

# Basic Capital Lease Agreement

## 1. Parties

**Lessor:** [Lessor Name], [Address]

**Lessee:** [Lessee Name], [Address]

## 2. Lease Description

The Lessor hereby leases to the Lessee, and the Lessee hereby leases from the Lessor, the following equipment/assets:

**Description:** [Detailed Equipment/Asset Description]

**Serial/ID Number:** [XXXXXXXXXX]

**Location:** [Location of Asset]

## 3. Lease Term

The lease commences on **[Start Date]** and continues for a period of **[Lease Term]**, ending on **[End Date]**, unless terminated earlier in accordance with this Agreement.

## 4. Lease Payments

The Lessee agrees to pay the Lessor lease payments of **[Payment Amount]** per **[Month/Quarter]**.

Payments are due on the **[Due Date]** of each period.

## 5. Ownership

At the end of the lease term, the Lessee **[will/will not]** have the option to purchase the asset for **[Purchase Option Amount or \$0]**.

## 6. Maintenance and Insurance

The Lessee shall be responsible for maintaining, repairing, and insuring the leased asset for the duration of the lease.

## 7. Default and Termination

If the Lessee fails to make payments or breaches any terms of this agreement, the Lessor reserves the right to terminate the lease and repossess the asset.

## 8. Signatures

**Lessor Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Lessee Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Important Notes:**

- This agreement is a binding contract between both parties.
- Review all obligations and payment terms carefully before signing.
- Ensure asset condition is documented at the start of the lease.
- Keep insurance coverage throughout the lease period.
- Consult legal and financial advisors for compliance and accounting impact.