Why Lease?

Eight out of ten companies lease some or all of their equipment, according to industry research. Why do they lease? Because the flexibility provided by leasing allows them to have the most effective operation possible. Companies that lease tend to be the most entrepreneurial & competitive. Why should you consider leasing?

Leasing is Flexible

With leasing, you are able to customize a program to address your needs & requirements - cash flow, budget, transaction structure, cyclical fluctuations, etc. For example, some leases allow you to miss one or more payments without a penalty, an important feature for seasonal businesses.

100% Financing

There is very little money down with leasing - typically the first & last month's payment are due at the time of lease signing. Since a lease does not require a down payment, it is equivalent to 100% financing.

Leasing is Fast & Convenient

Leasing allows you to add equipment or upgrade equipment under similar terms. Leasing can also allow you to respond quickly to new opportunities with minimal documentation. Credit decisions are usually made same day.

Tax Benefits

The IRS does not consider an operating lease to be a purchase, but rather a tax-deductible overhead expense. Therefore, you can deduct the lease payments from your business income. Also, because lease payments are treated as expenses on a company's income statement, equipment does not have to be depreciated over five to seven years.

Improves Cash Flow

Lease payments are historically lower than loan payments, hence conserving cash for other uses. Also, by leasing equipment you know the amount & number of lease payments over the life of the leasing period, so you can accurately forecast cash requirements for your equipment.

Manage Obsolescence

A lease allows equipment to be returned to the lessor at the end of the lease term. You can then upgrade equipment without having to manage disposal & other ownership burdens. The risk of getting caught with obsolete equipment is lessened.

Balance Sheet Management

Because an operating lease is not considered a long-term debt or liability, it does not appear as debt on your balance sheet, thus making you more attractive to traditional lenders when you need them.

THAT'S THE GENEVA DIFFERENCE.

Geneva Capital L.L.C.