

VEHICLE PERSONAL PROPERTY RENTAL AGREEMENT

This Personal Property Rental Agreement (this "Agreement") is entered into and made effective as of (the "Effective Date"), by and between [LESSOR NAME], of [LESSOR ADDRESS] (the "Lessor"), and [LESSEE NAME], of [LESSEE ADDRESS] (the "Lessee"). Lessor and Lessee are each a "Party" and together the "Parties."

1. Definitions

1.1 "**Property**" means the tangible personal property described in Section 2, together with all accessories, manuals, keys, and attachments delivered with it.

1.2 "**Term**" means the rental period described in Section 4, beginning on and ending on , as extended or terminated in accordance with this Agreement.

1.3 "**Rent**" means the consideration payable by Lessee to Lessor under Section 5.

1.4 "**Casualty Value**" means the fair market value of the Property at the end of the Term (or, if a Total Loss occurs, the fair market value immediately before the loss), in no event to exceed the stated value of .

1.5 "**Total Loss**" means loss of, damage to, theft of, or destruction of the Property that is irreparable or for which the cost of repair exceeds the Casualty Value.

1.6 "**Event of Default**" has the meaning given in Section 14.

2. Property

The Lessor agrees to lease the Property to the Lessee, and the Lessee agrees to lease the Property from the Lessor, subject to the terms of this Agreement. The Property is described as follows:

| [PROPERTY DESCRIPTION]

Stated value of the Property: .

2.1 Vehicle Details

| Field | Value | |---|---| | Year | [VEHICLE YEAR] | | Make | [MAKE] | | Model | [MODEL] | | VIN | [VIN] | | License plate / registration | | | Odometer at delivery | [ODOMETER READING AT DELIVERY MILES] miles |

Permitted drivers. Only the following individuals may operate the Vehicle: . Any other operator is unauthorized, and Lessee is strictly liable for all losses arising from unauthorized operation.

Geographic use restriction.

Traffic violations and parking tickets. Lessee is solely responsible for all traffic violations, parking tickets, tolls, and citations incurred during the Term, and shall indemnify Lessor against any such charges issued to Lessor as registered owner.

2.2 Condition at Delivery

The Parties agree that the condition of the Property at delivery is as follows, and that this record shall govern the return inspection under Section 9:

Property delivered in good working condition. Existing wear and pre-existing damage noted as follows:

3. Lease

In consideration of the Rent and the mutual covenants in this Agreement, the Lessor leases the Property to the Lessee, and the Lessee leases the Property from the Lessor, for the Term and on the terms set forth herein. This is a **lease** (bailment for hire). Title to the Property remains in the Lessor at all times during the Term.

4. Term

The Term begins on and ends on .

Month-to-month holdover. If Lessee retains possession after the end of the Term with Lessor's express or implied consent, this Agreement shall automatically convert to a month-to-month tenancy on the same terms, at the monthly Rent equivalent, terminable by either Party on thirty (30) days' written notice.

5. Rent and Payment

Upfront Rent. Lessee shall pay the Rent of ***** () in a single lump sum on or before the Effective Date, before taking possession of the Property.

Currency. All amounts are in U.S. dollars unless the Parties agree otherwise in writing.

6. Delivery and Taking Possession

Lessor delivery. Lessor shall deliver the Property to [DELIVERY PICKUP LOCATION]. Lessor bears the risk of loss and the cost of delivery until the Property is in Lessee's physical possession at the delivery location.

7. Use, Repair, and Condition

Lessee shall use the Property in a good and careful manner and only for the purpose for which it was designed. Lessee shall comply with all manufacturer requirements and all applicable federal, state, and local laws. **Specific use restrictions:** Lessee shall use the Property only for its intended purpose and in accordance with manufacturer instructions and applicable law.

Lessee shall, at Lessee's cost, keep the Property in good repair and operating condition during the Term, normal and reasonable wear and tear excepted. Lessee shall not alter or modify the Property without Lessor's prior written consent.

8. Loss and Damage

Lessee bears all risk of loss, theft, damage, or destruction of the Property from any cause during the Term (except where expressly allocated to Lessor under Section 6 during Lessor delivery). If the Property is damaged but not a Total Loss, Lessee shall continue to pay Rent and shall promptly repair the Property to its pre-damage condition. If a Total Loss occurs, Lessee shall:

1. Continue paying Rent through the date of settlement under this Section;
2. Give Lessor prompt written notice of the loss;
3. At Lessor's election, either (a) replace the Property with substantially similar property free of liens, or (b) pay the Casualty Value to Lessor.

