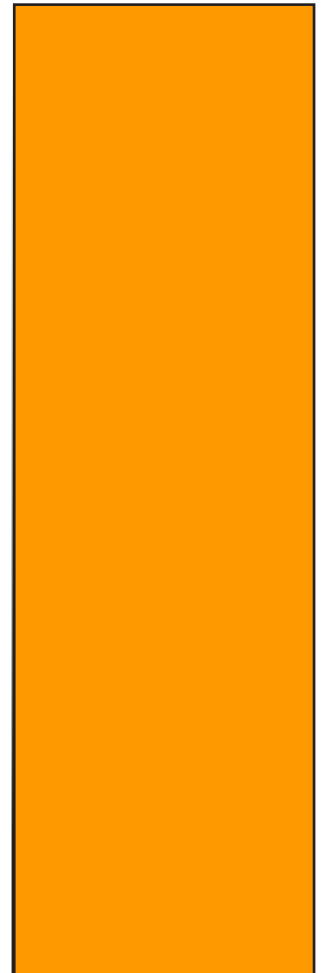


# LeaseLine

Equipment & Vehicle Leasing





## Benefits of Leasing

### **Fast Approvals**

Leasing offers the fastest form of equipment finance approvals. Banks and other financial institutions can take months to approve loans and credit lines to finance equipment costing you valuable time.

### **Monthly Payments May be 100% Tax Deductible**

A customer's lease is considered a direct expense to their business. In most cases, lease payments can be deducted as a business expense which can decrease the amount of income tax payable. This income tax deduction can offset the costs associated with leasing.

### **Flexible Terms**

Leasing is the most flexible type of financing for your customer's business. LeaseLine's leasing specialists will work with your customers to determine the best terms to meet their business needs. Offering a variety of lease terms, downpayment options and payment schedules.

### **Leverage Cash!**

One of the major advantages to leasing is leveraging. Leveraging means getting the most out of a business's cash flow by allowing for payments over time, not all up front. Leveraging increases your customer's buying power and makes better use of their equipment budget.

### **Preserve Cash and Lines of Credit**

Cash is king and businesses always need some emergency funds to maintain a stable operation. By leasing your customer can leverage their cash and preserve lines of credit so that working capital is available to help grow. They still have the equipment needed to increase business revenue. At the same time, they preserve working capital which can be re-invested to purchase new or upgraded equipment.

### **Shelter Equipment from Creditors**

Because your customer doesn't own leased equipment, it can't be seized by a business creditor. So long as they keep making their payments in accordance with the lease contract, the equipment is theirs to keep. This can help businesses get through tough financial circumstances when they need equipment the most.



## Leasing FAQ

### **Q** What is a Lease?

**A** A lease is a contractual arrangement between the customer and lender. The lender purchases the equipment from a supplier and then leases it back to the customer for a period of time. The contractual arrangement between the customer and lender will dictate the rental payment and other terms of the lease, such as the total number of payments required.

### **Q** Is a personal guarantee required?

**A** For business established 2 + years ago a personal guarantee may not be required. However, personal guarantors are often required for young businesses that do not have a well-established financial record.

### **Q** How long does it take to get an approval?

**A** The length of time required to obtain an approval depends on the deal. Smaller deals can sometimes be approved in a few hours whereas larger deals can often be approved within 24-48 hours.

### **Q** Is a down payment required?

**A** Our Lenders will usually request first and last lease payments up front to start a lease. If a downpayment is required the typical amount is 10% - 20% of the equipment value. Collateral can also be offered in lieu of down payment ie. a vehicle, trailer or other piece of equipment owned free and clear.

### **Q** What are the tax benefits of Leasing?

**A** In most cases, lease payments can be deducted as a business expense which can decrease the amount income tax payable. This income tax deduction can offset the costs associated with leasing.



## Leasing FAQ

**Q** What happens at the end of the lease term?

**A** Equipment leases can have a variety of end-of-term options to choose from. You may purchase the equipment for its purchase option amount, renew the lease for a specified period of time, or return the equipment with no further obligation.

**Q** Is insurance required on the equipment?

**A** Yes, insurance on the equipment is required by all lenders.

**Q** How is a customers credit rating determined?

**A** A variety of factors are considered including: Length of time in business, financial condition, type of business, credit history, references from financial institutions and credit bureau ratings.

**Q** What terms are available?

**A** Most leases are written for 24, 36, 48, or 60 months depending upon the type of equipment and year.

**Q** Can a customer lease equipment they have recently purchased for cash?

**A** Yes! This strategy is called a Sale Lease-Back. We can lease the recently purchased equipment back to the customer and help them free up the equity in their equipment to use for down payments on other equipment or pay outstanding repair bills.

**Q** Why would a personal guarantee be needed?

**A** Personal guarantees are typically required to strengthen a deal. For example, personal guarantees are almost always required for new businesses that have been in operation for less than two years.

## Final Notes

### Leasing Terms

Most leases are written for 24- 72 months depending upon the type of equipment and year.

### No Equity Down

Unlike other equipment financing options, LeaseLine can often structure a lease with no down payment. This is one area in particular where our experience and expertise in the industry can help structure a deal that works for your customers business.

### Payment Options

At Leaseline we know that the timing of payments is critical to the success of your customers business. Seasonal and contract businesses may not allow for regular monthly payments. Our Leasing Specialists will work closely with your customers to structure payments that work for their business.

### Types of Assets We Can Finance

The short answer . . . **ANYTHING!** Leaseline can structure a lease around a wide range of business equipment, new and used. We can even structure a lease around equipment that your customers already own to free up cash for down payments on new equipment.

- Transportation
- Construction
- Oil & Gas & Mining
- Agriculture
- Forestry
- Computer & Technology
- Healthy & Beauty
- Equipment for personal use
- Equipment/ Vehicle Repairs
- Used Equipment

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