

# Johnson Controls Equipment Financing

Financing Solutions from Johnson Controls to Simplify Your Building Improvements.

In today's environment of shrinking budgets and increasing expectations, you are being challenged to find ways to manage assets and improve operating technologies within your facility. Do you follow a run-to-fail strategy? Are you replacing parts and performing service as needed in order to keep your equipment running? While this may preserve valuable capital for revenue generating activities, investing in new, reliable and more energy-efficient equipment might be a better choice. These difficult choices are often based on budget and not a proactive strategy which ensures optimal performance of your building and delivers the best environment for your occupants. Your choice just got easier with a financing solution from Johnson Controls.

*"The Equipment Financing Agreement offered by Johnson Controls allows us to make much-needed facility improvements, like replacing our aging chiller. Such improvements ensure the continued comfort of our guests and staff, while keeping vital capital available for other needs."*

– TIM TUCSON, ENGINEERING MANAGER  
HOLIDAY INN SELECT - DENVER, CO

With an equipment finance agreement, or EFA, you can preserve valuable cash AND improve the performance of your facility with industry-leading equipment from Johnson Controls. It's a win - win solution! All Johnson Controls products are eligible for the program including, but not limited to, chillers, air handling units, cooling towers, building controls and security & fire equipment. In addition, the total project can be included under an EFA, including materials, labor and taxes.

Ask your sales representative for more information or contact:

**Ben Speed**

Director - Structured Finance  
(414) 524-7640  
Ben.D.Speed@jci.com



- Financing through Johnson Controls
- Covers entire cost including taxes
- Project sizes as small as \$25K
- Zero down payment
- Deferred payment options
- Monthly payments
- Bank transfer for easy payment
- 5-year term for most projects
- Other terms are available

When the performance of your building is at risk, time is of the essence. The EFA process is fast and easy. Once we receive your financial statements for credit approval, we'll have a proposal for your review in less than 24 hours.\* The EFA documents are user-friendly and the automated ACH bank transfer process makes monthly payments simple.

With a Johnson Controls EFA, you no longer need to make a choice between what's best for your finances and what's best for your facilities. You can choose both.

\* Typical response time is 24 hours, but may be delayed pending credit review/approval.

## Frequently Asked Questions (FAQs)

The following list of FAQs has been compiled to aid you in understanding the Johnson Controls Equipment Finance Agreement and to address some common questions you may have.

If you have a question not outlined here, please contact Ben Speed, Director of Structured Finance for further assistance.

**Q: "I may want to finance my purchase through Johnson Controls, but I'm not sure yet. Can I get an offer and then weigh my options?"**

**A:** Yes, Johnson Controls is happy to provide a financing offer with no commitment to proceed.

**Q: "How long does it take to get an offer?"**

**A:** Typically less than 24 hours.

**Q: "What interest rate should we expect?"**

**A:** The interest rate depends on your credit quality. Most transactions price between 5.50% and 8.50%.

EXAMPLE: Monthly payment per \$1,000 financed over 60 months. (Subject to rounding.)							
Rate	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%
Payment	\$19.11	\$19.34	\$19.57	\$19.81	\$20.04	\$20.28	\$20.52

**Q: "What is the length of the financing term?"**

**A:** We typically offer a 5-year term with 60 monthly payments. However, depending on the situation and your needs, we may be able to offer shorter and longer terms.

**Q: "Is this financing directly through Johnson Controls?"**

**A:** Yes, you will sign an Equipment Supply Agreement and Equipment Finance Agreement directly with Johnson Controls. The documents are in our name. However, we do reserve the right to assign our loans to investors.

**Q: "Who owns the equipment?"**

**A:** You take title and ownership to the equipment once it is installed. During the term, there will be a security interest in the equipment to secure the collateral. We also offer an operating lease as an option.

**Q: "Who manages the financing program for Johnson Controls?"**

**A:** The Structured Finance division within Johnson Controls manages all finance transactions offered through the company. However, your sales representative will coordinate all communications with the Structured Finance division. Our focus is to give you one point of contact to keep things simple for you.

**Q: "What do I need to do to get a financing offer?"**

**A:** It's a quick and easy process. Simply provide some background information so that we can assess your credit. We typically need:

- 1) The legal name of your company or organization
- 2) The audited financial statements, including annual and most recent interim statements.

Your sales representative will gather other relevant project information for the Structured Finance division, such as:

- Proposal with scope and price
- Address of the project site

**Q: "Once I'm ready to proceed, what does the documentation look like?"**

**A:** You will sign our Equipment Supply Agreement that is attached to our project proposal. In addition, the finance documents will include our Equipment Finance Agreement and a few other associated documents. In all, we keep the document package relatively light.

**Q: "What amounts are due at closing?"**

**A:** This is a zero down payment program to minimize your financial burden. There is a documentation fee of approximately \$300.

**Q: "When are the payments and how are they made?"**

**A:** The first monthly payment (excluding the document fee) is due approximately 30 days after closing. You can pay by check or ACH bank transfer.

**Q: "Are there any deferred payment options?"**

**A:** Yes. You can choose to pay \$99/month for up to three months and then start regular monthly payments. There are other customized options for projects over \$1 million.