

**MAINE STATE HOUSING AUTHORITY  
EQUIPMENT LEASE**

This Lease Agreement is entered into by and between the Maine State Housing Authority, having its principal office at 353 Water Street, Augusta, Maine, 04330-4633 (“Lessor”) and \_\_\_\_\_, a \_\_\_\_\_ corporation with a mailing address of \_\_\_\_\_ (“Lessee”).

**1. Lease of Equipment; Term; Rent; Payments.**

Lessor hereby leases the insulation blower further described on Exhibit A attached (the “Equipment”) to Lessee from the date of this Lease until the anniversary of this Lease. Lessee shall pay Lessor rent of **\$610?** per month in advance on the first day of each calendar month during the term of this Lease, except that the prorated rent of \$\_\_\_\_\_ for the balance of the calendar month in which this Lease is executed shall be payable concurrently with the execution of this Lease. If this Lease ends on a day other than the last day of a calendar month, then the rent for the portion of the month during which this Lease is in effect will be the product of **\$21?** and the number of days during that month this Lease is in effect; and Lessor will refund to Lessee any overpayment for that month.

Except as otherwise provided in this Lease, Lessee will make all payments of rent and other amounts owing by it under this Lease to

Maine State Housing Authority  
353 Water Street  
Augusta, Maine 04330

or in such other manner or at such other place as the Lessor notifies the Lessee.

**2. Lessor’s Disclaimer of Warranty; Lessee’s Obligations Unconditional.**

- a. Lessor is not the manufacturer of the Equipment and is not a dealer in similar equipment. Lessor has not made and does not make any representation, warranty or covenant of any kind, express or implied, with respect to the Equipment, its design, condition, operation, durability, suitability or fitness for the use for any purpose, or merchantability. Lessee has inspected and is fully familiar with the Equipment and accepts the Equipment “as is” with any and all faults. No defect in or unfitness of the Equipment and no loss or damage thereto and no other condition or circumstance whatsoever, including, without limitation, the unavailability thereof for any reason whatsoever, shall relieve Lessee of its obligations under this Lease or result in the abatement or suspension of any such obligations, which are absolute and unconditional. To the maximum extent permitted by law, Lessor shall incur no liability whatsoever to Lessee arising out of or in connection with any defect or in condition of the Equipment or the use, operation or functioning of the Equipment.
- b. Lessee confirms that in entering into this Lease and accepting the Equipment (A) it has relied solely on (i) its knowledge and (ii) its inspection of the Equipment, and (B) it has not relied on any promise, affirmation, description or other statement by Lessor, all of which are superseded by this Lease.

- c. Lessee shall make all payments under this Lease without set-off, counterclaim or defense.
3. **Repairs; Maintenance; Use; Alterations.** Lessee shall, at its expense, keep the Equipment in good repair, condition and working order and furnish, at its expense, all labor, parts, materials and supplies required therefore. Lessee will maintain accurate and complete records of all repairs to and maintenance of the Equipment; Lessee will furnish copies thereof to Lessor. Lessee shall use the Equipment solely to weatherize homes pursuant to the Governor's Weatherization Program Maine State Housing Authority Weatherization Services Contract between Lessor and Lessee dated \_\_\_\_\_. Lessee shall operate the Equipment in a careful, safe and proper manner and in compliance with all applicable laws, rules, regulations, ordinances and insurance requirements. Without the prior written consent of Lessor, Lessee shall not make any modifications or additions to or changes in the Equipment.

4. **Loss; Damage.**

Lessee assumes and shall bear the risk of loss of and damage to the Equipment from any cause whatsoever, regardless of whether the risk is insured. If the Equipment is damaged or partially lost or destroyed, Lessee shall, at its expense, promptly repair the Equipment in a permanent manner, using only the best parts and materials that are available. If the Equipment is totally lost (including by theft) or destroyed or if it becomes a constructive, agreed or compromised total loss, Lessee shall promptly pay the Lessor the applicable purchase price for the Equipment pursuant to the Lessee's Option to Purchase section below (the "Termination Payment"). Upon receipt of the Termination Payment and payment and performance by Lessee of all of its other obligations under this Lease, Lessor will transfer and assign to Lessee, without recourse, any title and interest which the Lessor has in the Equipment. Lessor's transfer of any title and interest in the Equipment will be "as is, where is."

