

**Lease Contract Analysis – LeaseHackr.com @chrish2000**

**Section 1:** Verify lessee(s) correct spelling, address. Primary on top secondary below.

**Section 2:** Boilerplate legal

**Section 3:** Verify lease terms

**Section 4 – Vehicle Descriptions**

A: Verify correct vehicle is contracted

B: Verify trade-in. In this case the value of the trade is \$3000.

**Section 5:** This is amount due at signing (DAS). This is comprised of any trade-in, manufacturer rebates, and money put down by the lessee.

**Section 6:** Verify monthly payments. \$335.82 per month.

**Section 7:** Make sure there is nothing in here besides a disposition fee. The disposition fee of \$350 is due at the end of lease if you do not buy or sell the car before the termination date.

**Section 8:** This is simply the sum of due at signing + total payments

**Section 9-A – Amount Due at Signing**

This section itemizes your amount due at signing (DAS). This needs to be reviewed very carefully.

1. Capitalized cost reduction is mfr rebates and incentives + down payment. There are no rebates (see 9-B 2), so all \$3000 of this is coming from the trade which makes it a \$3000 down payment. In this case it is better to ask the dealer to cut you a check for the trade to structure the lease as zero down payment.

2. First month payment
3. MSD's – make sure this is correct
- 4-7. State title/reg/license fees. Legally these cannot be incorrect or 'modified'.
8. Acq fee if it is paid up front. In this case it is being rolled into the lease (see 13).
9. Sales tax – you pay state sales tax on all cap cost reduction incl. rebates

10-15. This is where the dealer can add things that are paid up front. In this case we see a DOC FEE (UPFT) which is very high at \$799, and some miscellaneous fees. These fees vary by state so double check your own state regulations.

**Section 9-B – How DAS is paid**

1. Again the \$3k trade-in from 4-B
2. If the DAS included manufacturer rebates, they will be shown here. In this case there are no rebates.
3. This is the cash required at signing. Usually this is what you owe in cash. Sometimes the dealer will pay some or all of this as a dealer contribution.

**BMW Financial Services NA, LLC**

**Motor Vehicle Lease Agreement (Closed End) - Florida**

STC # 86975  
CUST# 26043  
FORM# 70680 SA167S-FI

1. PARTIES		
Lessor (Center) Name and Address	Lessee and Co-Lessee Name and Address	Vehicle Garaging Address (if Different)
[REDACTED]	[REDACTED] FER, IR [REDACTED] BROWARD	N/A
		Billing Address (if Different)
		N/A

**2. Agreement to Lease.** This Motor Vehicle Lease Agreement ("Lease") is entered into between the lessee and co-lessee ("Lessee") and the lessor ("Lessor") named above. Unless otherwise specified, "I," "me" and "my" refer to the Lessee and "you" and "your" refer to the Lessor or Lessor's assignee. "Vehicle" refers to the leased vehicle described below. "Assignee" refers to BMW Financial Services NA, LLC ("BMW FS") or, if this box is checked  to Financial Services Vehicle Trust. BMW FS will administer this Lease on behalf of itself or any assignee. The consumer lease disclosures contained in this Lease are made on behalf of Lessor and its successors or assignees.

**3. Date of Lease, Lease Term and Scheduled Maturity Date.** This Lease is entered into on 08/09/2019 for the scheduled Lease Term of 36 months with a Scheduled Maturity Date of 08/08/2022.

4. VEHICLE DESCRIPTIONS							
A. Leased Vehicle	Model Year	Make & Model	VIN	Odometer	Primary Use:	Personal, Family or Household	
<input checked="" type="checkbox"/> New <input type="checkbox"/> Demo <input type="checkbox"/> Used	2019	MINI Cooper S Clubm	[REDACTED]	45	<input type="checkbox"/> Business, Commercial or Agricultural	<input type="checkbox"/> Agricultural	
<input type="checkbox"/> CD Player	<input type="checkbox"/> N/A	(specify)	<input type="checkbox"/> N/A	(specify)	<input type="checkbox"/> N/A	(specify)	
B. Trade-In	Model Year	Make	Model	Agreed Upon Value	Prior Credit or Lease Balance	Net Trade-In Value	
	N/A	N/A	N/A	\$ 3000.00	N/A	\$ 3000.00	

5. AMOUNT DUE AT LEASE SIGNING OR DELIVERY (Itemized in Section 9)	6. MONTHLY PAYMENTS	7. OTHER CHARGES (Not part of my Monthly Payments)	8. TOTAL OF PAYMENTS (The amount I will have paid by the end of the Lease Term)
\$ 4768.91	My first monthly payment of \$ 355.82 is due on 08/09/19 followed by 35 payments of \$ 355.82 due on the 8th day of each month. The total of my monthly payments is \$ 12809.52	A. Disposition Fee (if I do not purchase the Vehicle) \$ 350 B. N/A \$ N/A TOTAL \$ 350	\$ 17572.61

