

Women Accessing Capital Training 135:

New Ways To Fund Your Business: Explore Equipment Leasing

Course Instructor:

Terri E. McNally, President/CEO, Global Capital, Ltd. & WIPP National Partner and Executive Advisory Board, Co-Chair Access to Capital Committee





- The Voice for Women in Business in our Nation's Capital.
- National nonpartisan public policy organization representing over half a million Women Business Owners including over 49 business organizations.
- Advocates for and on behalf of women and minorities in business.
- Thirty-one local Instant Impact teams across the country engaging with legislative officials and the business community to advocate for Women Business Owners.

www.WIPPP.org

Women Accessing Capital:

Women, Money and Opportunity

National program from WIPP's "Women, Money and Opportunity: Powered by WIPP" series.

The program is designed to educate women business owners on how to secure the money that will support and grow your business.

www.WomenAccessingCapital.com





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Course Goals

- Learn about the advantages of equipment leasing such as: preserve bank lines, 100% financing, trade depreciation for a lower rate, and match asset life to finance term. Other topics covered include:
 - What types of assets should you lease?
 - How liens are filed on equipment
 - Full Financial Packages v. Application Only – Plus filling out a credit application
 - FICO scores and how they are calculated
 - Leasing industry – large corporations with cash lease their assets – you should too

Advantages to Leasing

- Preserve Bank Lines
- 100% Financing
- Vendor Neutral
- Improves Cash Flow
- Usage and Cost Better Aligned
- Fixed Rate Financing
- Protects Working Capital
- Provides Options





Top 10 Questions

1. Do I have to personally guaranty?
2. Do I have to provide financial statements?
3. What would this equipment be worth at the end of the term?
4. What is the interest rate?
5. Are there any closing costs?
6. When will my vendor be paid?
7. Can I upgrade the equipment within the term of the lease?
8. Can I ship the equipment to more than one location?
9. Do I get diversity credit on the equipment cost or just the payment?
10. What types of equipment can I lease?



Things To Know

- **UCC-1 Filings**
- **Several types of leases**
TRAC, Operating, Capital, Conditional Sale Lease, Finance Lease, 1st Amendment Lease, Full Payout Lease, Master Lease, Muni Lease, Sale-Leaseback, Tax Lease, True Lease
- **End of Term Options**
\$1.00 Buyout, Fair Market Value
- **Section 179 Property - HIRE**
The Hiring Incentives to Restore Employment (HIRE) Act of 2010 extends the dates of the IRC Section 179 temporary increase in limitations on expensing of depreciable business assets \$250,000



Access To Capital

- \$600 billion industry
- Captive Leasing Companies
- Independent Leasing Companies
- Bank held leasing companies
- Income Funds



FICO Credit Scores

- **Ways to Improve your Score**

Pay down credit cards, use cards lightly, use oldest cards every few months by charging a small amount

- **Ways to Hurt your Score**

Paying late (35% of score is pay history), not paying at all, having an account sent to collections, defaulting on a loan, filing bankruptcy, having your home foreclosed, getting a judgment, high credit card balances, maxed out credit cards

- **What Doesn't Affect your Credit Score**

Bank overdrafts, your income, insurance payments, child support or alimony, utility and cell phone payments, rent payments, checking your own credit, your interest rates, your age





Take Aways

- Have a good understanding of what your usage will be and how long you plan on keeping equipment
- Consider your cash flow
- Be prepared to offer a personal guaranty
- Ask your equipment sales person for recommendations of financing options and leasing companies



Questions?

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WOMEN,
MONEY &
OPPORTUNITY

Powered by WIPP

Programs Powered by WIPP:

WIPP presents the *Women, Money and Opportunity* series, which combines policy, resources, and the wealth of knowledge within the WIPP community to educate women business owners. *Women, Money and Opportunity* programs employ webinars, events and tools to accomplish its educational endeavors of advancing and supporting women-owned firms.



Give Me 5

WIPP Gateway Program for Federal Contracting

www.GiveMe5.com



Women Accessing Capital

WIPP Gateway Program for Securing Funding

www.WomenAccessingCapital.com



Entrepreneurs, Energy & Environment (E3)

WIPP Gateway Program for Opportunities in Energy & Environment

www.EntrepreneursandEnergy.com



Women and Technology Today

WIPP Gateway Program for Understanding Technology in Business.

www.WomenandTechnologyToday.com



Get Involved!

- Access to Capital, Procurement, Energy & Healthcare Committees
- Local Instant Impact Teams
- Weekly Policy Updates Relating to Your Business

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www.wipp.org

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