

Why Lease?

Written by Admin

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Here are some things to consider when acquiring equipment via cash, a lease or a loan:

Liquidity: The #1 reason businesses fail is due to lack of liquidity. Maintaining ample cash balances in your checking account should be a top priority for a company of any size. Leasing allows you to conserve your cash for times when you need it most.

Convenience: Unlike banks, Dantova will not burden your company with excessive reporting requirements. Simply complete our one-page Application and return it to us with your equipment quotation and you can expect our prompt response.

Quick Turnaround: If your company is like most, timing is everything. Who has time to undergo the lengthy and burdensome credit approval process required by most banks? Upon receipt of your credit application, you can expect a response from Dantova within 24 hours.

100% Financing: Conserve your line(s) of credit to support your accounts receivable, inventory and other working capital needs. Leasing can provide 100% financing, allowing you to acquire the equipment you need without a major cash outlay.

Tax Advantages: Leasing provides your company with substantial tax advantages you can't achieve when you pay with cash or finance via a traditional bank loan. Don't wait - maximize your tax benefit this year via the recently modified IRS Section 179 allowing businesses to write off up to \$108,000 in leased equipment. Alternatively, write off 100% of each monthly lease payment as an operating expense throughout the entire term of the lease.

Off Balance Sheet Financing: Leasing is the perfect tool to acquire new equipment without further leveraging your company's balance sheet. If additional debt may jeopardize an existing bank borrowing covenant, an operating lease may be the perfect solution to your next equipment acquisition.

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Fixed Payment: You will not need to worry about the rising cost of money. Now is the perfect time to lock in a low monthly lease payment.

Establish Credit: As your business grows, you will need to either trade up or acquire more equipment to meet your increased demand. By establishing your credit with Dantova, it will be easier to acquire your next piece of equipment.

Flexible Payment Options: Leasing is an extremely flexible financing tool. Unlike bank loans that only offer fixed, level payments, leasing can offer flexible payment options. Ask a Priority lease consultant about our step-up, deferral, skip and/or annual payment programs.

Conserve Bank Lines: If your company has been successful in establishing a borrowing relationship with a local bank, why use up the available funds on an equipment purchase that is easily financed via leasing? Again, conserve your bank borrowing availability to support your company's ongoing cash flow needs.

Used Equipment: Banks are usually only interested in financing new equipment. While it may offer you an added opportunity, used equipment often presents added challenges to bank lenders who are typically less familiar with the useful life and resale values associated with used equipment. Regardless of whether or not you plan to buy used equipment from a dealer or private (third) party, Dantova will likely have a variety of equipment leasing options from which you can choose.