



## **Subject: Leasing Used Private Party Sale Equipment; Some Considerations**

### Key details:

- Private party sale – **It is essential to do a title search a.s.a.p. to be sure there are no liens (liens are probable)**
- Example: Used, 2005 Giben Model 301SPT Prismatic Panel Saw for \$80k

### Challenges:

- Private party sale
- Used equipment
- Location potentially moving around
- No personal guarantee

### Discussion ideas checklist:

- Standard lease based on a private party sale, used equipment with equipment in San Diego
  - Full financial package for your Co.
  - Stock ownership and strength of Co. to justify no personal guarantee (unless one is offered)
- Deliver, install, and use in San Diego and take other equipment to Mexico
- Standard lease criteria by lenders nation wide
- Lease by ILC (or other co.) fully collateralized by a CD at a bank
- Letter of credit guarantee by a bank
- Pre-pay all payments to a leasing co.
- Add to a new lease you are about to do for Co.
- Add to a recently done lease for your Co.
- Add to a lease done long ago
- Use existing equipment as additional collateral on a new lease
- Sale lease back by your firm first purchasing the equipment for cash and then leasing back to lender
  - Your lender may need to release equipment if a blank lien exists
- Have another company buy the equipment and lease it to your Co.
- Stockholder or related person arrange a lease (or loan) to the Co. on the equipment
- Stockholder add capital to co. to buy equipment with
- AR financing lender to supply money from receivables to fund the purchase
- Seller lease the equipment to your co. for a year or two or more
- Seller arrange time payment financing of 30-120 days
- Finance on a Co. or personal credit card such as Visa Mastercard, American express
- Any real estate loans pending that it could be added to
- Vehicle loan or lease coming that it could be attached to or associated with
- Any special contacts in the government in the US or Mexico; NAFTA, etc.
- Add a vendor to the issue by getting one involved in the sale to add the “vendor protection”

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**PHONE / FAX:**

800-400-5060 PH

858-451-0400 PH

858-451-0033 FAX

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**MAILING ADDRESS:**

P.O. Box 500110

SAN DIEGO, CA

92150

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**FEDEX / COURIER ADDRESS:**

11835 CARMEL MT. RD.

SUITE # 1304-351

SAN DIEGO, CA 92128

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**CORPORATE ADDRESS:**

11440 W. BERNARDO CT.

SUITE # 300

SAN DIEGO, CA 92127