

LEASOURCE FINANCIAL SERVICES, INC.

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HOW TO FIND MUNICIPAL LEASE OPPORTUNITIES

THE OPPORTUNITY

There are over 88,000 separate municipal agencies in the U.S., including state, county and local governments, school districts, water districts, hospital districts, fire districts, utility districts...the list goes on. Each entity has a Board and can issue debt without permission from another agency.

The government, in total, is the single largest customer in the world. They buy the same products as private sector companies and leasing has become a bigger piece in recent years.

NARROWING THE FIELD

There are basically two ways to find municipal transactions: 1) vendors and, 2) public agencies directly, (which is the most time consuming because it involves a lot of telemarketing) . I'll discuss this below. Vendors are the most profitable because they have multiple sales people in the field – each of whom can bring you business. Other brokers are the least profitable for you because there is another commission split.

VENDORS

Government agencies use the same equipment as companies in the private sector. Call your existing vendors and make them aware you offer municipal and federal leasing. Secondly, hit the yellow pages for new vendors. (You might also consider manufacturers of portable buildings who specialize in modular classrooms for school districts, as an example. We can finance portables up to seven years). Also, your competition may not offer a good municipal vendor program. Worst case, it's a foot in the door with something new to say.

PUBLIC AGENCY DIRECT

If you wish to do some direct marketing, the first place to start is in your own back yard. Contact every city, town, school district, volunteer fire district, county government, water district, utility district, hospital district, community college, sanitary district, state college etc. – starting at target zero, your own back yard. Call your local City Manager, School Superintendent, Fire Chief etc. and ask for names of their counterparts in other cities. These folks get together and share information and would be a good resource. And they like dealing with local people. Just tell them what you want to accomplish and I bet they'll be a wealth of knowledge. Ask where you can get or buy a list of names, addresses & phone numbers of their counterparts (school district, water district etc.). They might give you an extra copy or will point you in the right direction.

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TELEMARKETING

Once you have your list(s) the telemarketing begins. Here is what we do: Public sector people tend to be very helpful. They are, after all, public servants. It's their job to be helpful and they feel good when you show some enthusiasm and appreciation.

Telemarketing script

"Hi, my name is _____. The purpose of my call is to find out if your agency has done any equipment financing or leasing in the past. You do? Great! Do you have anything coming up in the next 90 or 120 days? Do you mind if I contact you in, say, 45 days? Great! Meantime, I'll send you my card."

The object is to start filling up the pipeline. Put the hot prospects in your contact management file for follow up.

DISCIPLINE

When we put on our telemarketing hat, we set a goal to make ____ number of calls that day, week or month. We also do it at the same time of the day and for 1 to 2 hours without interruption. We accept no other calls during that time. You can comfortably make 15 calls per hour unless you get a hot one where you need to spend some time. Mainly at the beginning you'll be introducing yourself and finding out what's out there. That's all! It won't take long to fill the pipeline.

Save your mail-outs and follow-up letters until the end of the day when you are least mentally productive. Do not prepare a package to send out after each call. You'll never make your target number of calls for that day. Stick to your plan! Make the calls first and take notes. Do the follow-up later.

ONE LAST WORD

One more word of advice... Don't be a missionary and try to sell everyone on the advantages of leasing. "Some will, some won't, so what!" They will already know whether financing is something they want to do. It's a numbers game. 30 calls a week equal 120 new contacts per month. Play the percentages. You might even want to train a telemarketer – a business major home during vacation from school.

When you get an opportunity, call us and we'll help you structure it to your client's needs. That's how you will effectively learn this business.