

WHAT IS A TURN-IN LEASE?

The Turn-In Lease features a municipal lease agreement with a balloon payment at the end of 5 or 7 years. The agreement includes an option to turn-in the apparatus at the balloon payment maturity date for another apparatus from the same manufacturer. If you choose not to turn-in the apparatus, you must pay or refinance the balloon payment.

Example

Generally, a trade-in lease will allow a 40% to 50% balloon payment after seven years depending on the exact specifications of the apparatus purchased. Our example below uses a 45% balloon payment. The general details of a Turn-In Lease is as follows:

Equipment:	Three (3) Fire Trucks
Unit Price:	\$250,000.00
Amount Financed:	\$750,000.00
Turn-In Period:	After seven years
Annual Payments:	\$88,521.00*
First Payment Date:	On delivery
Interest Rate:	5.07%*
Balloon Payment:	\$337,500.00 (45%)

* Rates and payments may change due to market changes.

General Terms and Conditions:

- ◆ Must have service contract with authorized service provider for entire term of agreement.
- ◆ Must complete all manufacturer required maintenances and services.
- ◆ Must enforce all warranty claims during warranty period.
- ◆ Must maintain apparatus in reasonable condition, normal wear and tear excepted.
- ◆ Must provide service and maintenance log at time of turn-in.
- ◆ Must pass NFPA Class A inspection prior to turn-in.
- ◆ Mileage allowance with charges for excess miles.
- ◆ Must notify intent 6 months prior to turn-in date.
- ◆ Must replace apparatus with same manufacturer's apparatus.
- ◆ Must maintain liability and casualty insurance.
- ◆ Other terms and conditions may apply.