



ADVANTAGES OF LEASING

- **Leasing preserves cash**
Monthly lease payments leave a company's capital intact.
- **Leasing prevents sticker shock.**
With a lease, upfront expense is generally only one or two monthly payments, instead of the entire cost of the equipment or a large down payment.
- **Leasing doesn't tie up credit lines.**
Since leasing does not draw on established credit lines, any credit lines are unaffected and remain available for other needs, such as payroll and inventory.
- **Leasing is predictable.**
The base monthly payment is established at the beginning and remains unchanged for the life of the lease...easier to budget.
- **Leasing leverages real needs.**
Many companies have often wanted to upgrade to a better product or model, only to find that the cash price couldn't be justified. With leasing, that additional cost is spread over the lease term and the amount added to each month's payment is typically quite affordable.
- **Leasing is faster than a loan.**
Decisions on lease applications are often available within 4-8 hours or less with simple paperwork.
- **Leasing covers the entire acquisition.**
Equipment, installation and delivery can be 100% financed in the lease.
- **Leasing and taxes.**
The entire base lease amount is normally treated as a business expense. If the lease term is shorter than the usual depreciable life of the product, the tax benefit may occur more quickly than using depreciation. (Always check with your tax advisor).
- **Leasing uses cheaper dollars.**
Lease payments don't change, so as inflation occurs, the lease payment is made in less costly dollars.
- **Leasing offers three convenient end-of-lease options.**
(1) The equipment may be returned; (2) the equipment may be purchased for its fair market value; or (3) it may continue to be leased.