


# Reasons customers rent

- React quickly to growth/decline in business
  - Avoid capital expenditures
  - Increased flexibility (change in business, equipment obsolescence, etc.)
  - More predictable maintenance costs
  - Continuation during new equipment lead times
  - Economic uncertainty
  - Seasonal/ temporary business (crops, holiday, operators, etc.)
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## Traditional Currie Models/Assumptions

6% Monthly pricing multiple

55% of revenue = COGS (Depreciation, Maintenance, Interest)

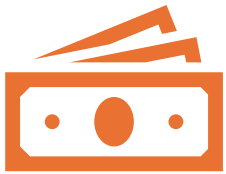
15% of revenue = expenses

30% net operating profit

One associate for every 150 units (?)

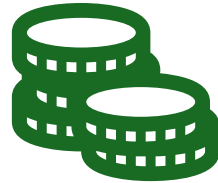
Wash out GP 2.9% per month

# Wash Out Analysis



## Wash Out Revenue

Rental Income  
Liquidation Price



## Wash Out Costs

Acquisition Price  
Interest  
Maintenance  
Reconditioning



## Wash Out Gross Profit