**Equipment Lease**

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**EQUIPMENT LEASE**

This Equipment Lease, hereinafter “the Agreement,” is entered into between (Equipment owner’s name), hereinafter “Lessor,” and (Equipment Borrower’s Name), hereinafter “Lessee,” on this \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of 20\_\_\_\_.

In consideration of the mutual terms and conditions as set forth below, the parties agree that Lessor shall lease Lessee the following equipment:

(Equipment Description)

**I. Duration**

 The Lease term shall begin on \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ when Lessee shall take possession of the above-described equipment. The Lease shall expire after a term of \_\_\_\_\_\_\_\_\_\_\_ months, when Lessee shall return the equipment to Lessor, unless otherwise expressly agreed in writing.

**II. Payments**

An initial deposit of $\_\_\_\_\_\_\_\_\_\_\_ shall be paid prior to Lessee taking possession of the equipment. The deposit shall be returned promptly upon the completion of all Lessee’s obligations under this lease.

Thereafter, Lessee shall pay an amount of $\_\_\_\_\_\_\_\_\_\_ every month for the duration of this Lease. The first monthly payment shall be paid no later than the \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_, and shall continue to be paid on the \_\_\_\_ day of each month for the duration of this Lease. In total, the full obligation and amount due under the terms of this Agreement is $\_\_\_\_\_\_\_\_\_\_\_\_\_.

 Any monthly payment that is tendered by Lessee more than five (5) days after the above-stated date shall be deemed a late payment. A fee of \_\_\_% of the original monthly payment shall be assessed and owed by Lessee each day that the payment is late. The fee will be added again on each successive day of late payment.

 Payments shall be made out to Lessor and can be made by mailing a check to (ADDRESS), or by electronic payment at (Specific Instruction). The payment will be deemed “paid” once the check is mailed or the electronic payment is submitted.

**III. Permissible Use**

Lessee shall use the equipment in a safe, reasonable, and responsible manner and only for its natural, ordinary uses. Lessee must comply with all state, federal, and local laws and ordinances in their possession, use, and maintenance of the Equipment.

 Failure to use the equipment in the above-described permissible manner will result in forfeiture of the equipment and acceleration of all amounts due, at Lessor’s sole discretion.

**IV. Warranties**

LESSOR DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

 Lessee assumes the responsibility of examining all equipment for defects. Lessee shall have seven (7) days from the date of possession to report any defect in the equipment and return the equipment if necessary. After this initial seven (7) day period any repairs or routine maintenance are the responsibility of Lessee at Lessee’s sole expense.

**V. Damage**

 Lessee hereby assumes the risk for loss and damage from any and every cause or source. In the event that Lessee loses or damages, or causes to be lost or damaged, any equipment Lessee shall pay to Lessor the fair market value of a replacement, similar in all respects, to the lost or damaged equipment. Lessee’s replacement must be done promptly and within a reasonable time, but under no circumstances, should take place later than ten (10) days after the expiration of this Lease Agreement.

**VI. Insurance**

Lessee is required to procure and maintain all necessary insurance to protect against any and all potential loss or damage of the equipment. Lessor shall be named as the loss Payee and shall approve the amount of coverage and protection. Lessee is required to submit proof of insurance prior to Lessee’s initial possession.

**VII. Taxes**

Lessee must keep the equipment free from any and all liens or other encumbrances. Lessee shall bear the full cost and responsibility of clearing any lien or encumbrance promptly and within a reasonable amount of time, but under no circumstances later than ten (10) days after the expiration of this Lease Agreement.

**VIII. Acceleration**

Lessor, in Lessor’s sole discretion, may accelerate and demand the entire amount of this lease obligation due if Lessee violates the terms of this Lease Agreement.

**IX. Clerical Error**

In the event that Lessor finds, at any time, that an error caused by a clerical mistake or miscalculation, Lessee agrees that Lessor may, on their own accord, remedy the error and will not pursue any recourse or legal action that arises under or relates to such error or miscalculation.

**X. Indemnification**

Lessee shall indemnify and hold harmless Lessor against and from all claims, actions, proceedings, suits, damages and liabilities resulting from or arising out of Lessee’s use of the equipment. This indemnification shall extend to attorney’s fees and costs associated with Lessee’s pursuit or defense of such action.

**XI. Ownership**

The equipment is and at all times shall remain the exclusive property of the Lessor. Lessee has no right, title, or interest in the property other than that expressly stated in this Agreement.

**XII. Assignment**

 No assignment, sublease, or transfer of this Lease or the interest created herein shall be permissible by Lessee. Any attempt to assign, transfer, or sublease any interest in the equipment shall be deemed void and without effect.

**XIII. Entire Agreement**

 This Lease Agreement constitutes the entirety of the terms and conditions between Lessee and Lessor. No communications, conditions, or representations made prior to or contemporaneously with this Lease Agreement shall have any force or effect.

**XIV. Governing Law**

This Lease Agreement, its terms and conditions, and any dispute which arises therefrom shall be interpreted under and governed by the law of the State of (YOUR STATE). Lessee and Lessor expressly consent to the authority and jurisdiction of the courts of the State of (YOUR STATE).

**XV. Severability**

If for any reason any competent court with jurisdiction deems that any provision within this Agreement is void, invalid, or ineffective, the remaining provisions shall continue with full force and effect.

**XVI. Quiet Enjoyment**

So long as all obligations and duties outlined herein are fulfilled by Lessee, Lessee is entitled to the possession, use, and quiet enjoyment of the equipment during the term of this Lease as set forth above.

**XVII. Amendment**

No amendment, modification, or alteration to this Lease will be effective unless it is signed in writing by the party against whom the enforcement is sought. Any amendment, alteration, or modification is effective only for the specific purpose it states and shall not constitute an alteration or waiver of any other provision of this Lease Agreement.

**XVIII. Authority**

Lessee and Lessor represent, covenant, and acknowledge that each has full authority and capacity to enter into this Lease Agreement and uphold the terms and conditions stated herein.

**I have read, understood, and hereby accept all terms and conditions as set forth in this Agreement.**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Lessor Date

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Lessee Date