

PAYMENT PLANS

Payment schedules can range from monthly to annual, with options to establish the “residual” value of the equipment you are leasing. Let us know your needs and we can be flexible in setting your payment plan.

LEASE-END OPTIONS

At the end of your lease, you can:

1. Purchase the equipment for a residual value established at the beginning of the lease. The residual value is commonly 10, 20, 30 or 40 percent of the original value of the equipment.
2. Return the equipment to FCS without further obligations.
3. Renew the equipment or facility lease.



1-800-444-FARM
www.e-farmcredit.com



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LEASING EQUIPMENT AND FACILITIES



DISCOVER THE
LEASING
ADVANTAGE.



EQUIPMENT AND FACILITY LEASE OPTIONS FROM THE NATION'S LEADER IN FARM FINANCING.

Leasing is one of the fastest growing methods of financing farm equipment and facilities today. More and more, producers are turning to Farm Credit Services of Mid-America for a full range of lease alternatives that provide wise business solutions.

WHAT IS A LEASE?

A lease is an alternative financing arrangement that allows you to pay for the use of new or used equipment or facilities. You pay for the use of the equipment or structure, not for its ownership. Typically, this means making an up-front payment, then making periodic payments over the course of the lease period.

WHY CONSIDER LEASING?

Flexibility

Farm businesses have different needs, different cash flow patterns and different income streams. FCS lets your individual situation define the lease terms. An FCS lease allows your business to use an asset for a specific period of time. You choose either fixed or variable rental payments—whichever best meets your situation.

Tax Benefits

Rather than deal with depreciation schedules and tax complexities, you simply make the lease payment and deduct it as a business expense. Lease payments can be 100 percent tax deductible. Plus, in many cases, when adding a new facility, producers can benefit from the accelerated depreciation schedule associated with a lease.*

**Always consult a CPA or tax specialist regarding the deductibility of any lease payment.*



Conserve Working Capital

Leasing also allows up to 100 percent financing. This can keep your lines of credit open to meet other short-term needs. And, compared to loan payments or cash purchases, leasing can improve the cash flow of your operation because the first lease payment is usually less than a loan down payment.

Less Risk of Holding Old Equipment

Producers are also discovering that leasing offers flexibility as new technology and new advances in equipment become available. A lease gives you opportunities to upgrade or add on. The choice is yours. You don't have to be faced with the burden of obsolete equipment.

WHAT CAN I LEASE?

Leases are available for almost every type of farm equipment, facility improvement or building project.

This includes:

- New and used rolling equipment
- New farm buildings and special-purpose structures, such as confinement feeding facilities
- New and used specialty equipment (irrigation, nursery buildings, log and timber equipment, poultry houses and dairy equipment)

Terms of up to 7 years are available on equipment. Longer lease terms (up to 10 years) are offered for facilities. This allows you to match the lease term to the useful/earning life of the equipment or facility.

CALL US AT 1-800-444-FARM FOR A LOCAL OFFICE OR VISIT OUR WEB SITE AT E-FARMCREDIT.COM.