

VEHICLE LEASE AGREEMENT

This Vehicle Lease Agreement (hereinafter referred to as the "Agreement") is made and effective 7th August 2025 (the "Effective Date"), and is entered into

BY AND BETWEEN: **Highway Wheels LLP**, having address Po Box 355 Cooleemee, North Carolina, 27014, hereinafter referred to as the "Lessor".

AND: **Sam**, hereinafter referred to as the "Lessee", having address 212 Red Berry Dr, Richlands, North Carolina, 28574, collectively referred to as the "Parties".

Whereas, the Lessor is the legal owner of the vehicle and is willing to lease the vehicle to the Lessee.

Whereas, the Lessee intends to lease the vehicle from the Lessor.

Now, therefore, for the consideration set herein, receipt of which is duly acknowledged, the parties agree as follows:

1. This Agreement is a lease only and shall not create any other right or interest in the vehicle, except for the terms in this Agreement.
2. The vehicle being leased possesses the following features:
 1. Make: Toyota
 2. Model: Corolla 2021
 3. Color: Metallic Blue
 4. Mileage: 32,450 miles
 5. License: CA-7XK-4821
3. The Lessee has paid the amount of \$5,000 to the Lessor, from which refundable security amounts is \$1,500.
4. Amount due at Lease Signing is \$3,500.
5. The cost of the vehicle at the end of the lease period will be \$18,000, excluding any repair and wear and tear of the vehicle. The following ingredients are included in the lease cost:
 1. Retail price of the vehicle \$28,000.
 2. Agreed value of the vehicle between the Lessor and Lessee \$26,500.
 3. Amortized amount over the period of the lease \$7,200.
 4. The vehicle depreciation rate is \$250 per month.
 5. Lease rate of Lessor 4.5% annually.
 6. Other fees/taxes: \$600 (registration, title, and state taxes)
 7. The lease is made for a period of 24 months starting from March 15, 2024 to March 14, 2026.
6. The payable shall be paid on a monthly basis on the first day of every month.
7. The Parties have not set any mileage limit.

8. In the event of theft, Lessee is responsible for all the payments until the amount is recovered from the insurance agency.
9. Lessee is responsible to maintain an insurance policy for the vehicle in the form of any bodily injury and total loss from theft or collision. The Lessor shall be informed of the insurance by the Lessee.
10. Lessee is responsible to pay any tax, assessment, or fee incurred during the lease period.
11. At the end of the lease term, the residual value of the vehicle shall be determined in good faith and a reasonable estimate. If the residual value of the vehicle is greater than its actual value, the Lessee shall pay for the difference, and if the residual value of the vehicle is less than the actual value, the Lessee will have no further liability.
12. In the event of early termination of the lease, the Lessee shall pay for the charges amount depending on how early the lease is being terminated.
13. All notices under this Agreement shall be delivered through the mail, in person, or via email.
14. The Agreement shall be terminated if the Lessee fails to make payments.
15. Upon termination or end of the Agreement, the vehicle shall be returned to the Lessor.
16. In case any provision of this Agreement is held invalid by any competent authority, the Agreement shall cease to exist to that extent.
17. The Lessor warrants that the vehicle is in an "as is" condition, and the Lessor does not make further warranty regarding its durability, quality, and suitability.
18. The Lessee indemnifies the Lessor from any loss or harm and promises to keep the vehicle in good condition.
19. This Agreement shall be governed and construed by the laws of the State of California.

Notice to lessee:

1. Do not sign this agreement before you read and understand it.
2. You are entitled to a completed copy of this agreement.
3. Your signature indicates you have read the entire agreement and have received a completed copy.

Failure to renew this contract or return vehicle on the due date will result in the vehicle being reported as stolen and you may be convicted of a felony and be fined and imprisoned. You are responsible for all costs incurred.

IN WITNESS WHEREOF, on this date the parties hereto have executed this Lease Agreement:

LESSOR

Michael Johnson
Signed (signature)

Michael Johnson
Print Name

March 15, 2024
Date

LESSEE

Sam
Signed (signature)

Sam
Print Name

March 15, 2024
Date