

Benefits of Leasing over Purchase

Leasing is a very cost-effective way to invest in business equipment. In addition to its many benefits this option competes very well in simple monetary terms.

Leasing		Purchase
Leasing has only a slight impact on cash flow because small monthly payments are made over time. This allows your cash flow to stay healthy.	VS	Buying equipment has an immediate negative impact on cash flow because of the need to make one large payment up front.
Leasing equipment requires the user to be responsible for the equipment for just as long as he or she is using it and in possession of the asset.	VS	Owning equipment requires the buyer to be responsible for the entire life of the equipment.
Lessors frequently offer asset management services as part of the lease, transferring the responsibility for tracking the equipment to the leasing company.	VS	Equipment owners are responsible for tracking the asset through its entire life cycle.
The end user transfers all risk of obsolescence to the lessor since there is no obligation to own equipment at the end of the lease.	VS	The owner bears all the risk of equipment devaluation. Obsolescence must be tracked by the owner.
Leasing allows for easier upgrades, including master leases that allow for additional equipment to be acquired under original terms and automatic upgrades to new equipment and technology.	VS	Owners must manage the disposal or selling of outdated equipment. This can slow down the upgrade process.