Upon payment of the Casualty Value (or tender of replacement property), Lessee's continuing Rent obligation for the period after the loss is extinguished.

9. Return of the Property

At the end of the Term or upon earlier termination, Lessee shall return the Property to Lessor at Lessee's cost and risk, to [RETURN LOCATION], in the same condition as at the commencement of the Term as documented in Section 2.2, normal and reasonable wear and tear excepted. The Parties shall jointly conduct a return inspection and note any deviations from the Section 2.2 condition on a signed return report. Lessee is responsible for repair or replacement of any damage beyond normal wear and tear.

10. Insurance

Throughout the Term and for so long as Lessee is in possession of the Property, Lessee shall maintain, at Lessee's cost, the following insurance with one or more insurers reasonably acceptable to Lessor:

1. **Property / casualty insurance** covering the Property for its full replacement value of not less than , with Lessor named as loss payee.

2. **Commercial general liability (or equivalent)** insurance covering bodily injury, death, and property damage arising from use of the Property, with minimum limits of **\$1,000,000.00 per occurrence** and **\$2,000,000.00 aggregate**, with Lessor named as additional insured.

Lessee shall deliver certificates of insurance to Lessor before taking possession and upon renewal. Each policy shall require thirty (30) days' prior written notice to Lessor of cancellation or material change.

Vehicle insurance advisory. The Parties acknowledge that Lessee's personal automobile insurance policy may or may not extend coverage to a non-owned vehicle. Lessee shall confirm coverage with Lessee's insurer before taking possession. State minimum financial-responsibility limits apply regardless of this Agreement.

Mutual waiver of subrogation. Each Party waives, and shall cause each of its insurers to waive, all rights of subrogation against the other Party with respect to any loss covered (or required to be covered) by insurance under this Agreement.

11. Taxes

The Lessor shall pay all taxes, fees, and charges arising from record ownership of the Property (including registration and ad valorem property tax assessed against the titleholder). The Lessee is responsible for all sales, use, rental, excise, or possessory-interest taxes imposed on the Rent, on Lessee's possession, or on Lessee's use of the Property during the Term.

12. Indemnity and Liability Allocation

Except for the gross negligence or willful misconduct of Lessor, Lessee shall indemnify, defend, and hold harmless Lessor, its officers, members, and employees, from and against any claim, action, suit, proceeding, cost, expense, damage, or liability (including reasonable attorney's fees) arising out of or related to Lessee's use, operation, or possession of the Property.

13. Interest on Overdue Amounts

Any amount payable by Lessee and not paid when due shall bear interest at the lesser of **10% per annum** or the maximum rate permitted by applicable law of the governing state, accruing daily from the due date until paid in full.

14. Default

Each of the following constitutes an "Event of Default" by Lessee:

1. Lessee fails to pay any Rent or other amount within **5 days** after the due date;
2. Lessee materially breaches any other obligation under this Agreement and fails to cure within thirty (30) days after written notice from Lessor;

3. Lessee becomes insolvent, makes a general assignment for the benefit of creditors, or has bankruptcy or similar proceedings instituted by or against Lessee; or
4. A writ of attachment or execution is levied on the Property and not released or satisfied within ten (10) days.

15. Remedies

Upon an Event of Default, Lessor may, in addition to all other rights and remedies available at law or in equity:

1. Declare the unpaid balance of Rent for the remainder of the Term immediately due and payable, **subject to Lessor's duty to mitigate damages under Section 15.1;**
2. Terminate this Agreement by written notice to Lessee;
3. Peaceably recover possession of the Property, subject to the limitations in Section 15.2;
4. Commence legal proceedings to recover Rent, damages, and costs (including reasonable attorney's fees);
5. Retain any security deposit and apply it against amounts due.

15.1 Duty to Mitigate

If Lessor accelerates the Rent for the remainder of the Term under Section 15(1), Lessor shall use commercially reasonable efforts to re-lease the Property to a third party on substantially similar terms. Any Rent actually received from re-leasing during the remainder of the original Term shall reduce Lessee's obligation. This duty does not apply where the Property is unique or where commercially reasonable efforts would not yield a replacement lease.

15.2 Peaceable Repossession

Upon an Event of Default, Lessor may, to the extent permitted by the law of the governing state and without breach of the peace, peaceably retake possession of the Property. Lessee's waiver of repossession-related damages claims does not apply to any repossession conducted in violation of applicable law.

