



CASE STUDY

Tailored Financing Solutions Support Organic Growth

Situation

A major shipping company recently won a contract that would require a large expansion of their business. They needed to increase their warehouse space and add new equipment to be able to handle the additional cargo that would be processed and shipped. After speaking with their loan officer at a BancLeasing partner bank, it was clear that the bank could facilitate the building loan rather easily; however, the equipment financing solution presented a bit more complexity due to the extended installation period and the various types of equipment needed for the project.

Solution

The loan officer immediately called upon its **CashFlow Lease** account representative who then connected with the customer and successfully tailored a customized solution that met the shipping company's needs. A Lease Line of Credit was established by the bank and the BancLeasing representative structured a couple of different Lease Schedules in order to facilitate both a FASB 13 Qualifying Operating Lease as well as a Capital Lease. The **CashFlow Lease** solution provided flexible end-of-term options that allowed the customer to either purchase the equipment, continue leasing or return the equipment.

Benefits

The **CashFlow Lease** program allowed the bank to book an additional C&I Loan with one of its best commercial customers, while the customer received a customized financing solution completely tailored to fit his needs. The bank was also able to generate additional fee income, strengthen its relationship with a key customer, and prevent an outside bank or finance company from gaining a foothold into its customer's account.