

RENT-TO-OWN AGREEMENT

TERMS OF AGREEMENT: As used in this Agreement, "you" and "your" mean the person(s) signing the Agreement as lessee/renter/ consumer; "we" and "our" mean the lessor/owner (the rental company); "property" means the items described in the disclosures; and "lease" means this Rent-to-Own Agreement including the disclosures.

RENT-TO-OWN DISCLOSURES

Date: _____ Agreement Number: _____
Lessor: _____ Consumer: _____

DESCRIPTION OF PROPERTY:

Table with 5 columns: Item #, Item Description, Serial #, Model #, Condition of Property.

RENTAL TERM: Rental payments are due at the beginning of each term that you choose to rent the property. There are no refunds if you choose to return the property before the end of the term.

INITIAL PAYMENT: Payments are due at the beginning of each term that you choose to lease the property. Your initial payment will include the following charges:

Table with 4 columns: Rental Payment, Optional Liability Damage Waiver, Tax, Total.

RENEWAL PAYMENTS: You are not obligated to renew this Agreement beyond the initial term. However, if you choose to renew this Agreement beyond the initial term, or beyond any subsequent renewal term, you may do so by making an advance rental payment on the following basis:

Table with 5 columns: Payments, Rental Payment, Day, Date, Tax, Total.

OTHER CHARGES:

Optional Liability Damage Waiver Fee /Month, /Semi-Month, /Week. Late Fee for payments late more than ___ days on a monthly agreement or more than ___ days on a semi-monthly or weekly agreement.

TOTAL OF PAYMENTS: If you choose to acquire ownership, you must rent the property for the number of weeks, semi-months or months shown below. The Total of Payments does not include other charges, such as late payment fees, and Optional Liability Damage Waiver fees.

Weekly: If you choose to acquire ownership through weekly rental, you will make ___ payments: the initial rental payment of ___ weekly payments of ___ and a final payment of ___ for a total of ___ in rent and sales tax of ___ for a Total of Payments of ___.
Semi-monthly: If you choose to acquire ownership through semi-monthly rental, you will make ___ payments: the initial rental payment of ___ semi-monthly payments of ___ and a final payment of ___ for a total of ___ in rent and sales tax of ___ for a Total of Payments of ___.
Monthly: If you choose to acquire ownership through monthly rental, you will make ___ payments: the initial rental payment of ___ monthly payments of ___ and a final payment of ___ for a total of ___ in rent and sales tax of ___ for a Total of Payments of ___.

You do not own the property. You will not own the property until you have made the total payment necessary to acquire ownership. If you choose to renew this Agreement on a frequency different from your initial rental payment term, your total amount will be calculated based on the above amounts and on the number of payments made at each frequency. Free rent allowance will not reduce total rent or purchase-option amounts. Sales taxes are subject to changes in the applicable tax rate.

THE CASH PRICE OF THE PROPERTY: ___, plus sales tax. If you want to purchase this or similar property now, you should consider cash or credit terms that might be available to you.

EARLY PURCHASE OPTION: You have the right to exercise an early purchase option. You may do so at any time by the payment of ___ % of the remaining Total of Payments calculated at that time. In addition, you may purchase the property within the first 90 days after the date of this agreement by paying us an amount equal to the Cash Price minus the total of all rental payments (excluding tax) made by you, plus tax.

RISK OF LOSS AND DAMAGES: You are liable for loss or damage to the property. Such liability will not exceed the fair market value of the property as of the time it is lost or damaged.

TYPE OF TRANSACTION: THIS IS A RENTAL TRANSACTION.

REINSTATEMENT: If you fail to make a timely payment, you may reinstate the agreement, without losing any rights or option which exist under the agreement, by the payment of all past due rental charges and any applicable late fee, within 5 days of the renewal date if you pay monthly; or within 2 days of the renewal date if you pay weekly or semi-monthly. If you have paid less than 2/3 of the total of payments necessary to acquire ownership and where you have returned or voluntarily surrendered the property to us, other than through judicial process, during the applicable reinstatement period set forth above, you may reinstate the agreement during a period of not less than 21 days after the date of the return of the property. If you have paid 2/3 or more of the total payments necessary to acquire ownership, that period shall be extended to 30 days. Upon reinstatement, we shall provide you with the same property or substitute property of comparable quality and condition.

TERMINATION: You may terminate the Agreement without penalty by voluntarily surrendering or returning the property in good repair, reasonable wear and tear excepted, upon expiration of any rental term along with any past due rental payments.

WARRANTY AND MAINTENANCE: We are responsible for maintaining or servicing the property while it is being rented. We will not be responsible for the costs or the results of any unauthorized repairs or damage caused by improper use. If any part of a manufacturer's express warranty covers the rental property at the time you acquire ownership of the property, it shall be transferred to you, if allowed by the terms of the warranty.

OUR RIGHTS TO TAKE POSSESSION: If you do not renew this lease or if you breach this lease, we have the right to possession of the property. If this happens, you agree to return the property or make arrangements for us to take possession of it. If you fail or refuse to comply with this requirement, you agree to pay our costs incurred in taking possession of it.

ASSIGNMENT: We may sell, transfer, or assign this Rent-to-Own Agreement, but agree to notify you of any change.

TITLE AND TAXES: We retain title to the property at all times and will pay any taxes which might be levied on the property.

FORBIDDEN ACTS: You cannot sell, mortgage, pawn, pledge, encumber, hock or dispose of this property. Except for property that is designed to be carried by the person, you cannot move the property from your current residence without our consent. Each of these acts is a breach of this lease.

YOU AGREE BY SIGNING THIS LEASE THAT (1) YOU READ IT, (2) YOU UNDERSTAND IT AND (3) YOU RECEIVED A SIGNED COPY OF IT.

Date _____ Consumer _____
Lessor _____ Consumer _____