

MESA LEASING, INC.

*Structuring Leases for
Businesses in California
since 1985*

March 2004

*Mesa Leasing
leases the following
types of equipment
(new or used)*

- Construction Equipment
- Exercise Equipment
- Salons / Tanning Equipment
- Test Instrumentation
- Dump Trucks
- Trailers
- Used Peterbuilt Trucks
- Used Machine Tools
- Woodworking Equipment
- Video Equipment
- Printing Presses
- Auto Repair Equipment

**PUT IT ON YOUR
CALENDAR:**

**NAELB National
Conference
Las Vegas, NV
April 29, 2004**

**Plan to visit Our
Hospitality Suite**

STRUCTURING A LEASE WITH ADDITIONAL COLLATERAL

Mesa Leasing is not in the "App Only" leasing business. Just about every Lease we fund has some form of additional collateral.

Collateral can take on many forms:

1. Other Business equipment like printing presses, forklifts, wood working, whatever.
2. Titled Equipment like other trucks, trailers, or cars.
3. Personal Items: Cars, Boats, RVs, ATVs
4. And there's always real estate.

Just about anything can be used as an additional form of collateral. There are some exceptions and you should check with Mesa Leasing if you're not sure.

But how much? Typically Mesa Leasing requires anywhere from 50% to 150% of additional value in collateral. The value of the collateral must be independently verified. Old invoices can prove useful. Many of the websites from our previous newsletter can help you determine its value.

The one thing you must remember: if the collateral being offered is owned by someone else, that person MUST cosign the lease. No exceptions!

We had a case recently where the owner of the collateral being offered (a truck) was owned by the lessee's father. But Dad did not want to sign. What to do? The Broker convinced Dad to put his son's name on the title of

the truck so it could therefore be pledged. Problem solved.

One exception to the rule comes to mind - start up restaurants! Any collateral being offered MUST come from outside the business.

Many times, Mesa Leasing has used the built-in equity of a piece of equipment as collateral. A recent lessee needed \$100,000 to buy out his option at the end of a lease. The equipment value was proven to be \$350,000. In this case, the equipment was sufficient collateral all by itself.

Not sure what qualifies as good collateral? Just pick up the phone and ask!

MESA LEASING - TOP BROKERS

Mesa Leasing is proud to acknowledge the contributions made by the following companies to the outstanding year we had in 2003.

Stanton Leasing
Suzan Stanton
Top Broker 2003

Capital Solutions
Financial Solutions
Lease2Loan
Quality Financial

Capital West Funding
Innovative Lease Services
Quail Financial
Marvel Enterprises

Snyder Leasing

MESA LEASING IS MOVING

Mesa Leasing is expanding. We are moving our "Global Headquarters" to a facility centrally located in the Kearney Mesa area of San Diego. Our new offices will allow us to have available a conference area for brokers and lessees to finalize leases if desirable. Our office is always available to Brokers working with Mesa Leasing.

Our new address:
4180 Ruffin Road
Suite 205
San Diego, CA 92123

Our existing phone numbers will be automatically forwarded to new numbers to minimize confusion with our lessees, Vendors, Funders, and Brokers. Stop by sometime!

EQUIPMENT LEASING BROKERS MEET IN ORANGE COUNTY

Mesa Leasing has been hosting lunch meetings for equipment leasing brokers in San Diego for over a year. Most meetings have been very informative about what was going on in the industry. One recent month, a funding source we all know well asked if they could attend and see what's going on. Well, guess what? We have started the same process but in Orange County.

Our first meeting had 15 people in attendance. Although many brokers had questions about Mesa Leasing, the focus of most of the conversations were about what was going on in the industry. Discussions include thoughts about why a broker should have a California Finance Lender's License, what many funding sources were looking for now a days, and

sharing information about one another.

Plans are for another meeting in April - the second Wednesday of the month. Plans are to also sponsor the same type of meetings in the northern area like Burbank, Thousand Oaks, or ??? California represents a healthy 24% of the US economy. It's about time we started looking at ways the small and independent brokers



can take better advantage of this market.

Future topics of discussion that the attendees mentioned could include:

1. Ideas for websites (Do you even need one?)
2. Should you as a small company incorporate, be an LLC, or a "dba". What are the benefits of each?
3. Do you need Errors & Omissions Insurance? Should you be bonded?
4. When are "Advance Payments" earned? A hot topic of discussions lately.

All great topics for discussion - plus whatever the group may bring up.

Hope to see you at the next meeting.

THE "CFLL" - DO YOU NEED ONE?

It's the topic of discussion at just about every meeting of leasing brokers. Do I need a **California Finance Lender's License**. On one side, people say yes if nothing else to cover your butt if ever you are sued. Of course some say, being sued and having the license could be just as bad. So what do you do?

At a recent lunch meeting of leasing brokers in Orange County (see the article above), I heard perhaps one valid reason to consider getting your license - set your self apart from the competition. What a

great Marketing tool. How many times have you quoted a lease payment only to be told the lessee had 2, 3, or even 4 other quotes? So you try to tap dance around the fact that someone else has quoted a smaller payment than you.

Wouldn't it be great to slam the door on the competition by asking one simple question of your lessee when confronted with this situation: "Yes, but are the other quotes you have from licensed brokers? If not, then perhaps, you should reconsider their quote."

SCHEDULE FOR BROKER LUNCHEONS FOR 2004

San Diego Broker luncheons:

April 7	May 5
June 2	July 7
August 4	September 1
October 6	November 3
December 1	

Orange County Broker Luncheons

April 14	July 14
October 13	

**GOING TO THE
NAELB CONFERENCE
IN LAS VEGAS?
APRIL 29, 2004**

**BE SURE TO STOP BY THE
MESA LEASING HOSPITALITY
ROOM AFTER HOURS.**

**SIT BACK, PUT YOUR FEET UP,
AND ENJOY THE COMPANY
BEFORE HEADING DOWN
TO THE TABLES.**

**We will not know where until we check
in with the hotel.**

NEED A HOST FOR YOUR WEBSITE?

One of the items discussed in our last newsletter was the need to update your website. The discussion centered on content and not so much the mechanics. As a small broker, the costs associated with owning your own website is an important factor.

Keep in mind you want your web site address to have the same professional appearance you have on your business cards. (www.mesaleasing.com)

But how does a small company present a

professional image without costing an arm and a leg?

Mesa Leasing has an in-house computer Guru who handles all of our IT issues. He also hosts web sites for small businesses. He can provide you with a place to host your web site and have email "forwarding" to anywhere you chose. Cost? \$65 a year. For another \$15, he can even help you establish your own domain name. Got questions, call Bob Compton at 858-945-6217 or send him an email at bobc@web-site-host.biz. Good luck!