterior/Interior): _____ Odometer Reading at
Commencement: _____ miles Title Number: _____ Lien
Holder (if any): _____

Section 1.2 Equipment and Accessories The Vehicle includes the following equipment and accessories, all of which are deemed part of the Vehicle for purposes of this Agreement:

- Standard manufacturer equipment
- _____ (List additional equipment)
- _____
- _____

Section 1.3 Vehicle Condition Lessee acknowledges that they have inspected the Vehicle and accepts it in its current condition. Any pre-existing damage or defects are documented in Schedule A (Vehicle Condition Report) attached hereto and incorporated by reference.

II - LEASE TERMS AND PAYMENT PROVISIONS

Section 2.1 Lease Term This lease shall commence on _____, **20**__ at 12:01 AM ("Commencement Date") and shall continue for a period of _____ months, terminating on

_____, 20__ at 11:59 PM ("Termination Date"), unless sooner terminated in accordance with the provisions hereof.

Section 2.2 Monthly Lease Payment (a) Lessee agrees to pay Lessor a monthly lease payment of \$_____ ("Monthly Payment"), payable in advance on or before the _____ day of each calendar month during the lease term.

(b) The first Monthly Payment is due upon execution of this Agreement and covers the period from the Commencement Date through the last day of the first full calendar month.

(c) Monthly Payments shall be made by: ☐ Check ☐ Electronic Transfer ☐ Money Order ☐ Other: _____

(d) Payments shall be sent to: _____ Or electronically to Account: _____

Section 2.3 Additional Charges and Fees

(a) **Security Deposit:** Lessee shall deposit with Lessor the sum of \$_____ as security for the faithful performance of all terms and conditions of this lease.

(b) **Documentation Fee:** A one-time documentation fee of \$_____ is due upon execution of this Agreement.

(c) **Acquisition Fee:** A one-time acquisition fee of \$_____ is due upon execution of this Agreement.

(d) **Late Payment Fee:** Monthly Payments received more than _____ days after the due date shall incur a late fee of \$_____ or _____% of the Monthly Payment, whichever is greater.

(e) **Returned Payment Fee:** Any payment returned for insufficient funds shall incur a fee of \$_____.

Section 2.4 Taxes, Licenses, and Registration (a) Lessor shall pay: ☐ All taxes and fees ☐ Registration fees only ☐ None (b) Lessee shall pay: ☐ All taxes and fees ☐ Personal property taxes only ☐ All except registration (c) All applicable sales, use, personal property, and other taxes relating to the Vehicle or this lease shall be paid by the party indicated above.

III - MILEAGE PROVISIONS

Section 3.1 Mileage Allowance Lessee is permitted to drive the Vehicle up to _____ miles per year (_____ miles per month pro-rated) during the lease term ("Mileage Allowance").

Section 3.2 Excess Mileage Charges (a) If the Vehicle's odometer reading exceeds the total Mileage Allowance at lease termination, Lessee shall pay \$_____ per excess mile.

(b) Excess mileage charges shall be calculated based on the total miles driven during the lease term, less the total Mileage Allowance.

(c) Odometer readings are subject to verification. If the odometer is inoperative or has been altered, mileage may be determined by any reasonable method, including inspection records, repair orders, or other documentation.

IV - INSURANCE REQUIREMENTS

Section 4.1 Required Coverage Lessee shall obtain and maintain, at Lessee's sole cost and expense, during the entire lease term, automobile insurance covering the Vehicle with the following minimum limits:

(a) Liability Coverage:

- Bodily Injury: \$_____ per person / \$_____ per occurrence
- Property Damage: \$_____ per occurrence
- Combined Single Limit: \$_____ (if applicable)

(b) Physical Damage Coverage:

- Comprehensive Coverage: Actual Cash Value with maximum deductible of \$_____
- Collision Coverage: Actual Cash Value with maximum deductible of \$_____

(c) Additional Coverage:

- Uninsured/Underinsured Motorist: \$_____ per person / \$_____ per occurrence
- Personal Injury Protection: As required by law
- Gap Coverage: ☐ Required ☐ Recommended ☐ Not Required

Section 4.2 Insurance Company Requirements Insurance shall be obtained from companies rated "A-" or better by A.M. Best Company and authorized to do business in the state where the Vehicle is principally garaged.

