

I want to own my truck not lease it

The term “lease” creates a lot of misunderstanding among fire departments. The department is probably thinking about the leasing of an automobile where they make payments for a few years and then turn the vehicle back in. This works well for a depreciating and short-lived asset like an automobile but is not the best financial choice for a long-lived asset like a fire truck.

In truth, we offer a “Lease-Purchase Agreement” which is more a loan than a lease. Like a loan, the department makes payments over a period and then owns the truck free and clear after they make the final payment. The truck is titled in the department’s name during the term of the financing and the lien is released when they make all payments. The department is allowed to make additional payments or payoff early without penalty.

A Lease-Purchase Agreement is not a loan for one reason. The Agreement allows the department to cancel annually without penalty. By offering this option, the Agreement does not have to comply with the debt limitations or procedures (like voter approval) that are required when municipalities enter into multi-year loans without cancellation options.

If you feel like you would like to learn more, we are available to assist you with any questions or concerns they may have.