9. ITEMIZATION OF AMOUNT DUE AT LEASE SIGNING OR DELIVERY	10. MY MONTHLY PAYMENT IS DETERMINED AS SHOWN BELOW
<b>A. Amount Due at Lease Signing or Delivery</b> 1. Capitalized Cost Reduction \$ 3090.35 2. First Monthly Payment \$ 355.82 3. Refundable Security Deposit \$ N/A 4. Initial Title Fees \$ N/A 5. Initial Registration Fees \$ 199.38 6. Initial License Fees \$ 175.00 7. Sales/Use Tax \$ 74.54 8. Acquisition Fee (if not capitalized) \$ N/A 9. Sales Tax on Capitalized Cost Reduction \$ 6.32 10. DOC FEE (UPFT) \$ 799.00 11. MVWEA (UPFT) \$ 2.00 12. N/A \$ N/A 13. Rental/Schrg /Tire Fee /Batt Fee \$ 66.50 14. N/A \$ N/A 15. N/A \$ N/A TOTAL \$ 4768.91 <b>B. How the Amount Due at Lease Signing or Delivery Will Be Paid</b> 1. Net Trade-In Allowance \$ 3000.00 2. Rebates and Noncash Credits \$ N/A 3. Amount to be Paid in Cash \$ 1768.91 TOTAL \$ 4768.91 *Charge represents costs/profit to dealer for items such as inspecting, cleaning, and adjusting vehicles, and preparing lease documents.	<b>A. Gross Capitalized Cost.</b> The agreed upon value of the Vehicle (\$ 35304.00) and any items I pay for over the Lease Term (such as taxes, fees, service contracts, insurance, and any outstanding prior credit or lease balance) (See Section 13 for an itemization of this amount). \$ 36229.00 <b>B. Capitalized Cost Reduction.</b> The amount of any net trade-in allowance, rebate, noncash credit, or cash I pay that reduces the Gross Capitalized Cost. -\$ 3090.35 <b>C. Adjusted Capitalized Cost.</b> The amount used in calculating my Base Monthly Payment. = \$ 33138.65 <b>D. Residual Value.</b> The value of the Vehicle at the end of the Lease used in calculating my Base Monthly Payment. -\$ 24180.00 <b>E. Depreciation and any Amortized Amounts.</b> The amount charged for the Vehicle's decline in value through normal use and for other items paid over the Lease Term. = \$ 8958.65 <b>F. Rent Charge.</b> The amount charged in addition to the Depreciation and any Amortized Amounts. + \$ 3012.79 <b>G. Total of Base Monthly Payments.</b> The Depreciation and any Amortized Amounts plus the Rent Charge. = \$ 11971.44 <b>H. Lease Payments.</b> The number of payments in my Lease. + 36 <b>I. Base Monthly Payment.</b> = \$ 332.54 <b>J. Monthly Sales/Use Tax.</b> + \$ 23.28 <b>K. N/A</b> + \$ N/A <b>L. Total Monthly Payment.</b> = \$ 355.82

Early Termination. I may have to pay a substantial charge if I end this Lease early. The charge may be up to several thousand dollars. The actual charge will depend on when the Lease is terminated. The earlier I end the Lease, the greater this charge is likely to be.

**11. Excessive Wear and Use.** I may be charged for excessive wear based on your standards for normal use and for mileage in excess of total miles over the scheduled Lease Term of 36,000 miles, at the rate of 25 cents per mile.

**12. Purchase Option at End of Lease Term.** I have an option to purchase the Vehicle ("as is") at the Scheduled Termination of the Lease for its Residual Value of \$ 24180.00. The purchase option price does not include: (i) official fees, such as those for taxes, title, registration and license/tags, and (ii) a Purchase Option Fee of \$ N/A. See Section 27 for more information.

**Other Important Terms.** See all pages of this Lease for additional information on early termination, purchase options, and maintenance responsibilities, warranties, late and default charges, insurance, and any security interest, if applicable.

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**Section 10 – Lease Math**

A: Here, finally, is the agreed upon value of the vehicle. This is the selling price!! Note that MSRP is nowhere to be found in a contract. The total gross cap cost is itemized in 13, so skip down to that while you're here. B-L is the lease math. The dealer cannot pull any tricks here. But here you can verify that the MF being used is correct by solving for the rent charge in 10-F

Monthly Rent Charge = (Adjusted Capitalized Cost + Residual) x MF, or:  
**MF = Monthly Rent Charge / (Adjusted Cap Cost + Residual)**  
**Total Rent Charge in 10-F is \$3012.79, so Monthly rent (divide by the term of 36 months) is \$83.688**  
**MF = \$83.688 / (33138.65+24180) = .00146**  
**The approximate APR equivalent of MF is .00146 x 2400 = 3.50%**

**Section 11 – Excessive Wear**

Excess mileage charge. Set by captive. In this case, \$0.25/mi over.

