Merrimac Capital Services, *an ERI Company*

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Benefits of a 'Lease Purchase' contract for the Municipality!

The following are some reasons why your Municipality would consider a Lease Purchase arrangement for acquiring capital equipment through Merrimac Capital Services.

100% Financing - Leasing offers the Municipality and Non-Profit the ability to finance 100% of the equipment with no large deposits required. Transactions as low as $10,000 with no ceiling. *New, used, titled vehicles or untitled equipment*

No Voter Referendum - Because we a writing a Lease Purchase contract versus an installment contract, a Voter Referendum may not be required.

Non-Appropriation Clause – Our Municipal Lease Purchase Financing documents contain the standard Non-Appropriation verbiage.

Obtain the equipment *NOW!* - Often a lease payment can be negotiated to fit within the current operating budget when a capital expenditure is out of the question. Why deprive the department of that much-needed equipment when they can get it all *NOW* at today's pricing, not tomorrows inflated price.

Application Process - Typically, transactions up to $200K can be accomplished with just a simple 1 page Credit Application. Since many Municipalities reflect their annual reports on their web page, even larger transactions can be easily accomplished.

Payment Programs – Typical terms can be **monthly**, **quarterly**, **semi-annual** or **annual (up front** or **in arrears)**. Other programs such as smaller payments up-front or payments conforming to the present budget situation can be explored. Payment terms typically range from 24 months to 60 months (longer terms are available, where applicable)

Simplifies Budgeting - Financial projections are simple because the lease payments are *fixed* for the term of the lease. Lease payments don't float with the rising cost of money.

Preserves Cash - A Lease will let the Municipality, Public Institution or Non-Profit acquire and make use of the equipment *NOW* without depleting their cash reserves. By taking advantage of our leasing program, it allows the Muni to preserve their bank lines, utilize another source of credit while maintaining their bonding power for projects such as, parks and utilities, roofs, etc.

"Lease Purchase Financing is available on your next equipment acquisition"

For additional information regarding our Municipal Lease Purchase programs, please do not hesitate to contact Vince Barauskas at 781-933-1381.