

Lease of Recreational Vehicle with Option to Purchase

This Lease Agreement is made this the _____ day of _____, 200__ between _____, hereafter referred to as **Lessor**, having his principal place of business at _____ (**address**) and _____ of _____ (**street address, city, county, state, zip code**), hereafter referred to as **Lessee**. **Lessor** and **Lessee** hereby agree as follows:

1. **Lessor** hereby leases to the **Lessee**, for a term of _____ months the following described Recreational Vehicle (hereinafter called *Vehicle*):

Make _____

Model _____

Year _____

Color _____

Engine Size (Cubic Centimeters) _____

Engine Serial Number: _____

Vehicle Identification Number: _____

The term and rent shall commence on the _____ day of _____, 200__, and end on the _____ day of _____, 200__.

2. **Lessee** will acquire license plates registered in his name under the laws of the state of _____.

3. **Lessee** will maintain, or cause to be maintained, the *Vehicle* in good working condition. Nothing in this Agreement shall require **Lessor** to provide or pay for, or cause to be provided or paid for, any gasoline, oil, antifreeze, washing or storage for the *Vehicle*.

4. **Lessor** will reimburse **Lessee** for the cost of any inspection of the *Vehicle* as required by laws of the state of _____.

5. **Lessee** agrees to pay to **Lessor** at _____ (**address**) the sum of \$_____, as rent, on the first day of each and every calendar month. The rent for the first and last month of the term, unless the term starts on the first day of the month and ends on the first day of the month, shall be apportioned on the basis which the number of days of the term in the month bears to the whole number of days in such month.

6. The *Vehicle* leased under this Agreement will be used and operated in a careful manner and **Lessee** will pay or cause to be paid any fines imposed by any governmental authority levied upon the *Vehicle* and/or its driver as the result of any act or omission during the term the *Vehicle* is leased under this Agreement.

7. *Lessee* will not use or allow the *Vehicle* to be used for any illegal purpose and will reimburse *Lessor* if the *Vehicle* is confiscated and for expenses incurred as a result of any confiscation or attempted confiscation by any governmental authority whatsoever, whenever such confiscation and expenses, or either, is caused by the illegal use of such *Vehicle* while the *Vehicle* is leased under this Agreement.
8. *Lessee* will keep and maintain the *Vehicle* in good running order and will see that it stays in good repair and is properly serviced at the expense of *Lessee*.
9. Immediately on the discovery of the need of any repair or servicing of the *Vehicle*, *Lessee* shall cause such *Vehicle* to be taken to an authorized service station of the manufacturer of such *Vehicle*. The cost of such repair may be deducted by the *Lessee* from the next rental payment due *Lessor* under this Agreement, provided *Lessee* shall make no repairs the cost of which shall exceed \$ _____ without the written consent of *Lessor* first obtained. At the time of making such deduction, *Lessee* shall provide *Lessor* with an itemized invoice evidencing payment for the repairs for which such deduction is claimed. Notwithstanding the foregoing, *Lessee* is responsible for payment for repairs resulting from the negligence of *Lessee* or anyone driving the *Vehicle* with or without the consent of *Lessee*, or the violation by *Lessee* of the terms of this Agreement, and no such deduction from rental payments may be made.
10. The *Vehicle* will be kept and maintained in a garage or other covered storage space except when in use.
11. *Lessee* will pay for, at her sole expense, all gasoline, oil, antifreeze, washing, and storage fees for the *Vehicle* leased under this Agreement.
12. *Lessee* will acquire, pay for, and maintain *Vehicle* indemnity insurance, including public liability and property damage insurance, issued by a responsible company or companies, protecting the interests of both *Lessee* and *Lessor* against liability for damage, personal injury or death caused by the *Vehicle* or the operation of the *Vehicle* to the extent of not less than \$ _____ per accident and not less than \$ _____ per person; and the sum of \$ _____ per accident against liability for damage to property caused by the operation of any *Vehicle* leased under this Agreement, and *Lessee* agrees that the policy will include *Lessor* as a "named insured" and shall not be cancelled until after _____ days notice to *Lessor* of intention to cancel, and the *Lessee* further agrees to furnish to *Lessor* prior, to the use or operation of any such *Vehicle*, a certificate of such insurance.
13. Should any claim be made or any action be commenced against *Lessor* arising from any of the causes covered by the insurance referred to in **Paragraph 12**, *Lessor* will promptly notify *Lessee* and *Lessee* will conduct the defense of any such claim or action at *Lessee's* expense, including all costs and attorneys' fees.
14. Should any claim be made or any action be commenced against *Lessee* arising from any of the causes covered by the insurance referred to in **Paragraph 12**, *Lessee* will promptly notify

Lessor and *Lessee* will conduct the defense of any such claim or action at *Lessee's* expense, including all costs and attorneys' fees.