**Section 12 – Purchase Option**

Just a restatement of the residual value from 10-D.

**Section 13 – Gross Cap Cost**

This section explains **what you are financing or rolling into the lease.**

A: Again, agreed upon value (selling price of vehicle). Note no MSRP is shown.

B-E: These will all have the numbers from Section 9-A, and conversely 9-A will be blank, if you are doing a “zero DAS” lease which means rolling all fees into the gross cap cost.

F-H: These are the infamous add-on spiffs. If you didn’t agree to any maintenance or warranty, make sure there’s nothing in here.

I: If you have a prior lease balance or positive equity which is being rolled into the lease, it will show up in this field. If the dealer is taking your current vehicle/lease that you know has negative equity and/or remaining payments, make sure it is reflected here!!

J: Never seen this used.

K: This is the acquisition fee, which is being rolled into the lease since this item is not itemized in Section 9-A.

L-T: This is where the dealer can put more spiffs, accessories, nitrogen fill, lifetime blinker fluid, etc and roll the cost of these into the lease. If you agreed to nothing, make sure that nothing is in here.

**13. ITEMIZATION OF GROSS CAPITALIZED COST**

A. Agreed Upon Value of the Vehicle	\$	35304.00
B. Initial Title, License & Registration Fees	\$	N/A
C. Sales/Use Tax	\$	N/A
D. Federal Luxury Tax	\$	N/A
E. Sales Tax on Capitalized Cost Reduction	\$	N/A
F. Maintenance Agreement	\$	N/A
G. Mechanical Breakdown Protection	\$	N/A
H. Extended Warranty	\$	N/A
I. Prior Credit or Lease Balance	\$	N/A
J. Pre-Delivery Service Charge**	\$	N/A
K. Acquisition Fee	\$	925.00
L. Other	\$	N/A
M. Other	\$	N/A
N. Other	\$	N/A

O. Other	\$	N/A
P. Other	\$	N/A
Q. Other	\$	N/A
R. Other	\$	N/A
S. Other	\$	N/A
T. Other	\$	N/A

TOTAL \$ 36229.00

\*\*This charge represents costs and profit to the dealer for items such as inspecting, cleaning, and adjusting vehicles, and preparing documents related to the lease.

**14. ESTIMATED OFFICIAL FEES AND TAXES**

\$ 1527.44 This is an estimate of the total amount I agree to pay for official and license fees, registration, title and taxes (including personal property taxes) over the Lease Term, whether included in my Monthly Payment, Amount Due at Lease Signing or Delivery, or separately billed. The actual total of Official Fees and Taxes may be higher or lower, depending on the tax rates in effect or the value of the Vehicle at the time a fee or tax is assessed. This estimate is based on my Garaging Address and may increase if I move or if tax rates change. For some of these items, you may invoice me after the taxing authority has billed you, sometimes after the lease terminates.

**15. OPTIONAL PRODUCTS AND SERVICES**

I am not required to buy any of the optional products and services listed below. These products and/or services will not be provided unless I check the appropriate box, fill in all necessary information, initial below and I am accepted by the provider. Because these products and or services are not provided by the Lessor, I understand that I must pursue all related matters, including refunds, through the listed Provider. By initialing below, I agree that I have received and read a notice of the terms of the product or service and I want to obtain the product or service for the charge shown. A portion of the charge may be retained by Lessor (Center).

	N/A	N/A	\$	N/A	N/A	N/A
<input type="checkbox"/> Maintenance Agreement	Provider	Term (Months)	Charge			Lessee/Co-Lessee Initials
<input type="checkbox"/> Mechanical Breakdown Protection	Provider	Term (Months)	Charge			Lessee/Co-Lessee Initials
<input type="checkbox"/> N/A	Provider	Term (Months)	Charge			Lessee/Co-Lessee Initials

**Mileage Allowance/Refund.**  
 36,000 I agree to this Mileage Allowance for the term of this Lease. My Monthly Payment and Residual Value for this Lease have been calculated, in part, by using this Mileage Allowance.  
 Enter Mileage:  If this box is checked, I have elected a high Mileage Allowance. I may receive a refund of N/A cents per unused mile for the unused miles between N/A miles and N/A miles, unless (a) the Vehicle is destroyed or stolen, (b) I default or terminate this Lease early, (c) I purchase the Vehicle, or (d) the refund is less than \$1. Any refund will be reduced by any amount I owe under \_\_\_\_\_

**Section 14 – Taxes**

This section states the total state taxes /fees/license/registration paid on the lease.

**Section 15 – Dealer Adds & Mileage**

If you fell for any dealer add-ons previously itemized either in 9-A or 13, the terms will be listed here. Finally, the mileage allowance is shown. If it’s a non-GM demo make sure that this includes the initial demo miles (i.e. if 3200, this would show 39,200 miles) If it’s a GM demo typically you lose the initial miles.