

**Article - Commercial Law**

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§12-1111.

(a) The following is an example of a form which shall be used to satisfy the disclosure requirements of §§ 12-1103(c) and 12-1104(a) of this subtitle:

“Rental-Purchase Agreement

1. Lessor(s): Name _____ Address _____ Telephone no. _____	Lessee(s): Name _____ Address _____ Telephone no. _____
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2. Description of Rental Property:

Item	Quantity	Identification Number	Condition
_____	_____	_____	New _____ Used _____
Cash Price: _____			

3. Total Initial Payment:

Rental Payment:	\$ _____
Delivery Charge:	\$ _____
Tax:	\$ _____
Other (specify):	\$ _____
Total:	\$ _____

4. Rental Payments:

Total Weekly Rental Payment:	_____	(includes tax)
Total Monthly Rental Payment:	_____	(includes tax)

5. Other Charges:

In Home Pick-up Fee:	\$ _____
Reinstatement Fee:	\$ _____
Other (specify):	\$ _____

6. Total Cost To Acquire Ownership:  
If you renew this rental agreement each week/month,  
for \_\_\_\_\_ weeks/months, you will pay a total of \$\_\_\_\_\_ to own  
the rental property. This amount includes your total initial payment but  
does not include other charges such as damage, reinstatement or pick-up  
fees for which you may be liable.
  
7. Cost of Lease Services:  
The cost of lease services is the difference between the final purchase price of  
the rental property and the cash price of the rental property. The cost of lease  
services for the rental property is \$\_\_\_\_\_.
  
8. No Ownership Until Total Paid:  
You will not acquire ownership of the rental property  
until you pay the total rental payments necessary to acquire ownership, or  
unless you exercise an early purchase option.
  
9. Early Purchase Option:  
You may purchase the rental property at any time after your  
first rental payment.

(Describe formula or method here)

10. Maintenance:  
We (lessor) are responsible for maintaining the rental property in good working  
condition while it is being rented. We will provide all necessary service,  
repair or replacement (specify if in home or in store) if you notify us  
by phone or mail that service is needed. We will not be responsible  
for repairs done by anyone other than us.
  
11. Warranty:  
If allowed by the manufacturer, the manufacturer's express warranty covering  
the rental property rented under this agreement will be transferred to you if,  
and at the time, you acquire ownership of the rental property.
  
12. Damages:  
You (lessee) are entirely responsible for loss, damages, theft or destruction of  
the rental property while it is in your possession. Your liability for such damage  
will not exceed the early purchase option price of the rental property as of the  
date it is lost, stolen, damaged or destroyed.

13. Termination:

You (lessee) may terminate this agreement without penalty at the end of any weekly or monthly term by returning the rental property to us in good condition. You will be liable for any unpaid rental payments due upon the date of return.

14. Reinstatement:

If  
you  
(lessee)  
fail  
to  
make  
a  
timely  
payment,  
you  
may  
reinstate  
the  
agreement  
without  
penalty,  
if:

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- 1) You pay all past due rental charges and a reinstatement fee within 2 days (weekly renters) or 5 days (monthly renters) of your renewal date; or
  - 2) You return or voluntarily surrender the rental property within 2 days (weekly renters) or 5 days (monthly renters) of your renewal date. If you choose to reinstate the agreement after returning the rental property, you will have up to 21 days (or longer depending on how long you have rented the rental property) to pay all past due rental charges, a reinstatement fee and a reasonable redelivery fee if we deliver the rental property.

I have read the above disclosures before signing this rental-purchase agreement.

Lessee(s): \_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_ .”

(b) The following is an example of a form which shall be used to satisfy the disclosure requirements of §§ 12-1103(c) and 12-1104(b) of this subtitle:

Summary of Costs of Your Rental–Purchase Agreement			
Cash Price	Scheduled Payments	Final Purchase Price	Cost of Lease Services
The price of the rental property if purchased in–store at the time of consummation.  \$ _____	The amount you pay per week/month.  \$ _____	The amount you will have paid after you have made all payments as scheduled.  \$ _____	The cost of your rental–purchase transaction.  \$ _____
Timing of Payments: Payment in the amount of \$ _____ is due on a (weekly/bi–weekly/semi–monthly/monthly) basis.			
Early Payment Option: You have the right to purchase the rental property prior to the date listed above for (enter formula).			
Termination: You have the right to terminate this rental–purchase agreement at the end of any term by surrendering the rental property to the lessor.			

<p>The disclosures above are part of the terms and conditions of your rental-purchase agreement with (company name).</p>			
<p>Lessee(s): _____</p> <p>Date: _____</p> <p>_____</p>	<p>_____</p> <p>_____</p>		

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