



## Why Should You Consider A Lease?

Today, eight out of ten American companies, from small operations to Fortune 100 companies, rely on leasing to acquire assets. They recognize that the value of their equipment comes from using it, not owning it. Leasing provides an array of financial and other business benefits.

To see if your company can benefit from leasing, this list should help you.

- 1. Build Capital Strength:** Leasing lets you purchase the equipment and technology you need today while spreading your payments over time. You'll pay as you go, not up front. This will free your capital for investment or other business expenses instead of tying it up in fixed assets.
- 2. Stay on the Leading Edge:** When you select equipment or technology, you run the risk it will be outdated next year, or even next month. With leasing, that risk is minimized by building add-ons and upgrades into the lease. Depending on the lease terms, when the lease expires, you can buy the equipment, trade it in for the latest technology, or simply walk away. With a lease, you're protected from being locked into owning equipment that may not meet your future needs or that is obsolete before you can fully depreciate it.
- 3. Respond Quickly to Your Changing Business Needs:** Market forces, financial pressures, and emerging competition call for flexible options. Leasing lets you respond nimbly as your business grows and changes. It also gives you the flexibility to move up to the newest releases, features, and functions as they become available.
- 4. Preserve Your Credit Lines:** With leasing, you'll have a new source of credit for your needs today and tomorrow, while keeping your bank lines open for other uses.
- 5. Receive 100 Percent Financing:** Leasing permits 100 percent financing. Lease terms can be matched with the useful life of the equipment. Unlike bank loans, no down payment is required and typically, no compensating balances. You can finance equipment cost, along with installation, maintenance, taxes, shipping charges, and even software.
- 6. Generate Profits:** As your business grows, you can reinvest the cash conserved by leasing. Grow your inventory or invest in a new marketing promotion - investments that can bring real profits to your business.
- 7. Stretch Your Budget:** Capital budgets often won't stretch to allow for an outright purchase, but your operating budget may easily accommodate a monthly payment. Leasing guarantees a fixed monthly lease payment for the length of the lease term, so it's easy to forecast your equipment expenses and even obtain equipment you hadn't planned for.
- 8. Gain Tax Advantages:** Leasing may offer key tax benefits that reduce the cost of obtaining equipment. Depending on your lease, you may be able to write off the entire monthly payment as an operating expense or capitalize the outlay. Consult your tax advisor about your specific situation.