



**TRAC Lease** For titled vehicles and certain commercial, motorized, self propelled equipment.

**What is a TRAC Lease?**

A TRAC Lease is known as a **Terminal Rental Adjustment Clause** lease in accordance with the Internal Revenue Code of 1986 as amended. The Lessor is owner during the lease term, and is entitled to the depreciation. The Lessee has a “true lease” for tax purposes, and can expense the lease payments.

**Why is the Lease Rate so attractive?**

Our nominee lessor is in a position to greatly benefit from depreciation and, therefore, provides a “below market” rate in exchange.

**Who qualifies for a TRAC Lease?**

Must be a “for profit” commercial entity, and meet an above average credit profile.

**What is the process for applying for a TRAC Lease?**

Go to our website and click on “APPLICATION” to submit an application, or click on “Quick Inquiry” to request a proposal from us.

**TERMS/STRUCTURE**

Two (2) to seven (7) years depending on the MACRS (modified accelerated cost recovery system) life. At the end of the lease term, the Lessee may buy the equipment from the Lessor at a market value mutually pre agreed upon.

**EXAMPLES OF QUALIFYING EQUIPMENT**

- Over the road truck-tractors
- All other trucks and trailers
- Industrial sweepers
- All types of industrial vehicles
- Tired tree trimmers and brush clearing equipment
- Construction Equipment
- Agriculture equipment
- Forklifts
- Golf carts and course maintenance vehicles

**Vehicles NOT eligible for TRAC Lease** (other finance options will accommodate these items)

- Ambulances
- Rental vehicles
- Daycare and school vans or buses
- Limos (for hire)
- Taxis
- Any equipment where the user is a municipality or not for profit entity
- Vehicles that move only on railroad tracks

**For any questions please feel free to inquire through our website or call us !!!**