15. In the event of the cancellation of any public liability and property damage insurance required under the terms of this Lease Agreement, the use by *Lessee* of the *Vehicle* shall cease until all such insurance so cancelled has been renewed or replaced.

16. Except as otherwise subsequently provided, upon the expiration of the term of this Lease Agreement or its earlier termination for any reason, the *Vehicle* shall be returned by *Lessee* to *Lessor* at _____ (*address*).

17. If any default shall be made by *Lessee* in the payment when due, of any rent or other sum due under this Agreement, or in the performance of any other provision, or if *Lessee* is or becomes unable to pay her debts from her own means as they become due, or if any receiver or trustee of the business or of the property or assets of the *Lessee* shall be appointed by any court, or if the *Lessee* shall abandon the *Vehicle*, or if the *Lessee* shall otherwise, in any manner whatever, become unable to pay the rent specified here or to perform any of the provisions to be kept or performed by *Lessee*, then *Lessor* shall have the option, without notice to *Lessee* or demand for performance, to require *Lessee* to redeliver the *Vehicle* to *Lessor* at a location designated by *Lessor* at *Lessee's* expense.

18. Upon any such default, and with or without terminating or forfeiting this Lease Agreement and without in any way affecting any other right or remedy of *Lessor* or any duties or obligations of *Lessee* under this Agreement, *Lessor* may lease the *Vehicle* as the agent and for the account of *Lessee* upon such terms and conditions as *Lessor* may deem advisable, in which event the rents received on any such lease shall be applied first to the expenses of leasing and collecting, including any necessary renovation or repairs, toward payment of all sums due or to become due to *Lessor* under this Agreement, and if a sufficient sum shall not thus be realized to pay such rent and other charges, *Lessee* shall pay to *Lessor* monthly any deficiency.

19. Upon any such default, *Lessor* may terminate this Lease Agreement, in which event *Lessee* shall pay to *Lessor* the amount of rent that would have been paid to *Lessor* had there been no such default.

20. The foregoing remedies for default shall not be exclusive but shall be cumulative and in addition to all other remedies.

21. In case any litigation of any kind between *Lessee* and *Lessor* shall arise out of this Lease Agreement, and *Lessor* shall prevail in such litigation, *Lessee* agrees to pay *Lessor* a reasonable attorney's fee which shall be taxed by the court as part of the costs of such litigation.

22. *Lessor* does not assume any liability for any acts or omissions of *Lessee* or of any of *Lessee's* agents, employees or drivers and *Lessee* specifically releases *Lessor* from all such liability and agrees to indemnify and hold *Lessor* harmless of and from any and all such liability.

23. Other than the **Option to Purchase** set forth in **Paragraph 27** below, this is a *Vehicle* lease only, and the *Lessee* has acquired no right, title or interest in the *Vehicle*, except the right to use the same pursuant to the provisions of this Lease Agreement.

24. The term of this Lease Agreement shall be extended for an additional term of _____ months pursuant to the terms of this Lease Agreement, including this paragraph for renewal, unless either *Lessor* or *Lessee*, at least ____ days before the end of the term of this Lease Agreement, gives written notice to the other of intention to terminate this Lease Agreement on expiration of the term provided for in this Agreement.

25. So long as the *Lessee* performs all of the terms and conditions of this Lease Agreement including payment of the rental, *Lessee* shall have the unrestricted lawful use of such *Vehicle* for any lawful purpose except the transportation of persons or property for hire.

26. *Lessee* will not assign or mortgage this Lease Agreement, or any interest in it, or permit the use of the *Vehicle* by any person other than *Lessee* or an adult member of her family or her agents or employees, nor sublet the *Vehicle* without the written consent of *Lessor*.

27. **Option to Purchase:** *Lessor* hereby grants to *Lessee* the option to purchase the *Vehicle* in its then-current condition at any time during this Agreement for the sum of \$_____ less ____% of rent that has been paid pursuant to this Lease Agreement or any renewal thereof. If *Lessee* desires to exercise the option to purchase, *Lessee* shall do so by giving *Lessor* written notice of that intent no less than ____ days prior to the date for the next scheduled lease payment under this Agreement. *Lessor* and *Lessee* agree that *Lessor* will be selling said *Vehicle* in its "as is" condition on the date of any such sale and makes no warranty as to the condition of the *Vehicle* and waives any implied warranty of fitness for a particular purpose or merchantability.

28. Notwithstanding the foregoing, and anything herein to the contrary notwithstanding, any dispute under this Agreement shall be required to be resolved by binding arbitration of the parties hereto. If the parties cannot agree on an arbitrator, each party shall select one arbitrator and both arbitrators shall then select a third. The third arbitrator so selected shall arbitrate said dispute. The arbitration shall be governed by the rules of the American Arbitration Association then in force and effect.

29. This Lease Agreement represents the entire agreement between the parties and no provision may be waived or modified, except by an instrument in writing signed by both of the parties.

WITNESS our signatures the day and year first written above.

LESSOR

LESSEE