

KNIGHTSBRIDGE EQUIPMENT CAPITAL, LLC

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Lease/Purchase Agreement transactions are placed with a single investor, and generally limited to 10-12 years in length with an average maturity of about 5 years. Size runs from about \$10,000 to \$millions – depending on the *useful life* of the asset, transaction size and essentiality of the equipment. Vehicles and office equipment are typical items being financed.

Other advantages:

- **100% financing** including delivery, installation and sales tax (where applicable)
- **Cost effective** – nominal associated origination costs, if any
- **Equipment** and **Real Property** may be financed on a Lease/Purchase Agreement
- No Reserve Account required
- **Uncomplicated** documentation

MUNICIPAL LEASE VS. BOND COMPARISON

Financing Characteristics and/or Requirements	Public Bond Offering	Direct Source Financing	Why "No" is the Better Answer
Compliance with SEC Rule 15c2-12	YES	NO	Disclosure rules do not apply
Exact Rates Unknown Prior to Closing	YES	NO	Rates quoted before funding; Rate lock option available
Underwriter's Fees	YES	NO	No additional fees
Rating Agency Fees	YES	NO	No additional fees
Printing Costs	YES	NO	No additional fees
Reserve Fund	YES	NO	Not required
Prepayment only on Call Dates	YES	NO	Prepayment options throughout term
Multiple Investors	YES	NO	Private placements
Semi-Annually Only	YES	NO	Payment schedule designed to meet your needs
Time Consuming Documentation Process	YES	NO	One simple process

Acquire the equipment you need *without* Disclosure. Beginning July 3, 1995, amended SEC Rule 15c2-12 governing disclosure obligations of municipal securities issuers and obligor went into effect. The new Rule is designed to protect investors by ensuring adequate ongoing disclosure of information relating to the financial health of the issuer and obligor. The Rule increases the complexity of debt issuance in the public market. **Direct source financing is not subject to disclosure requirements.**

LEASE HOTLINE

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