



ENTREPRENEURS TAKE CENTER STAGE:

Monitor Top Private Independents Surpass \$6 Billion Milestone

Despite funding cost increases, relentless competition and lethargic economic growth, *Monitor's* Top Private Independents came through with a great performance in 2015, surpassing the \$6 billion mark in new business volume. With a 2016 forecast of 15.6%, the independents are set to break through the \$7 billion ceiling in the year ahead. > >

2016 MONITOR TOP PRIVATE INDEPENDENTS

“The year 2015 was very positive in terms of portfolio growth and performance. We continued to see pricing pressures in the marketplace due to the abundance of liquidity. Over time, our value proposition resonated and allowed us to achieve the results.”

— 2015 retrospective from a survey participant

Monitor Top Private Independents

RANKED BY FUNDED NEW BUSINESS VOLUME

(\$ IN MILLIONS)

RANK		COMPANY	NEW BUSINESS VOLUME			
'15	'14		2015	2014	VARIANCE +/-	% +/-
1	1	CSI Leasing ¹	1,048.8	984.2	64.6	6.6%
2	2	GreatAmerica Financial Services	816.2	737.7	78.5	10.6%
3	3	Ascentium Capital	686.3	440.0	246.3	56.0%
4	5	LEAF Commercial Capital	388.1	321.1	67.0	20.9%
5	10	ENGS Commerical Finance	267.0	206.0	61.0	29.6%
6	7	Nations Equipment Finance	218.5	238.1	-19.6	-8.2%
7	15	Axis Capital	213.9	137.2	76.7	55.9%
8	12	Crossroads Equipment Lease & Finance	206.5	166.5	40.0	24.0%
9	11	Kingsbridge Holdings	204.5	180.2	24.3	13.5%
10	--	SQN Capital Management	198.9	207.3	-8.4	-4.1%
11	9	Somerset Capital Group	190.7	214.6	-23.9	-11.1%
12	13	Trans Lease	180.2	157.7	22.5	14.3%
13	14	Wallwork Financial	148.7	144.0	4.7	3.3%
14	19	Lease Corporation of America ²	148.5	117.7	30.8	26.2%
15	17	United Leasing (Indiana)	137.0	125.0	12.0	9.6%
16	20	Northland Capital Financial ³	130.5	115.3	15.2	13.2%
17	--	Equify	129.3	124.3	5.0	4.0%
18	18	Jules and Associates	122.2	117.8	4.4	3.7%
19	22	CCA Financial	115.6	106.7	8.9	8.3%
20	--	VAR Technology Finance	115.6	100.2	15.4	15.4%
21	23	Forsythe Technology	105.5	100.0	5.5	5.5%
22	16	Med One Capital	98.9	132.6	-33.7	-25.4%
23	24	Great Atlantic Capital	95.9	81.0	14.9	18.4%
24	21	First Financial Corporate	67.9	114.5	-46.6	-40.7%
25	--	GSG Financial	61.1	48.2	12.9	26.8%
See footnotes on page 23.			6,096.3	5,417.9	678.4	12.5%

The Monitor Top Private Independents surpassed the \$6 billion milestone in 2015, with nearly \$6.1 billion in reported new business volume, up 12.5% year-over-year from \$5.42 billion in 2014. The overall increase resulted from 20 participants (80%) reporting a net volume increase of \$810.6 million and five respondents (20%) reporting a net decline of \$132.2 million.

TOP FIVE

The top five private independents reported originations of \$3.2 billion in 2015, collectively contributing roughly 53% of the total new business volume reported. For the first time in the history of this ranking, a private independent finance company — **CSI Leasing** — surpassed the \$1 billion mark in reported net new business volume, with \$1.048 billion originated through its direct channel. The top five contributed a collective \$517.4 million year-over-year increase, which accounted for 76% of the overall net volume increase of \$678.4 million.

