

## RENTAL AGREEMENT

### 1.0 GENERAL PROVISIONS

THIS AGREEMENT, made and entered into this 16th day of March, 2017 between **LAKE ERIE GOLF CARS, LLC**, lessor, hereinafter designated as "Lake Erie", and **CITY OF HUDSON, ELLSWORTH MEADOWS GOLF CLUB**, lessee, hereinafter designated as "Club" for the following purposes:

1.1 **Lease.** Lake Erie shall lease to the Club Seventy (70) 2017 E-Z-GO TXT-48 Volt Electric golf cars with Fold Down Windshield, Existing Bag Cover and Hub Caps.

1.2 This Rental Agreement voids Rental Agreement dated December 1, 2013.

### 2.0 CONDITIONS OF RECEIPT OF RENTED PROPERTY

2.1 Club shall inspect the golf cars when they arrive. Unless the Club gives notice at that time, it will be considered that the cars are in good condition and repair and that the Club is satisfied with and accepts them.

### 3.0 TERMS AND RENTAL RATE

3.1 **Term.** The term of this Agreement shall be from the date of delivery of the cars, on or about April/May 2017 through August 2021. The Club agrees to secure the cars on its premises for that period.

3.2 **Rent and Rental.** The Club agrees to rent said cars to members, guests and/or registered players during the 2017 through 2021 golf seasons inclusive. The Club shall make Rental payments to PNC Equipment Finance according to the following schedule:

YEAR	TYPE OF CAR	PAYMENT AMOUNT	PAYMENTS DUE	ANNUAL AMOUNT
Term I – 2017	70 2017 E-Z-GO TXT-48 Volt Electric	\$9,625	Six (6) Payments due May – October	\$57,750
Term II – 2018	70 2017 E-Z-GO TXT-48 Volt Electric	\$9,625	Six (6) Payments due May – October	\$57,750
Term III – 2019	70 2017 E-Z-GO TXT-48 Volt Electric	\$9,625	Six (6) Payments due May – October	\$57,750
Term IV – 2020	70 2017 E-Z-GO TXT-48 Volt Electric	\$9,625	Six (6) Payments due May – October	\$57,750
Term V – 2021	70 2017 E-Z-GO TXT-48 Volt Electric	\$9,625	Six (6) Payments due May – October	\$57,750

**Term I** rental payments shall be sent to PNC Equipment Finance and received in Six (6) installments for the year commencing May 2017 and continuing on each succeeding month thereafter, inclusive of October 2017 for each year of Term I of this Agreement. Each payment shall be in the sum of Nine Thousand Six Hundred Twenty-five Dollars (\$9,625.00) plus all applicable taxes and any other charges due and payable at said time pursuant to the terms and conditions of this Agreement. See PNC Equipment Finance Documents for details.

**Term II** rental payments shall be sent to PNC Equipment Finance and received in Six (6) installments for the year commencing May 2018 and continuing on each succeeding month thereafter, inclusive of October 2018 for each year of Term I of this Agreement. Each payment shall be in the sum of Nine Thousand Six Hundred Twenty-five Dollars (\$9,625.00) plus all applicable taxes and any other charges due and payable at said time pursuant to the terms and conditions of this Agreement. See PNC Equipment Finance Documents for details.

**Term III** rental payments shall be sent to PNC Equipment Finance and received in Six (6) installments for the year commencing May 2019 and continuing on each succeeding month thereafter, inclusive of October 2019 for each year of Term I of this Agreement. Each payment shall be in the sum of Nine Thousand Six Hundred Twenty-five Dollars (\$9,625.00) plus all applicable taxes and any other charges due and payable at said time pursuant to the terms and conditions of this Agreement. See PNC Equipment Finance Documents for details.

**Term IV** rental payments shall be sent to PNC Equipment Finance and received in Six (6) installments for the year commencing May 2020 and continuing on each succeeding month thereafter, inclusive of October 2020 for each year of Term I of this Agreement. Each payment shall be in the sum of Nine Thousand Six Hundred Twenty-five Dollars (\$9,625.00) plus all applicable taxes and any other charges due and payable at said time pursuant to the terms and conditions of this Agreement. See PNC Equipment Finance Documents for details.

**Term V** rental payments shall be sent to PNC Equipment Finance and received in Six (6) installments for the year commencing May 2020 and continuing on each succeeding month thereafter, inclusive of October 2020 for each year of Term I of this Agreement. Each payment shall be in the sum of Nine Thousand Six Hundred Twenty-five Dollars (\$9,625.00) plus all applicable taxes and any other charges due and payable at said time pursuant to the terms and conditions of this Agreement. See PNC Equipment Finance Documents for details.

Payment shall be sent to PNC Equipment Finance, or at such other place as Lake Erie may designate. Lake Erie has the right to terminate service for said cars should the

Club fail to make payment within 30 days. Additionally, Lake Erie has the right to pick up cars should the Club fall more than 60 days past due during the Agreement. With this occurrence, all other remaining terms and conditions remain in effect for the duration of the contract. Once payment has been received in full, the cars will be returned.

3.3 **No other cars.** To insure satisfactory and profitable usage, the Club agrees that they will not permit any other golf cars to be used on the course during the term of this Agreement, with the exceptions of those owned and operated by individual members, and special events fleets rented on a daily basis when not available from Lake Erie.