Lessee will promptly notify Lessor of any damage to or loss or destruction or theft of the Equipment or of any part thereof with full details of the occurrence.

5. **Insurance.**

Lessee will obtain and maintain, at its expense, liability insurance covering the Equipment and insuring against the risks of injury to and death of individuals and damage to and destruction of property on terms approved by Lessor in writing. The insurance will be in an amount not less than \$500,000 per occurrence. The insurance will include Lessor as a named insured without liability for premiums, and will provide for at least thirty (30) days' prior written notice to Lessor of cancellation or non-renewal and of any material change in the coverage.

[Pollution Occurrence Insurance isn't included here. Are we picking this up?]

6. **Lessee's Indemnity.**

- a. Lessee will indemnify Lessor against any liability and hold Lessor harmless from and pay any loss, damage, cost, expense, fine or penalty (including, without limitation,

legal fees and disbursements, court costs and the cost of appellate proceedings), regardless of whether the same is also indemnified against by any other person, which the Lessor in any way incurs arising out of or in connection with (i) this Lease, or (ii) the delivery, possession, use, operation or return of the Equipment, or (iii) any condition of or other matter relating to the Equipment during the term of this Lease regardless of how or when the condition arose or (iv) any other matter relating to the Equipment after the term of this Lease to the extent such matter arises from a condition that arose or a modification, addition or change that was made during the term of this Lease or at any other time when the Equipment was in the possession or under the control of Lessee, or (v) the failure by Lessee to perform any of its obligations under this Lease.

- b. Lessee will pay any expenses and costs (including, without limitation, legal fees and disbursements, court costs and the cost of appellate proceedings) which Lessor incurs in enforcing or defending (i) any of its rights or remedies under this Lease or otherwise granted to it by law or in equity, or (ii) any provision of this Lease, or (iii) any of Lessee's obligations under this Lease.
  - c. The provisions of this section will survive termination of this Lease.
7. **Return of Equipment.** At the expiration of this Lease, Lessee shall, at its expense, return the Equipment to and into the custody of Lessor at 353 Water Street, Augusta, Maine or at such other place as Lessor specifies in writing, in the same repair, condition and working order as at the commencement of this Lease, reasonable wear and tear resulting from proper use excepted. If Lessor specifies a place in lieu of 353 Water Street, Augusta Maine to which Lessee must return the Equipment, Lessor will pay transportation costs in excess of those which Lessee would have incurred to return the Equipment to 353 Water Street, Augusta, Maine.
8. **Assignment.**
- a. Lessee will not sell, assign, transfer, lease, pledge or otherwise allow any encumbrance on the Equipment or any of Lessee's rights under this Lease or permit any of its rights under this Lease to be subject to the terms of this Lease, sell, transfer or assign any of its rights in or to the Equipment or under this Lease.
  - b. Subject to the provisions of this section, this Lease shall inure to the benefit of and be binding upon the successors and assigns of the Lessor and Lessee.
9. **Default by Lessee; Remedies of Lessor; Waiver of Bond.**
- a. Any of the following events or conditions shall constitute an event of default: (i) Lessee's failure to pay when due any rent or other amount payable hereunder within five (5) days after the due date; (ii) Lessee's failure to perform or Lessee's violation of any other term, covenant or condition of this Lease and the failure to cure the same within then (10) days after the occurrence; (iii) seizure of the Equipment under legal process.
  - b. While an event of default exists, Lessor shall have the right to exercise any one or more of the following remedies: (i) terminate this Lease; (ii) sue for any damages incurred by Lessor because of the event of default and/or termination of this Lease by reason of such default; (iii) require Lessee to redeliver the Equipment immediately to Lessor; or (iv) repossess the Equipment or render it inoperable without notice,

