

# LEASING

## Leasing with AFP vs. Loans & Cash

|                                  | LEASING WITH AFP   | LOAN  | CASH  |
|----------------------------------|--|---|---|
| <b>Interest Rate</b>             | Fixed Rate   | Can fluctuate with the market                                 | None  |
| <b>Approval Turnaround</b>       | 1 Business Day   | Days to weeks   | Instant   |
| <b>Down Payment</b>              | Typically 1 or 2 payments up front which are used toward your lease balance            | Typically 10-20% of equipment cost                            | 100%  |
| <b>Financial Statements</b>      | Typically unnecessary for transactions under \$100,000                                 | Typically needed for any dollar amount requested              | None  |
| <b>Tax Benefits</b>              | Operating lease payments can be 100% tax deductible when shown as an operating expense | Depreciation can be taken on the useful life of the equipment | Depreciation can be taken on the useful life of the equipment |
| <b>Obsolescence of Equipment</b> | Used to avoid obsolescence. Why own equipment when you can lease?                      | You own the equipment   | You own the equipment   |