THE RANKINGS – TOP FIVE

For the fifth consecutive year, **CSI Leasing** holds the No. 1 position, reporting \$1.05 billion in 2015 new business volume, up 6.6% from \$984.2 million in 2014. **CSI Leasing** has been a part of Monitor's Top Private Independents ranking from its start. In the inaugural ranking, **CSI** was No. 1 with \$638.5 million in 2007 new business volume. **CSI** has been the No. 1 independent equipment finance company every year since, with the exception of 2011, when **GreatAmerica Financial Services** temporarily stole the crown. This will be **CSI Leasing's** final year in this ranking, as it will become a wholly owned subsidiary of **Century Tokyo Leasing** in a transaction expected to close in May.

GreatAmerica Financial Services easily maintains its hold of the second spot, where it has stood for half a decade, with volume of \$816.2 million, up 10.6% from 2014 volume of \$737.7 million. Once again, the bulk of **GreatAmerica's** volume (97%) came from its vendor/dealer activity with the indirect/broker channel accounting for the remaining 3%.

With a 56% increase in new business volume, **Ascentium Capital** has the No. 3 spot on lockdown, reporting \$686.3 million in volume, up from \$440 million in 2014. In an interview with *Monitor*, Richard Baccaro, **Ascentium's** chief sales and marketing officer, attributes this increase to the company's cultural design, created by CEO Tom Depping. (See related article on page 36.) **Ascentium's** vendor

activity accounted for 84% of its originations with the remainder coming from the indirect/broker (9%) and direct (7%) channels.

In its second year in the Top Private Independents rankings, **LEAF Commercial Capital** rises to No. 4 with \$388.1 million in new business volume, up 20.9% from \$321.1 reported in 2014. Thanks to a 29.6% increase in new business volume, **ENGS Commercial Finance** jumps from No. 10 to round out the top five, reporting \$267 million in 2015 volume.

TOP PERCENTAGE GAINERS

As a group, this year's top five percentage gainers were responsible for 63% of the overall net increase of the Top Private Independents group. **Ascentium Capital's** increase of \$246.3 million gives it the award for both the largest dollar net increase and the top percentage gainer with an increase of 56%. Close on its heels is **Axis Capital**, reporting a 55.9% increase in new business volume on the strength of its vendor/dealer channel, which saw almost 70% increase in growth.

Others reporting an overall increase of more than 25% include **ENGS Commercial Finance** (29.6%), newcomer **GSG Financial** (26.8%) and **Lease Corporation of America** (26.2%)

NEW ARRIVALS

This year, the Top Private Independents ranking welcomes **SQN Capital Management**, **Equify**, **VAR Technology Finance** and **GSG Financial**. New York-based **SQN** joins the ranking at No. 10, reporting \$198.9 in 2015 new business volume with 86% of volume originating from its direct channel.

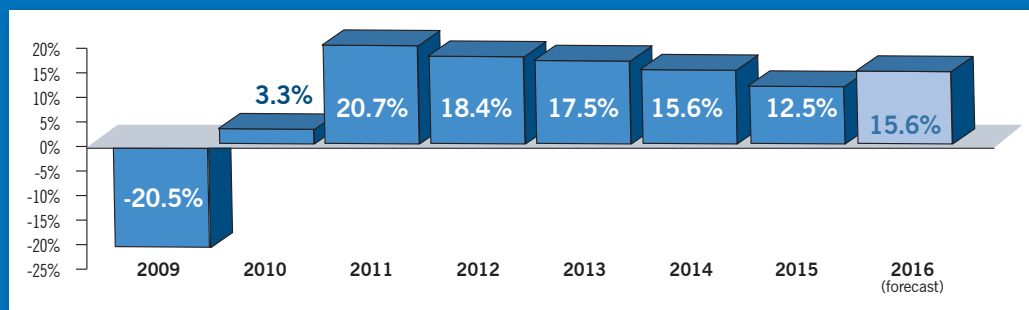
Although **Equify** is new to the Top Private Independents ranking, it participated in the Monitor 100 in previous years as **Equify Financial**. After a one-year hiatus, **Equify** is back at No. 17, reporting \$129.3 million in new business volume, up 4% year-over-year with increases in both its vendor (8%) and direct (7%) activity.

Joining the ranking for the first time at No. 20 is Mesquite, TX-based **VAR Technology Finance** with \$115.6 million in new business volume resulting from its vendor channel, which it launched in 2015. **VAR** focuses entirely on IT solutions. (See related interview with **VAR's Gary Sutton** on page 38.)