Section 4.3 Additional Insured and Loss Payee Lessor shall be named as: (a) Additional insured on the liability coverage (b) Loss payee and first lienholders on physical damage coverage

Section 4.4 Proof of Insurance Lessee shall provide Lessor with certificates of insurance evidencing the required coverage before taking possession of the Vehicle and upon each policy renewal.

Section 4.5 Insurance Claims and Losses (a) Lessee shall promptly report all accidents, claims, and losses to both the insurance company and Lessor. (b) Insurance proceeds for physical damage shall be applied toward repair or replacement of the Vehicle. (c) If the Vehicle is declared a total loss, insurance proceeds shall be paid to Lessor to satisfy outstanding lease obligations.

ARTICLE V - USE, CARE, AND MAINTENANCE

Section 5.1 Permitted Use (a) The Vehicle shall be used solely for personal, family, or household purposes unless commercial use is specifically authorized in writing by Lessor.

(b) The Vehicle shall be operated only:

- In the United States and Canada (unless otherwise specified)
- On public roads and highways
- By licensed drivers authorized by this Agreement

Section 5.2 Authorized Drivers The following persons are authorized to operate the Vehicle: (a) Lessee (b) Lessee's spouse: _____ (c) Other authorized drivers:

- Name: _____ DL#: _____ State: _____
- Name: _____ DL#: _____ State: _____

Section 5.3 Maintenance Responsibilities

(a) **Lessee's Responsibilities:** Lessee shall, at Lessee's expense:

- Perform all manufacturer-recommended routine maintenance
- Maintain all fluid levels (oil, coolant, brake fluid, etc.)
- Keep tires properly inflated and rotated
- Replace windshield wipers, light bulbs, and batteries as needed
- Maintain clean interior and exterior
- Use only recommended fuel octane rating
- Follow all manufacturer maintenance schedules

(b) **Records:** Lessee shall maintain complete records of all maintenance and repairs, including receipts and service records.

(c) **Warranty Repairs:** Warranty repairs shall be performed at authorized dealers. Lessee shall pursue warranty coverage for all applicable repairs.

Section 5.4 Prohibited Uses and Activities Lessee shall not: (a) Use the Vehicle for commercial purposes without written authorization (b) Use the Vehicle in connection with any illegal activity (c) Allow anyone under 21 or unlicensed to operate the Vehicle (d) Operate the Vehicle while under the influence of alcohol or controlled substances (e) Use the Vehicle for racing, speed tests, or driving instruction (f) Transport passengers or property for hire (g) Tow any trailer or other vehicle without written authorization (h) Operate the Vehicle off public roads or highways (i) Transport hazardous, flammable, or explosive materials (j) Modify, alter, or add equipment to the Vehicle without written consent (k) Remove, alter, or obscure any identification numbers or marks (l) Allow liens to be placed on the Vehicle

VI - CONDITION, RETURN, AND WEAR

Section 6.1 Vehicle Return Upon expiration or earlier termination of this lease, Lessee shall return the Vehicle to Lessor at: ☐ Lessor's place of business ☐ Location to be designated by Lessor ☐ Other: _____

Section 6.2 Return Condition Requirements The Vehicle shall be returned: (a) With all original equipment and accessories (b) In clean condition, interior and exterior (c) With all keys, manuals, and documentation (d) With current registration and inspection (where applicable) (e) With no modifications or alterations (f) Subject only to normal wear and tear as defined herein

Section 6.3 Normal Wear and Tear Standards

Acceptable Normal Wear and Tear includes: (a) Minor dings and scratches less than 1 inch in length (b) Stone chips in windshield not in driver's line of sight (c) Minor interior wear consistent with mileage and age (d) Tire wear consistent with proper maintenance and alignment

Excessive Wear and Tear includes: (a) Any damage requiring body work or painting (b) Interior stains, burns, cuts, or tears (c) Missing or broken equipment (d) Windshield damage in driver's line of sight (e) Tire wear requiring replacement (f) Mechanical damage not covered by warranty