3.4 **Interest.** Should the Club fail to pay any part of the specified rent or any other due indebtedness by the due date, the Club shall pay Lake Erie interest on such delinquencies from the due date until paid at a rate of one and a half percent (1-1/2%) per month.

#### 4.0 **LIMITATIONS OF CLUB'S USE OF LEASED PROPERTY**

4.1 **Use.** Club shall use the golf cars in a careful and proper manner and conform to all laws, ordinances and regulations relating to the possession, use and maintenance of the golf cars.

#### 4.2 **Club Further Agrees That:**

- a. Said golf cars may be used for golfing purposes only and for no other use on Club's premises.
- b. Reasonable diligence shall be exercised in selecting users of the golf cars and they will not be rented to anyone under the influence of alcohol or drugs.

- c. Club shall be solely responsible for furnishing each golf car to its renter and instructing him in its safe operation.
- d. The Club agrees to use reasonable efforts to control or stop any use of the cars which would be unreasonable, and any acts that would expose the cars to unnecessary depreciation or damage.

4.3 **Surrender.** On the expiration, or earlier termination of the Agreement, with respect to any golf car, the Club shall return it in good repair, condition and working order except for ordinary wear and tear.

#### 5.0 **THE CLUB'S ADDITIONAL OBLIGATIONS.**

5.1 **Maintenance.** The Club agrees that it shall be solely responsible and pay for the cost attendant to the following terms of maintenance:

- a. Clean and wash said golf cars at reasonable intervals.
- b. The Club shall provide gasoline only and shall not use pre-mixed oil and gasoline in Yamaha/E-Z-GO Golf Cars.

5.2 The Club agrees to immediately notify Lake Erie of any mechanical defect, damage or vandalism. **THESE CARS SHALL NOT BE UTILIZED UNTIL INSPECTED BY LAKE ERIE AND/OR LAKE ERIE'S AGENT.**

5.3 Vandalism is the responsibility of the Club.

5.4 The Club is responsible for damage (beyond normal wear and tear) for the cars for the full term of this Agreement.

5.5 **Storage.** The Club agrees to provide secure golf car storage for said golf cars during the entire term of this Agreement.

6.0 **LAKE ERIE'S OBLIGATIONS.**

6.1 **Mechanical Maintenance and Service.** Lake Erie agrees as follows:

- a. To perform all mechanical maintenance on said golf cars occasioned by normal wear and tear on a weekly basis.
- b. To furnish all replacement mechanical parts required by normal usage as a result of normal wear and tear.
- c. To provide oil and maintain oil levels in the lubricating system.
- d. Lake Erie shall provide 48-hour emergency service upon notice of a mechanical defect from the Club.
- e. Maintain proper level of water in batteries (electric only).

6.2 **Service.** Lake Erie shall provide all maintenance to prepare the golf cars for the following season. From time to time, Lake Erie shall assess each car for any damage above and beyond reasonable wear and tear. Lake Erie shall notify the Club as to the cost of repairs, if needed, for each car. Lake Erie shall send such notice promptly to the Club after such inspection, and the Club shall then have thirty (30) days to remit to Lake Erie the cost for such repairs, if any. Lake Erie will then perform the necessary repairs.

7.0 **INSURANCE.**

7.1 At all times, Lake Erie will maintain comprehensive general liability insurance (minimum combined single limit of \$1,000,000) to protect the

Club in an event of negligence by Lake Erie in the maintenance of said golf cars.

- 7.2 Club agrees to provide comprehensive general liability insurance during the term of this Agreement in amounts not less than \$1,000,000 each occurrence limit and \$2,000,000 general aggregate limit, naming Lake Erie as Additional Insured. A Certificate of Insurance with at least sixty (60) days advance notice of cancellation evidencing the aforementioned is required prior to delivery of the golf cars. Club shall also provide physical damage insurance in a form acceptable to Lake Erie protecting against any damage to the golf cars. Said coverage must provide actual replacement value at the time of any loss or damage to the vehicle in excess of not more than a \$500.00 deductible.
- 7.3 **Notification.** In the event of an accident or damage involving bodily injury and/or property covered under this Agreement, the Club agrees to promptly notify Lake Erie of the facts and circumstances involving the accident and/or damage.
- 8.0 **NOTICES.** The Notice of Lake Erie shall be 26565 Miles Road, Suite 200, Warrensville Hts., Ohio 44128. The Notice Address of the Club shall be 11011 Barlow Road, Hudson, Ohio 44236.
- 9.0 **LAKE ERIE ASSIGNMENT.** It is understood that Lake Erie may assign this lease agreement and/or mortgaging of the golf cars and that said assignee may assign the same. All rights of Lake Erie hereunder may be assigned, pledged, mortgaged or otherwise disposed of either in whole or in part with notice to the

Club. It is further agreed that the Club shall execute any document necessary to accomplish said assignment or mortgage, provided that said document shall not alter the terms of the lease nor shall further obligate the Club.

IN WITNESS WHEREOF, the parties hereto have executed this Rental Agreement on the date first above written.

WITNESS:

**LAKE ERIE GOLF CARS, LLC**

\_\_\_\_\_  
\_\_\_\_\_

By:\_\_\_\_\_

Title:\_\_\_\_\_

**CITY OF HUDSON  
ELLSWORTH MEADOWS  
GOLF CLUB**

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\_\_\_\_\_

By:\_\_\_\_\_

Title:\_\_\_\_\_

By:\_\_\_\_\_

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