

FACTS ABOUT EQUIPMENT FINANCE FOR SMALL BUSINESSES

- Equipment leasing and financing help all types and sizes of commercial businesses in the United States to acquire the equipment they need to conduct their business operations.
- Nearly 8 in 10 (79%) used at least one form of financing to do so (i.e., lease, secure loan, or line of credit).¹
- Leasing was the most common financing method (used by 24%); 16% used lines of credit, 12% used secured loans and 3% used other forms of finance.²

WHAT KINDS OF EQUIPMENT ARE FINANCED

The top 10 small ticket (transactions up to \$250K) equipment types that are financed.³

1. Agriculture
2. Office Machines
3. Construction
4. Trucks and Trailers
5. Materials Handling
6. Medical Imaging, Diagnostic, Surgical, Electronic Medical Devices
7. Machine Tools
8. Computer - Other
9. PCs and workstations
10. Software

According to PayNet, Inc., in June 2019:

- The [*PayNet Small Business Lending Index*](#) was 135.0, down 6.8% year over year and 14.5% from the previous month.

According to the Federal Reserve's [*Small Business Lending Survey*](#), in Q1 2019:

- The dollar volume of new small business commercial and industrial (C&I) loans decreased 9.9% from the same period in 2018.
- The decline was driven by a 19.9% decrease in new small business C&I credit lines.
- Total small business C&I loan balances increased but at the lowest rate in five quarters.
- Loan demand increased and credit line usage remained unchanged.

ELFA believes that information and education about available options regarding investment in equipment are important to all businesses. ELFA offers resources, including a loan/lease comparison, a glossary of terms, an analysis to help determine suitable financing options, videos and topical bylined articles available for reprint free of charge, at www.EquipmentFinanceAdvantage.org.

For questions, contact Amy Vogt, Vice President of Communications and Marketing, avogt@elfaonline.org.

Sources:

1. Equipment Leasing & Finance Foundation, [*2019 Equipment Leasing & Finance Industry Horizon Report*](#)
2. Equipment Leasing & Finance Foundation, [*2019 Equipment Leasing & Finance Industry Horizon Report*](#)
3. Equipment Leasing and Finance Association, [*2019 Small Ticket Survey of Equipment Finance Activity*](#)

Learn more at www.EquipmentFinanceAdvantage.org