

(FAQ's) Frequently Asked Questions

What types of equipment does Markay lease?

If the equipment is used by your company on a daily basis to conduct business, chances are Markay can lease it. Additionally, under most circumstances, we can also lease used equipment.

What vendors can I buy from?

With Markay, you can acquire the needed equipment from any reputable vendor of your choice. Select your equipment and options, negotiate your best price and we will do the rest!

Can non-equipment items such as software and maintenance be included?

Yes. One of the many benefits of leasing includes the ability to "bundle" a number of equipment items into a lease including software, service and installation costs. This way, you can make one simple monthly payment for an entire system or equipment line.

How long is the approval process?

Our simple lease application will usually be approved within 24-48 hours of receipt! You can get an Application at our web site, fill it out on line, and then Email or fax it to us.

Do you charge any application fees?

No, unlike banks and many other lending institutions, Markay does not charge any application fees.

What are your approval requirements?

The credit process involves evaluating your business credit history (including bank and trade references), the personal credit history of the owner(s) and the collateral value of the equipment. If your personal or business credit history has some negative items, we can often approve your Application with a shorter term and/or a down payment or security deposit.

Why do you need my personal guarantee?

An important part of our credit decision is based upon the personal credit bureau of the owner(s). These reports are typically very accurate and reliable and allow us to provide you with a quick credit decision. Additionally, history has shown that the payment patterns of privately-held businesses generally mirror that of the owner(s) payment characteristics.

What happens after I am approved?

Once you are approved, we review the terms with you one more time and then we prepare lease documents and Email or overnight them to you. After you sign and return the lease documents, Markay issues a purchase order to the vendor(s) for the exact equipment that you have selected. Upon your verification of delivery and acceptance of your equipment, we pay the vendor(s) and your lease begins. Your first payment is due about 30 days later.

How long can I lease?

Most leases are written for 24, 36, 48 or 60 months, or anything in between. Many times the term of the lease is depending upon the type and life of equipment. Leases for items that depreciate rapidly (such as computers) are usually shorter terms. Expensive, durable machinery can be leased for terms up to 84 months.

How much equipment can I lease?

We specialize in "Application-Only" leases for equipment costs up to \$150,000. For amounts over \$150,000 and up to over \$1,000,000, we require our clients to provide us with strong financial statements and tax returns.

How are payments made?

Payments will be structured to meet your needs. A typical payment schedule would require the first and last payment to be made at the time you sign your lease documents, with your next monthly payment due about 30 days after your acceptance of the equipment.

What are my options at the end of my lease?

You may purchase the equipment for its purchase option amount, continue to lease, or return the equipment with no further obligation.

What "end of lease purchase options" are available?

We offer purchase options to meet your needs:

- \$1.00 purchase option (which is treated as a purchase)
- Fixed percentage option (our most popular is 10%)
- Fair Market Value option (often treated as deductible expense payments)

The best option for your business should be determined in consultation with your tax specialist.

What is the interest rate on a lease?

The amounts charged on an equipment lease are calculated using monthly "rental rates", rather than by using a compound interest rate method that is normally associated with bank loans. Rental rates are based on the term of the lease, the lessee's credit history (both business and personal), and the type of equipment being leased. The stronger and more established your business, the lower your payment should be.

Who insures the equipment?

Your business, the Lessee, is responsible for insuring the equipment against risk of loss including property and casualty coverage and liability. You can typically add the new equipment to their existing policy.

Who provides warranty coverage on the equipment?

Markay passes through all manufacturer warranty coverage to the Lessee. Warranty claims are processed in the same way they would be if the Lessee was the owner of the equipment.

Can the lease be cancelled or paid off early?

The lease is a non-cancelable agreement for a specified term that you select at the beginning of the lease. Although the lease can not be cancelled, in most cases, it can be paid off early.

What if my equipment becomes obsolete?

If you need to upgrade your equipment during the lease term, we will work with you to meet your goal. Generally a new lease is written for the new equipment and the old equipment is used as a trade in.

How do I get started?

Fill out our one-page Application on line at our web site. Then Email it or fax it back to us and we will contact you with a proposal and get the approval process started immediately.