



# Weigh your options with financing!

## Leasing has many advantages versus a cash sale or a bank loan!

	<b>Cash Sale</b>	<b>LCA Lease</b>	<b>Bank Loan</b>
<b>Down Payments</b>	Customer must pay the full cost of the equipment at time of sale.	Customer can pay as little as zero down to lease the equipment.	Banks usually require the customer to pay a down payment between 5-25% of the equipment cost.
<b>Flexibility of Financing</b>	Doesn't allow your customer to add more equipment/services based on the large upfront cost.	LCA offers flexible financing options (\$0 down, Deferred). Your customer's monthly payment remains constant through a lease.	Monthly loan payment can be variable - it may increase or decrease periodically. Loan payments are due immediately - no deferred options.
<b>Effect on bank/credit lines</b>	Consumes most of the customer's budget upfront as a cash sale depletes their bank account of income-earning funds	Customer's bank line of credit is not affected and lease company can be utilized as a second source.	Bank lines of credit/loans may be tied up and unavailable for future loans/leases. Bank also could place an all asset lien.
<b>Balance Sheet Implications</b>	Decrease in cash flow immediately.	Leased equipment is considered an 'expense' on operating leases. Such assets do not appear on balance sheets which improves financial ratios.	Banks require owned equipment to appear as an asset on budget sheets which will affect your line of credit.
<b>Credit Approval</b>	Not applicable in a cash sale.	LCA's turnaround time for a credit decision is under 2 hours.	A bank usually cannot offer turnaround time in hours as most banks take days or even weeks to approve a loan.
<b>Upgrade or Adding Equipment</b>	Large, upfront purchase reduces the possibility of a customer spending more on a future sale.	By offering a monthly payment, you can afford more equipment without the large upfront budget cost. LCA can also process the application quickly.	Customer must re-apply for a new loan to add new equipment. Most banks also will not allow the customer to roll in services (i.e. maintenance, air time, monitoring) into their loan (leases do allow it)

**Contact your LCA Account Executive for more information!**



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