Finance Lease made simple

LeasePartner

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Finance Lease explainer

If your annual mileage is difficult to predict, your vehicles work hard for a living, or you want more flexibility at the end of the agreement, Finance Lease could be right for your business.

It allows you to spread the cost of a vehicle through fixed monthly payments while keeping your end-of-contract options open.

That's why it's a popular choice for vans, pick-ups and commercial vehicles, where mileage, wear and tear and future resale values can be less predictable than a typical company car.

Why Finance Lease?

Fixed monthly payments
Predictable monthly rentals help budgeting and cash flow.

Greater end-of-agreement flexibility
More involvement in what happens to the vehicle when the agreement ends.

Popular for commercial vehicles
Ideal for vans, pick-ups and specialist commercial vehicles where mileage and usage can vary.

No fair wear and tear inspections
No end-of-contract damage inspections or recharges. However, vehicle condition and mileage may affect resale value.

Potential VAT advantages
For VAT-registered businesses, Finance Lease may offer VAT advantages. Professional tax advice should always be sought.

Potential resale value benefit
If resale value exceeds expectations, your business may benefit from a share of the surplus value.

Key benefits

More choice
Choose from thousands of vans, pick-ups and commercial vehicles from all major manufacturers.

More buying power
Access highly competitive vehicle funding and pricing through our extensive network of funders and dealer partners.

More service
Receive impartial, expert advice to help identify the most suitable funding solution for your business.

Dedicated account management
A dedicated account team to support you from quotation through to delivery and beyond.

FREE UK delivery
Free mainland UK delivery, with fast delivery available on selected in-stock vehicles.

Get in touch today

Speak to a specialist – expert help, clear answers, ready when you are.

0151 294 2793
info@leasepartner.co.uk
www.leasepartner.co.uk

Understanding Finance Lease

Learn how Finance Lease works, what happens at the end of the agreement, and whether it's the right choice for your business.

Vehicle images by IMAGIN.studio

How it works

Choose your vehicle
Select the vehicle you want and agree a contract term, typically between 2 and 5 years.

Agree a balloon payment
An anticipated future value (sometimes referred to as a balloon payment) is agreed at the start of the agreement.

Make fixed monthly payments
Because part of the vehicle's value is deferred until the end of the agreement, monthly payments can often be lower than funding the full cost of the vehicle.

The agreement reaches maturity
At the end of the agreement, the agreed future value (balloon payment) becomes due.

The vehicle is sold
There are no end-of-contract damage inspections or recharges. However, excessive mileage, damage or poor vehicle condition may reduce the value achieved when the vehicle is sold.

Ideal if you:

- You want cover for unpredictable or high annual mileage
- Operate vans, pick-ups or commercial vehicles
- Want greater flexibility at the end of the agreement
- Want greater flexibility around vehicle condition and mileage
- Want greater involvement in the vehicle's future value and disposal
- Expect to keep vehicles in service for longer

Transparency matters

Finance Lease offers numerous benefits, but there are some key points to keep in mind.

Key considerations

You are responsible for the vehicle
Your business is responsible for maintaining, servicing and insuring the vehicle, although optional maintenance packages can help make costs more predictable.

Vehicle condition still matters
There are no end-of-contract damage inspections or recharges. However, vehicle condition and mileage may affect the value achieved when the vehicle is sold.

Resale value affects the final outcome
If the vehicle's value is higher than anticipated, your business may benefit from a surplus. If it's lower, a shortfall may apply.

Early termination charges may apply
Finance Lease is designed to run for the agreed term. Ending the agreement early may result in additional charges.

Tax treatment varies
Tax and VAT treatment depends on your circumstances. Professional advice is recommended.