Section 6.4 Excess Wear and Damage Charges Lessee shall pay for all excess wear and damage. Charges will be based on: ☐ Lessor's actual repair costs ☐ Industry standard pricing guides ☐ Other: _____

VII - DEFAULT AND REMEDIES

Section 7.1 Events of Default The following shall constitute events of default under this Agreement: (a) Failure to make any payment when due, continuing for _____ days after written notice (b) Breach of any other term or condition of this Agreement (c) Making any false or misleading statement in this Agreement (d) Filing of bankruptcy, insolvency, or similar proceedings (e) Death of Lessee (if an individual) (f) Lessee's conviction of a felony involving the Vehicle (g) Loss, theft, or total damage to the Vehicle (h) Lessee's driver's license suspension or revocation (i) Failure to maintain required insurance coverage (j) Use of Vehicle in violation of this Agreement

Section 7.2 Remedies Upon Default Upon the occurrence of any event of default, Lessor may, at its option: (a) Declare this lease terminated and all remaining payments immediately due and payable (b) Take immediate possession of the Vehicle without notice or legal process (c) Enter Lessee's premises to repossess the Vehicle (d) Pursue any legal or equitable remedies available (e) Re-lease the Vehicle and hold Lessee liable for any deficiency (f) Exercise any other rights provided by law or this Agreement

Section 7.3 Repossession (a) Upon default, Lessor may repossess the Vehicle without prior notice or demand (b) Lessee waives any right to notice of repossession except as required by law (c) Lessee shall pay all costs of repossession, including attorney's fees (d) Repossession shall not waive Lessor's right to pursue other remedies

VIII - LIABILITY AND RISK ALLOCATION

Section 8.1 Lessee's Liability Lessee assumes full responsibility for: (a) All personal injury, property damage, or other losses arising from Vehicle operation (b) All traffic violations, parking tickets, and other citations (c) All tolls, fines, and penalties incurred during the lease term (d) Any damage to the Vehicle, regardless of cause

Section 8.2 Indemnification Lessee agrees to indemnify, defend, and hold harmless Lessor from and against any and all claims, damages, losses, costs, and expenses (including attorney's fees) arising out of or relating to: (a) Lessee's use, operation, or possession of the Vehicle (b) Any breach of this Agreement by Lessee (c) Any negligent or wrongful act of Lessee or authorized drivers

Section 8.3 Limitation of Lessor's Liability LESSOR SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF USE, INCONVENIENCE, OR COMMERCIAL LOSS.

IX - EARLY TERMINATION

Section 9.1 Voluntary Early Termination Lessee may terminate this lease early upon _____ days written notice to Lessor, subject to payment of: (a) All unpaid Monthly Payments accrued through termination date (b) Early termination fee of \$_____ (c) Excess mileage charges, if applicable (d) Excess wear and damage charges (e) All other amounts due under this Agreement

Section 9.2 Total Loss or Theft If the Vehicle is stolen or declared a total loss: (a) This lease shall terminate as of the date of loss (b) Lessee remains liable for all amounts due through the date of loss (c) Insurance proceeds shall be applied to outstanding lease obligations (d) If insurance proceeds are insufficient, Lessee remains liable for any deficiency.

X - GENERAL PROVISIONS

Section 10.1 Ownership The Vehicle is and shall remain the property of Lessor. Lessee obtains no ownership interest in the Vehicle.

Section 10.2 Assignment and Subletting Lessee may not assign this lease or sublet the Vehicle without Lessor's prior written consent.

Section 10.3 Modification This Agreement may not be modified except by written agreement signed by both parties.

Section 10.4 Governing Law and Jurisdiction This Agreement shall be governed by the laws of the State of _____. Any legal action relating to this Agreement shall be brought in the courts of _____ County, State of _____.

