

Lease programs

Leasing equipment is easy and flexible. With different payments structures and end of term options to choose from, there is always a structure that will fit your business needs.

Payment Structures

- **Monthly, Quarterly, Semi-Annual, or Annual Payment Structures**
- **Deferred Payments** – The lease is structured so that the initial months have nominal or no payments. Payments can be deferred 30, 60 or 90 days. Attractive when the equipment will be used for a project that won't generate revenue for a short period of time.
- **Step-up/Step-down Payment Plan** – Can be structured so that the lease payments start low and then increase during the term, or payments can start high and then decrease towards the end of the lease. This allows you to acquire the equipment and integrate it into your operations with minimal cash flow impact at either the beginning or the end of the lease term.
- **Seasonal Payments** – Designed for businesses with seasonal cash flows. This type of structure can allow a payment schedule which will rise and fall in accordance with the peaks and valleys of the business.

End of Term Options

Fair Market Value (FMV): An FMV lease offers the lowest monthly payment, is the most flexible lease structure, and may give the lessee significant tax advantages. At the end of the term, the customer can purchase the equipment for the FMV, return the equipment, or renew the lease based on



the FMV Renewal Rate as stated in the contract. The cost of an FMV lease is discounted by the expected lease end value (i.e. residual) of the equipment when the lease is commenced. The lessor depreciates the equipment, and can pass the benefit on to the lessee in the form of lower monthly payments.

\$1 Purchase Option (PO): In a \$1 PO lease the customer owns the equipment at the end of the lease. The lease is structured so the lessee can purchase the equipment at end of term for \$1. The monthly payments are higher than an FMV lease because the customer is financing 100% of the equipment cost and will own the equipment at lease end.

Fixed Purchase Option: For those customers that favor the flexibility of an FMV lease but want to cap their buyout at a certain percentage of the equipment value, 10% is a common buyout option.