16. Early Termination

Early termination with fee. Lessee may terminate this Agreement before the end of the Term upon thirty (30) days' prior written notice and payment of an early termination fee of **\$0.00**, plus all Rent accrued through the effective termination date and any overage, damage, or unreturned deposit amounts.

17. Assignment and Sublease

Lessee shall not assign this Agreement or sublease the Property without Lessor's prior written consent, which shall not be unreasonably withheld. Lessor may assign its rights under this Agreement upon written

notice to Lessee. No assignment releases the assigning Party from obligations accrued before the assignment.

19. Federal Odometer Disclosure

For the Vehicle described in Section 2, the Lessor discloses that the odometer reading at delivery is **[ODOMETER READING AT DELIVERY MILES] miles**. To the Lessor's knowledge, this reading reflects the actual mileage of the Vehicle. Although the Federal Odometer Act (49 U.S.C. §32705 and 49 C.F.R. Part 580) applies principally to transfers of ownership, the Parties record this reading to avoid dispute at return. If Lessee exercises a purchase option under Section 18, a separate federal odometer disclosure statement shall be executed at the time of title transfer.

20. Notices

All notices under this Agreement shall be in writing and delivered by (a) personal delivery; (b) registered or certified mail, return receipt requested; (c) nationally-recognized overnight courier; or (d) email to an address regularly used by the recipient, with confirmation of delivery. Notices by mail are deemed received three (3) business days after posting; by courier, on the next business day; by email, on the date sent if sent before 5:00 p.m. local time of the recipient on a business day, and otherwise on the next business day. Addresses for notice are those stated in the preamble or such other address as a Party designates by notice.

21. General Provisions

Governing Law. This Agreement is governed by the laws of the State of [STATE], without regard to conflict-of-laws principles.

Venue. Any action arising out of this Agreement shall be brought exclusively in the state or federal courts located in [VENUE CITY], [STATE], and the Parties irrevocably submit to personal jurisdiction there.

Attorney's Fees. In any action or proceeding arising out of this Agreement, the prevailing Party shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing Party, except where applicable consumer-protection law (including Mass. Gen. Laws ch. 93A, Cal. Civ. Code §1717's reciprocity rule, or similar) provides otherwise. Where Cal. Civ. Code §1717 applies, the right to recover attorney's fees shall be reciprocal regardless of the literal terms of this Section.

Entire Agreement. This Agreement, together with any exhibits and the condition report in Section 2.2, constitutes the entire agreement of the Parties and supersedes all prior or contemporaneous understandings, whether oral or written, relating to its subject matter.

Modification. This Agreement may be modified only by a written instrument signed by both Parties.

Severability. If any provision is held invalid or unenforceable, the remainder shall continue in full force, and the invalid provision shall be reformed to the minimum extent necessary to be enforceable while preserving the Parties' original intent. Where any provision of this Agreement conflicts with the mandatory law of the State of [STATE], the mandatory law prevails, and this Agreement shall be deemed amended accordingly.

Waiver. No failure or delay in exercising any right is a waiver. A waiver is effective only if in writing signed by the waiving Party.

Time of the Essence. Time is of the essence in the performance of all obligations under this Agreement.

Force Majeure. Neither Party is liable for delay or failure to perform (other than payment of money) caused by conditions beyond that Party's reasonable control, including acts of God, war, civil unrest, pandemic, government restrictions, or natural disaster.

Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, each of which is an original and all of which constitute one instrument. Electronic and digital signatures are valid and enforceable under the federal ESIGN Act (15 U.S.C. §7001 et seq.) and the Uniform Electronic Transactions Act as adopted in the governing state.

Binding Effect. This Agreement binds and benefits the Parties and their respective heirs, executors, administrators, successors, and permitted assigns.

Interpretation. Headings are for convenience only. Singular includes plural; references to one gender include all.

22. Financial Disclosures

- **Cash value of the Property:**
- **Security deposit (if any):** \$0.00
- **Total Rent over the Term:** × 1 payment period(s)
- **Insurance minimums:** \$1,000,000.00 per occurrence / \$2,000,000.00 aggregate CGL; property insurance at full replacement value of

Signatures

The Parties have executed this Personal Property Rental Agreement as of the Effective Date.

Lessor

PRINTED NAME

SIGNATURE

DATE

Lessee

PRINTED NAME

SIGNATURE

DATE