Section 10.5 Dispute Resolution ☐ Any dispute shall be resolved by binding arbitration under the rules of the American Arbitration Association ☐ Disputes shall be resolved in courts of competent jurisdiction ☐ Other: _____

Section 10.6 Attorney's Fees In any legal proceeding relating to this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

Section 10.7 Notices All notices required under this Agreement shall be in writing and delivered by: ☐ Certified mail, return receipt requested ☐ Overnight delivery service ☐ Personal delivery with receipt ☐ Email with confirmation of receipt

Section 10.8 Severability If any provision of this Agreement is held invalid or unenforceable, the remainder of the Agreement shall remain in full force and effect.

Section 10.9 Entire Agreement This Agreement, including all attached schedules and exhibits, constitutes the entire agreement between the parties and supersedes all prior negotiations, representations, warranties, and agreements.

Section 10.10 Counterparts This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one agreement.

XI - ADDITIONAL TERMS AND CONDITIONS

Section 11.1 Purchase Option (if applicable) ☐ Lessee has the option to purchase the Vehicle at lease end for \$_____ plus applicable taxes and fees ☐ No purchase option available

Section 11.2 Lease Extension (if applicable) ☐ Lessee may extend this lease for _____ months at \$_____ per month ☐ No extension option available

Section 11.3 Maintenance Program (if applicable) ☐ Lessor provides maintenance program at \$_____ per month ☐ No maintenance program included

SIGNATURES

By signing below, the parties acknowledge that they have read, understood, and agree to be bound by all terms and conditions of this Agreement.

LESSOR: _____

Signature _____

LESSEE: _____

Signature _____

Date:

SCHEDULE A - VEHICLE CONDITION REPORT

Inspection Date: _____ **Inspector:** _____

EXTERIOR CONDITION:

Area	Condition	Notes
Hood	☐ Good ☐ Fair ☐ Poor	_____
Front Bumper	☐ Good ☐ Fair ☐ Poor	_____
Left Front Fender	☐ Good ☐ Fair ☐ Poor	_____
Left Doors	☐ Good ☐ Fair ☐ Poor	_____
Left Rear Fender	☐ Good ☐ Fair ☐ Poor	_____
Rear Bumper	☐ Good ☐ Fair ☐ Poor	_____
Trunk/Hatch	☐ Good ☐ Fair ☐ Poor	_____
Right Rear Fender	☐ Good ☐ Fair ☐ Poor	_____
Right Doors	☐ Good ☐ Fair ☐ Poor	_____
Right Front Fender	☐ Good ☐ Fair ☐ Poor	_____
Roof	☐ Good ☐ Fair ☐ Poor	_____
Windshield	☐ Good ☐ Fair ☐ Poor	_____
Other Glass	☐ Good ☐ Fair ☐ Poor	_____

WHEELS AND TIRES:

Position	Brand/Size	Tread Depth	Condition
Front Left	_____	_____/32"	_____
Front Right	_____	_____/32"	_____
Rear Left	_____	_____/32"	_____
Rear Right	_____	_____/32"	_____
Spare	_____	_____/32"	_____

INTERIOR CONDITION:

Item	Condition	Notes
Front Seats	☐ Good ☐ Fair ☐ Poor	_____
Rear Seats	☐ Good ☐ Fair ☐ Poor	_____
Dashboard	☐ Good ☐ Fair ☐ Poor	_____
Door Panels	☐ Good ☐ Fair ☐ Poor	_____
Carpet/Floor	☐ Good ☐ Fair ☐ Poor	_____
Headliner	☐ Good ☐ Fair ☐ Poor	_____
Console	☐ Good ☐ Fair ☐ Poor	_____

MECHANICAL/ELECTRICAL:

☐ Engine starts and runs smoothly ☐ Transmission shifts properly ☐ All lights operational ☐ Air conditioning/heating operational ☐ Radio/entertainment system operational ☐ All gauges operational ☐ Warning lights (check if illuminated): _____

EQUIPMENT AND ACCESSORIES:

☐ Owner's Manual ☐ Spare Key ☐ Floor Mats ☐ Jack and Tools ☐ Emergency Kit ☐ Remote Controls ☐ Other: _____

ADDITIONAL NOTES:

ACKNOWLEDGMENT: Lessee acknowledges receipt of the Vehicle in the condition noted above.

Lessee Signature: _____ **Date:** _____

Lessor Representative: _____ **Date:** _____