Also new to the Top Private Independents is New York-based **GSG Financial**, ranked No. 25 with a reported \$61.1 million in 2015 new business volume — 89% coming from vendor activity and 11% from direct originations.

Historic Volume Trend

YEAR/YEAR NEW BUSINESS VOLUME % CHANGE FROM 2009 TO 2016 FORECAST



Volume/Employee Productivity

RANKED BY VOLUME/AVERAGE EMPLOYEE RATIO

(\$ IN MILLIONS)

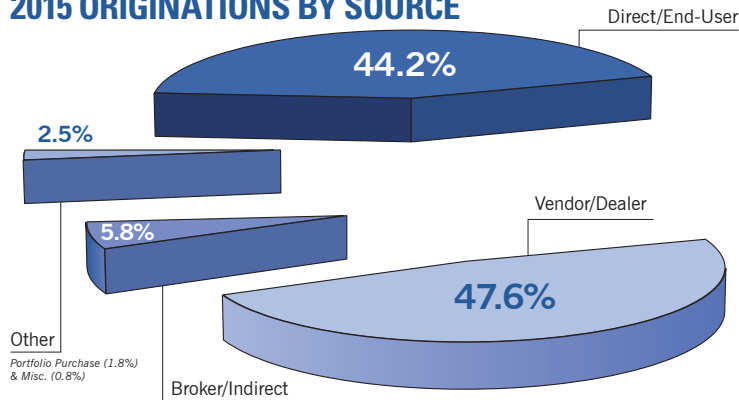
COMPANY	EMPLOYEES (#)			VOLUME (\$)	
	YE 2015	YE 2014	AVERAGE '15/'14	NEW BUSINESS VOLUME '15	PER EMPLOYEE
Great Atlantic Capital	6	7	6.5	95.9	14.75
Forsythe Technology	12	12	12.0	105.5	8.79
Wallwork Financial	23	23	23.0	148.7	6.47
SQN Capital Management	33	30	31.5	198.9	6.31
Nations Equipment Finance	39	37	38.0	218.5	5.75
Ascentium Capital	187	156	171.5	686.3	4.00
Trans Lease	47	46	46.5	180.2	3.88
GSG Financial	17	15	16.0	61.1	3.82
Axis Capital	57	61	59.0	213.9	3.63
Northland Capital Financial ³	39	35	37.0	130.5	3.53
Crossroads Equipment Lease & Finance	71	60	65.5	206.5	3.15
ENGS Commerical Finance	96	76	86.0	267.0	3.10
CCA Financial	38	37	37.5	115.6	3.08
Kingsbridge Holdings	79	69	74.0	204.5	2.76
Jules and Associates	48	45	46.5	122.2	2.63
Somerset Capital Group	76	82	79.0	190.7	2.41
United Leasing (Indiana)	64	58	61.0	137.0	2.25
GreatAmerica Financial Services	421	386	403.5	816.2	2.02
Med One Capital	50	50	50.0	98.9	1.98
Equify	78	62	70.0	129.3	1.85
VAR Technology Finance	65	61	63.0	115.6	1.83
First Financial Corporate	38	39	38.5	67.9	1.76
Lease Corporation of America ²	90	85	87.5	148.5	1.70
LEAF Commercial Capital	239	235	237.0	388.1	1.64
CSI Leasing ¹	894	880	887.0	1,048.8	1.18
See footnotes on page 23.	2,807	2,647	2,727.0	6,096.3	2.24

