

Equine Trial and Lease with Option to Purchase Agreement

This agreement is made between **Holly Shill**, "Lessor/Seller" and **Todd and Keri Noel** (for minor child **Olivia Noel**), "Lessee/ Buyer".

This agreement is entered into between Lessee and Lessor for a trial, lease, and option to purchase on the horse described below. A one-month trial period has been agreed upon as set forth below. The trial will begin on August 18th, 2021, and end on September 17th, 2021. **(30 Days)**, and should Lessee agree in writing to enter a lease, the lease will begin on September 19th, 2021 in accordance with the Lease Period outlined below.

Name: Coraline

Age: 4/6/2011

Height: 17h

Color: Chestnut

Breed: Oldenburg

Sex: Mare

USEF: 5220029

Microchip: 981020021533322

A. Lease Fee and Conditions:

Trial Period: Lessee agrees to pay said horse's bills, as outlined below, for the one-month trial period. The trial will begin on August 18th, 2021, and end on September 17th, 2021. **(30 Days)**. If Lessee, at Lessee's written election, decides to move forward with the lease to purchase after the trial period these are the conditions set forth below.

Lease Period: Lessee will pay Lessor a total amount of **\$30,000** as follows.

For the first 6 month period 9/19/21 – 3/18/22: \$20,000.

For the second 6 month period 3/19/22 – 9/18/22: \$10,000.

For each period designated above, the Lessee shall be required to provide written notice to Lessor, or its representatives, on Lessee's election to move forward with each subsequent period.

During the trial period as well as the lease period Lessee shall bear all home, board, training and show related expenses, including but not limited to entries, stall charges, trainer charges, shoeing, feed/hay/bedding related charges, and groom charges, as well as any veterinary expenses incurred as a result of Lessee's use of the horse during the lease period. This includes routine and customary veterinary care ie.) vaccinations and worming.

During the lease, the horse will be under the exclusive care of Betty Beran and Smoke Tree Ranch. Horse is not to be moved from the care of trainer Betty Beran without written consent.

B. Veterinarian, Farrier, and Related Care: Lessee shall use proper care and good judgment in caring for said horse's wellbeing. All fees, costs, bills, etc. shall be considered personal bills of Lessee and in no way shall be considered a lien upon said horse.

C. Insurance: When the Lease begins on September 19th, 2021, Lessee will pay Holly Shill the insurance premium on the insurance policy already in effect. (\$2,425.00 is the 12 month rate, \$1,212 is the 6 month rate.) This policy includes full mortality and major medical insurance for the horse during the lease period. Lessee shall be liable for the deductible portion of the policy if a claim needs to be made during the lease period. Holly Shill is the sole payee of the mortality policy should a payout be required, and will refund to Lessee a prorated amount of the unused lease if a death is to occur.

Should the Lessee elect to forgo the purchase option at the end of the one year lease period, said horse will have a clinical soundness examination check out before returning to the Lessor. This will be completed by Dr. Martin Crabo of Chaparral Veterinary Medical Center who did the initial clinical examination. Any health conditions affecting use at the end of the lease will be addressed prior to return.

D. Option to Purchase: One month prior to the end of the lease period (August 17, 2022) Lessee will notify Lessor of intent to move forward with the purchase of the horse for a total price of **\$75,000** The full lease fee of **30,000** will be credited toward the purchase price of the horse. The remainder of the purchase price (**\$45,000**) will be transferred to the Lessor at that time. An early decision to purchase can be made at any time without penalty.

E. Veterinary Pre-purchase Exam: A clinical exam will be conducted at Lessee/Buyer's expense before the lease period and during the trial period. The examination will be completed by Dr. Martin Crabo of Chaparral Veterinary Medical Center.

F. Warranties: Lessor/ Seller has deemed this horse to be fit for use and intended purposes. Horse is to be used exclusively for Olivia Noel for hunters/ equitation not to exceed the fence height of 3'3", and ridden exclusively by her, the STR staff, and sister Stella Noel. Horse shall go to no more than two horse shows per month, and no more than two consecutive weeks of showing in a row.

G. Liability: During the lease period, Lessee assumes full liability and agrees to indemnify Lessor and hold Lessor harmless from any damage or injury to any animal, person or property caused by said horse; including injury or death to person, animal or damage/destruction of property

H. Commissions: Lessee and Lessor are responsible for a split 10% commission (Lessor 5% and Lessee 5%) payable to Smoke Tree Ranch on each transaction. The first commission, if due, is to be paid on the total lease amount, and then a secondary commission, if due, on the remainder of the sale.

Lessee: Lessor:

Name: 1009 Nona Name: Tally Ho Date: 9/19/21
9/19/21 Date: _____

Address: 6104 E LAUREL Address: 6010 W. 5TH PL
SCOTTSDALE, AZ 85224 PHOENIX, AZ 85003

SIGNATURE: [Signature] SIGNATURE: [Signature]