

Business Financial Services

Equipment leasing for agriculture

The fast and flexible way to equip
your business



RBC Royal Bank



What is equipment leasing?



- **Leasing is a financing alternative** that allows you to update your farm equipment without investing the full purchase price. Leasing can help you secure the equipment and technology you need now, without tying up a large sum of capital. It is a cost effective and flexible way to manage one of the more capital-intensive aspects of farming.

Preserve capital while you grow your business

Modern agriculture is more complex than ever. Financing growth and expansion can be especially challenging, particularly when it comes to replacing and upgrading farm equipment. A large capital outlay can significantly impact both your cash flow and your bottom line.

Leasing can be an efficient and effective way to manage growth and plan the replacement of existing technology, while preserving capital for operating and input costs. Leasing can also free up cash for other growth opportunities. Perhaps one of the greatest advantages of leasing is that it's based on the leased asset. Also, depending on your operation's tax situation, lease payments can be 100% tax deductible.

Flexibility for modern farming

Our flexible lease financing options allow you to choose fixed or variable interest rates and structure the terms to fit your cash flow needs. We also offer a lease line of credit that can make multiple leases with varying terms easy to manage.



Is leasing right for your business?

Some good questions to ask yourself when deciding whether you want to lease or purchase equipment are:

- What is the expected useful life of the asset?
- Do you routinely replace equipment in order to remain efficient and viable?
- Is new equipment a key to increasing efficiency, capacity and productivity?
- Can you make better use of working capital and realize tax advantages by leasing?

Options that help you make good business decisions

Our flexible leasing alternatives work as hard as you do. There's conventional leasing if you only require one lease, and multiple leases or a lease line of credit that will make it easier if you are considering a number of equipment upgrades.

Fixed or variable rates that help keep you going – and growing.*

Variable rates can offer savings over the long term, while fixed rates can make cash flow management and term planning easier. Both options are available in Canadian or U.S. dollars.

Lease lines of credit so you're always ready when it's time to buy.

A lease line of credit provides the flexibility to manage multiple equipment leases and makes it easy to act on equipment purchase needs and opportunities quickly. With a lease line of credit, you can have your financing approved and in place before it's time to buy. In addition, you only have to go through the application process once to line up all your anticipated equipment financing for the year.

You know what you need. We're here to help you make the right lease-financing decisions for your business.

Flexible terms, purchase options, currency choices and payment schedules allow you to customize your lease to suit your business needs. You choose the equipment and supplier and negotiate your best purchase price, and you hold the warranties on the equipment. We'll pay only once you've accepted the delivery of your new equipment.

An RBC® agriculture banking specialist can help you decide what's right for your needs. They have access to equipment financing specialists who can answer questions and help structure a lease that fits your operation – and your future.



Talk to your RBC Royal Bank® agriculture banking specialist today, or to talk directly to an equipment financing specialist, call 1-855-561-6723



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