

The Advantages of Leasing

Conservation of Capital

If your money is not tied up in equipment costs, you're free to spend it on other items such as inventory, advertising, research & personnel.

100% Financing

Eliminate the need for a down payment - use the cash elsewhere in your company for expansion.

Enjoy Flexibility

Longer terms, lower payments structured to fit your budget. Leasing is the least restrictive form of financing today.

Tax Savings

Payments on qualifying leases are written off as direct operating expenses, reducing current taxable income. Avoid negative impact of the alternative minimum tax or mid-quarter depreciation penalties.

Enhanced Cash Flow

You pay only for the use of the asset, not its ownership. This makes for easier cash flow forecasting.

Credit Diversification

Your bank lines are not burdened. Gives you leverage - leaving normal lines of bank credit undisturbed. Avoid restricting your ability to respond to opportunities and emergencies.

Off-Balance Sheet Source of Funds

Experience more liberal credit criteria as there is no disturbance of your current debt ratio. Improve ROE/ROA and other ratios so that you may improve your ability to acquire funds.

Fixed Payments

Lock in payments - facilitate financial planning with stable payment structure.

Less "Red Tape"

Additional equipment can be acquired without renegotiating existing loan covenants. Leasing is a fast, convenient alternative to borrowing or crossing your fingers and waiting for a windfall.

Obsolescence Protections

Avoid the risk of owning equipment that is no longer technologically useful or valuable - let the lessor assume the risk.

Use Of Equipment

Cost-cutting profit-making equipment installed immediately. Access to the equipment you need. When you need it, in order for your business to grow and prosper. Pay as you use!

100% Cost Coverage

All "soft" costs including insurance, maintenance taxes, training and installation shipping and software-right in the lease.

Purchase/Renewal Options

At the end of your lease, you choose to purchase your equipment, upgrade to new equipment or continue to lease at substantial savings.

Avoid Capital Budgeting Constraints

Acquire needed equipment outside capital budget. Lease payments are usually paid out of operating budget. Therefore, creates or maintains working capital for putting cash into things that make a direct profit, such as inventory, A/R and other faster producing assets.

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