



# Leasing Overview

Equipment and technology leasing has exploded.

The Equipment Leasing Association (ELA) recently announced the results of a survey, which confirms that nearly 80% of US businesses are leasing some or all of their equipment and technology. The nation's leading businesses support that leasing has helped them to manage company growth, increase cash flow and has provided them with the necessary purchasing power to acquire and maintain the newest technology to the industry

Leasing is the best way for customers to pay...	Lease	Bank Loan	Credit Card	Cash Purchases
<b>Payments</b>	Fixed	Vary with interest	Vary with interest rate changes	Zero
<b>Impact on cash and other credit</b>	Availability unaffected	Decreased with credit	Decreased credit availability	Decreased cash availability
<b>Tax implications</b>	May be deductible as operating expense	Generally a depreciation schedule (longer than useful life of technology)	Generally a depreciation schedule (longer than useful life of technology)	Generally a depreciation schedule (longer than useful life of technology)
<b>The Bottom Line</b>	Predictable cash flow; costs and usage compatible; potential tax benefits	Large initial cash outlay; less available credit; obsolescence is a concern	Less available credit; obsolescence is a concern	Maximum initial capital outlay; obsolescence is a concern

## Important Program Information

### *How does it work?*

A credit application is completed and returned to Direct Capital. Payment options are structured for your business based on various factors including, time in business, credit tier, equipment cost and equipment type. Monthly payments generally start once you have received and accepted your equipment.

### *What can be leased? What businesses are eligible?*

All products can be leased. All businesses are eligible

### *What's the minimum amount that can be leased?*

We can lease a minimum of \$2,500

### *Lease Terms*

24-60 months (36 months is most popular)

### *Purchase Options*

\$1 – Purchase equipment for \$1 at the end of the term

10%/ FMV – At the end of the term there is an option to continue the lease, purchase the equipment for (10% or fair market value) or return it. This option has the lowest monthly payment.