legal process, prior judicial hearing, or liability for trespass or other damage, Lessee voluntarily and knowingly agreeing to and waiving the same. If Lessor attempts but is unable to repossess the Equipment for any reason whatsoever, Lessor may, at its option, declare the Equipment to be a total loss, in which case Lessee shall pay to Lessor the Termination Payment. All of the foregoing remedies are cumulative and are in addition to any other rights or remedies available to Lessor at law or in equity. Lessor may enforce any of its rights separately or concurrently and in such order as Lessor determines.

**10. Ownership of Equipment; Personal Property; Markings.**

- a. The Equipment is, and shall at all times be and remain the sole and exclusive property of Lessor, and Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Lease.

**11. Payments by Lessor; Interest.**

Lessee shall pay Lessor, on demand, interest at the rate of eight percent (8%) per annum on any amount payable by Lessee under any provision of this Lease (i) from the due date thereof until it is paid.

- 12. Additional Documents; Fees.** If requested by Lessor, Lessee shall execute, acknowledge and deliver to Lessor and record and file such documents as Lessor shall deem necessary or desirable to protect its interest under and in this Lease and in and to the Equipment, including, without limitation, financing and other statements under the Uniform Commercial Code in effect in any jurisdiction; and Lessee authorizes Lessor to sign and file any such document or statement on its behalf or to file the same without Lessee's signature. Lessee shall pay Lessor, on demand, all filing, recording and search fees incurred by Lessor with respect to this Lease and any of the matters described in the foregoing sentence.

- 13. Lessee's Option to Purchase.** Lessee shall have the option, exercisable at any time during the term of this Lease, to purchase the Equipment at the price of \$7,035 less the amount Lessee has paid in rent at the time of purchase.

Lessee must exercise the option by giving Lessor notice of exercise accompanied by a check issued or certified by a bank payable to the order of the Lessor in the amount of the purchase price plus any other amounts owing by Lessee to Lessor under this Lease. Upon receipt of such notice and check in the required amount and upon the clearance of that check, Lessee will have purchased the Equipment and Lessor will promptly execute and deliver to Lessee a bill of sale transferring title to the Equipment to Lessee "as is, where is."

- 14. Entire Agreement.** This Lease contains the entire agreement and understanding between Lessor and Lessee relating to the Equipment and the subject matter hereof, and supersedes any other agreement or understanding, whether written or oral, relating thereto.

- 15. Severability of Provisions.** If any provision of this Lease or the application of any such provision to circumstance is held invalid, the remainder of this Lease, and the application of

such provision other than to the extent it is held invalid, will not be invalidated or affected thereby.

- 16. **Notices.** Any notices required or permitted under this Lease shall be in writing and delivered or sent by regular mail or e-mail to the names and addresses set forth below:

For Lessor: Jo-Ann Choate  
Assistant Director of Energy and Housing Services  
Maine State Housing Authority  
353 Water Street  
Augusta, Maine 04330-4633  
[jchoate@mainehousing.org](mailto:jchoate@mainehousing.org)

For Lessee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Either party may designate from time to time other or different addresses to which notice hereunder shall be sent by providing written or electronic notice of such address to the other party as provided above.

- 17. **Amendment and Waiver.** This Lease may be amended only by an instrument in writing signed by Lessor and Lessee, and no provision of this Lease and no right or obligation of either party under this Lease may be waived except by an instrument in writing signed by the party waiving the provision, right or obligation.
- 18. **Governing Law.** This Lease shall be governed by and construed in accordance with the law of the State of Maine.
- 19. **Section Headings.** Section headings are for convenient reference only and shall not affect the meaning or have any bearing on the interpretation of any provision of this Lease.

**MAINE STATE HOUSING AUTHORITY**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Kimberly Weed  
Director of Energy and Housing Services

**[LESSEE]**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

