

Leasing Financing



Kidzpace and Wirth Business Credit are working together to provide financing for your equipment acquisition.



Wirth

- Wirth is subsidiary of Winmark Corporation
- Publicly traded since 1993
 - NASDAQ Symbol WINA
- Financially strong and open for business
- Background in leasing



Winmark's Family of Brands



Statistics*

- 80% of all U.S. businesses lease equipment
- \$208 billion of equipment is leased every year in the U.S.
- >30% of income producing capital expenditures in the U.S. are leased

*Source: Equipment leasing association www.elaonline.com



Wirth Business Credit

- Spectrum of leasing solutions
 - Wide variety of assets
 - Soft costs such as shipping and installation
- Integrated Leasing
 - In addition to Kidzpace equipment, WBC will lease other equipment and it can all be on the same lease



Wirth Business Credit

- We're building long-term relationships
 - You're dealing directly with decision maker
 - We are investing our own money
 - We don't sell our leases
 - We are with you from start to finish
- Customer Service
 - Responsive → Quick Turn Around
 - Personal interaction with your business



Terms and Conditions

Wirth Business Credit offers the following lease options:

Terms and conditions vary on each transaction but typically include:

- Financed amount
 - \$5,000 - \$100,000
- Frequency of payments
 - 24-60 months
- End of term options
 - \$1.00 Purchase Option
 - 10% PUT or Purchase Upon Termination
 - FMV or Fair Market Value



Customer Benefits

- Leasing is *Convenient*. It's a one page application.
- Leasing offers *Low Upfront Costs*. Typically 2 advance payments are collected with the lease documentation plus a documentation fee.
- Leasing helps budgeting because monthly payments are affordable and predictable.
- Leasing allows for *100% financing* of equipment and soft costs. Charges such as shipping and installation can be included in lease.
- Leasing *preserves your customer's cash and credit lines* with the bank. Leasing requires an advance payment(s) typically one or 2 monthly payments. A bank will ask for 20% down. Customers should save working capital for growth investments in the company. Invest cash in business & operating capital at higher rate of return.



Customer Benefits Continued

- With leasing, there is *no additional collateral* required like a bank loan; leasing is specific to the leased asset.
- With leasing there is *no reporting or credit bureau "hit"*. Plus, it is not listed on bureau as debt and your incremental borrowing rate is not affected by lease acquisitions.
- Leasing is a *hedge against inflation*. Buy equipment at today's costs and pay for it with tomorrow earnings. Leasing offers fixed rates versus the floating rates of loans.



Customer Benefits Continued

- Leasing *avoids technological obsolescence*. Your customer will never have to worry about having out of date equipment. Upgrading equipment is simple to do by trading out obsolete equipment while maintaining a similar payment. The risk of ownership belongs to us, WBC, not the lessee.
- Leasing is *flexible*. As a business grows, your customer will need equipment that can grow with them. Leasing provides various term lengths and end of term options.
- Leasing may offer *tax incentives*. Talk with your accountant to see if you qualify.



Comparison

	Lease	Loan	Buy
No/low down (Ability to invest conserved cash)	Yes	No	No
No extra collateral (Minimal security interests)	Yes	No	Yes
Soft costs	Yes	No	Yes
Preserve credit capacity	Yes	No	Yes
Convenient	Yes	No	Yes
Avoid obsolescence	Yes	No	No
Fixed payments	Yes	No	NA



Requirements

- Up to \$50,000
 - Application only
 - Financing details including amount requested, term, purchase option and equipment quote

If a new business under 2 years old, a personal financial statement is also required. If over \$15,000, a business plan and projections for 24 months with a resume and 2 years personal tax returns are required.



Requirements

- Over \$50,000, application plus:
 - Business financials
 - 2 Years of business tax returns
 - Personal financial statement
 - 2 Years of personal tax returns



Process

- Application submitted via fax or online at www.wirthbusinesscredit.com/kidzpace
- Credit decision
- Customer accepts
- Lease contracts emailed
- Lease contracts returned with check
- Kidzpace ships equipment
- Lease commences



The Wirth Team has worked on the following national accounts over the past 25 years:

Franchise Systems

- McDonald's Corporation
- FTD
- Burger King
- Taco Bell
- Arby's



Contact Information

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www.wirthbusinesscredit.com/kidzpace



What Next?

- Have customer fill out application
 - Go online to
www.wirthbusinesscredit.com/kidzpace
 - or Fax PDF application to 763-520-9844

