

Find out if leasing is a better option for you.

**LEASE**

**vs.**

**BUY**

**IS LEASING  
EQUIPMENT BETTER  
THAN BUYING?**

*Altruck International Truck Centres*

There is so much information (some misinformation too) out there to help you decide whether it makes sense to Lease. Or. Buy.

All you have to do is google the terms "Lease Vs. Buy" and you will find all kinds of articles, posts, eBooks, etc. dedicated to this topic.

We understand that this is a tough decision for a business to make when it comes to acquiring a new vehicle. So, we thought we would try to clear it up a little for you.

Please also check out our glossary of leasing terms on our website.



# So, What is Leasing?

One-way to understand leasing is to compare it with a conventional loan – you have monthly payments that include the principal and the interest on that amount, minus whatever you pay back along the way.

But, it is different from a loan - The biggest difference between a lease and a loan is the amount you pay back - with a loan, your payments are based on the entire cost of the vehicle vs. paying back only the vehicle's decline in value—the depreciation—while you're using it, with the lease. Since the depreciation value is less than the overall value of the vehicle, your monthly payments are lower when you lease your equipment (compared to a loan payment).

The difference is that you need to return the vehicle or purchase it (pay the residual value), once your lease expires.

The lower monthly payments that come with a lease, give you the flexibility to invest extra amount that otherwise would go toward a monthly loan payment, in your business.

In other words, leasing can help lower the cost of ownership and lower monthly payment options help with the cash flow.





# Why Leasing?

Lease agreements usually require smaller down payments and often are more flexible when it comes to payment options compared to buying new equipment. Buying often requires larger down payments and expensive monthly payments.

Companies like Altruck can also customize the leasing options to your specific business needs.

**The fact is that for most well run businesses, full service leasing is a superior financial and operational alternative to ownership.**



**Altruck Idealease** does not offer one-size-fits-all Leasing - There are a number of options to choose from when structuring a commercial vehicle lease that directly impacts cash flow, taxes, and vehicle replacement cycles.

Knowledgeable and trained Altruck Idealease Account Manager will put you in the driver's seat with facts that will help you make the best long-term financial decision for your business.

Your lenders and/or shareholders will thank you. We often forget that there is a cost to having cash at hand, when you need it. Without the cash flow, your business might be less competitive and available options might be restricted.

# Flexibility & Adaptability



It is starting to cost more to recruit and hang on to skilled workforce with all the regulatory and technological changes. This also means that vehicles become obsolete faster, especially if you consider the all the new electronics and **telematics technology**, such as GPS systems that are being added on to the equipment.

A lease might allow you to upgrade to newer technology sooner, and that in turn might help you to attract and retain drivers

Some companies only require specific equipment on a short-term basis. We work with you to design a flexible lease plan that best fits your budget and equipment needs.

Full-service lease that includes maintenance might be a great option for your business if you don't have your own mechanics or shops.

## Rental Options

You can also add **preferential rental terms** in your Altruck Idealease contracts to better manage your capacity, based on your needs - We can help you manage short term peaks in demand or when your truck is in the shop. You get the same high performance and reliable trucks.

We are here to help. Let us take care of all your vehicles at a lower overall cost of ownership, so you can focus on your core business.

- Is the equipment going to be obsolete or less useable in 4-5 years?
- Do you need to outsource the maintenance of the vehicle?
- Do you need the extra cash flow?

**3 Questions**

Leasing might be a good option for you if you answered YES to the questions above.

# Savings



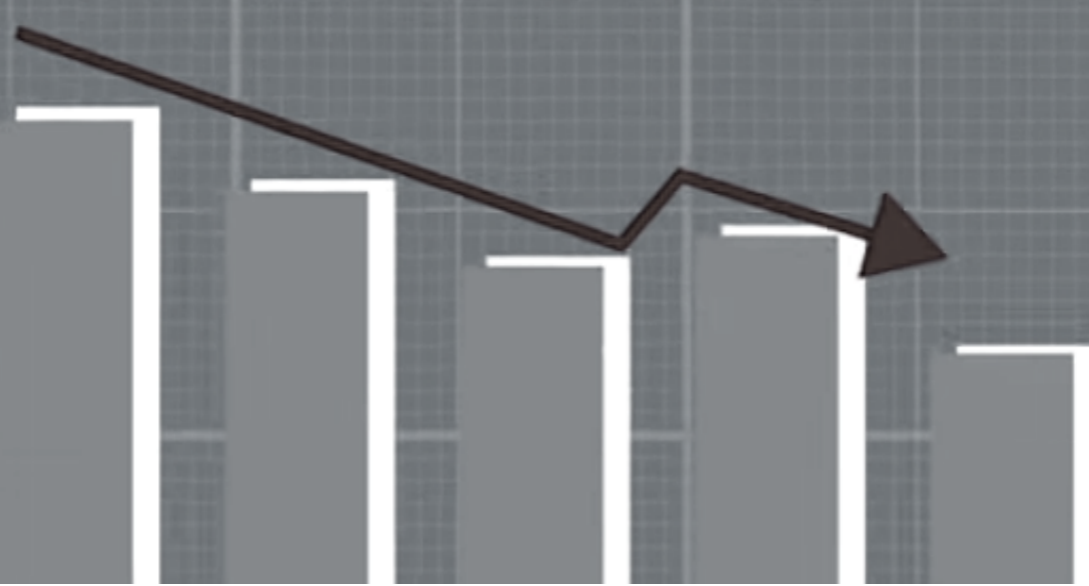
Whether you lease or buy will depend on your company's business and financial situation.

We encourage you to research and assess internal company items like, available cash flow, cash flow required to grow the business, credit situation, length of time the equipment is needed, ability to maintain the equipment, etc.

We also recommend that you research the firms (including us) you consider for the lease agreement. Here are a few things to look at before jumping in:

- **Look for a company that routinely structures leases for equipment in your industry.**
- **Company that understands your industry and knows the use and value of the equipment for your business.**
- **Leasing company that will be around and isn't just dabbling in your industry.**

# Costs



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# ALTRUCK IDEALEASE

offers a variety of leases:

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**Full Service Lease:** Get the vehicle specs you need, predictable costs for all vehicle maintenance, Priority Service, and 24/7 Roadside Assistance.

**Full Service Equity Lease:** Retain tax ownership and establish equity in your fleet while receiving all the benefits of a Full Service Lease.

**Dedicated Maintenance:** Customized dedicated truck maintenance, Priority Service and a fixed monthly cost for scheduled preventive and unscheduled maintenance.

**Ownership Transition:** Unlock the equity that is tied up in your truck fleet and put cash back in your business. Learn the true cost of truck ownership versus the advantages of a fleet buyout and a Full Service Lease.



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at [sales@altruck.com](mailto:sales@altruck.com) for  
more information