2015 RETROSPECTIVES

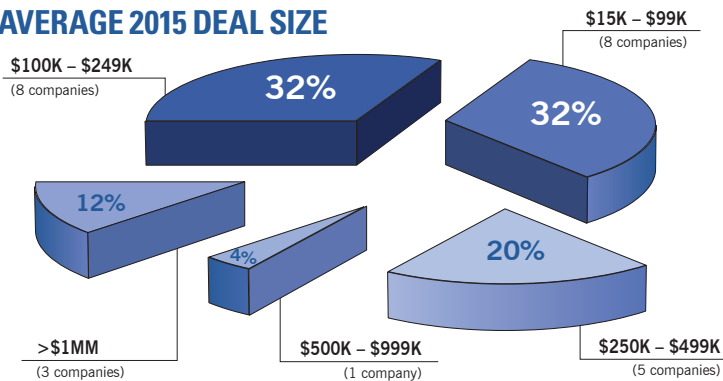
The independents faced a great deal of market pressure in 2015. Competitive cost of funds, intense competition and sluggish economic growth resulted in a scarcity of quality opportunities, according to one respondent. While the declining health of the oil and gas industry was also cause for concern, the majority of respondents reported pricing pressure as the overarching struggle of 2015. One respondent pointed

to the perception of low rates in middle market, non-rated credits. "Banks established extremely low headline rates but did not extend credit beyond the top tier leaving the middle with the expectation of lower rates but not the credit quality to support it. This low rate environment kept portfolios out of the hands of independents as banks traded them at rates only supported by larger institutions."

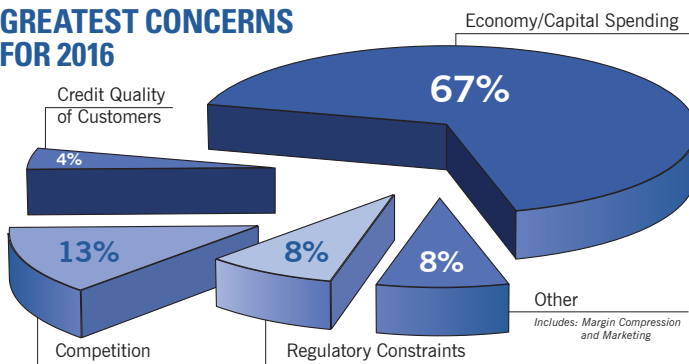
2015 ORIGINATIONS BY SOURCE



AVERAGE 2015 DEAL SIZE



GREATEST CONCERNS FOR 2016



FOCUS IN 2016

Improving operational efficiency will be the resounding focus of the independents in 2016. Many respondents plan to develop and deploy technology designed to improve their processes. One respondent plans to “continue with automation, implementation of new systems and infrastructure to support the development and growth of our business.”

Other areas of focus in the year ahead include recruiting and retaining sales people to increase direct originations, driving down overall funding costs and maintaining strict underwriting discipline in the competitive environment. Several respondents also plan to either focus on new business development or hone their expertise in niche markets.

2016 FORECAST

For the last several years, the independents' greatest concern has been competition. This year we see a shift as 67% of respondents cite the economy and capital spending as their greatest concern, followed by competition (13%) regulatory constraints (8%), customer credit quality (4%), margin compression (4%) and rebranding (4%). Despite the apprehensive view of the economy, the independents are forecasting a bright year ahead. With the exception of one company that did not answer the forecast question, one company that provided a negative outlook and one company that expects zero growth, the remaining 22 independents (88%) anticipate new business volume growth in 2016. Expected growth ranges from a low of 5% to a high of 100%.

On an average weighted basis, the independents are forecasting an increase of 15.6%, or \$951 million in new business volume for 2016. If this forecast becomes a reality, next year's Top Private Independents will exceed the \$7 billion threshold. However, what the future will bring remains anybody's guess. Last year's forecast anticipated an increase of 16.6%, or \$968.4 million in 2015, but the independents saw growth of only \$678.4, or 12.5%, this year.

SUMMARY

Given the increasing cost of funding, brutal competition and lethargic economic growth of 2015, Monitor's Top Private Independents came through with a great performance. Despite the odds against them, the independents found ways to compete against the banks' high liquidity, and overcame deal structure pressure to achieve 12.5% growth. The independents also continued to expand their staff, hiring 160 new employees in 2015. With access to funding and the capital markets tightening in the year ahead, we will have to wait and see if the independents achieve the growth they anticipate for 2016.

Monitor thanks the independent equipment finance companies that participated in our annual survey, and welcomes the newcomers to inclusion in the Top Private Independents ranking. ■

ABOUT THE SURVEY: BASIS FOR RANKING

To meet the criteria for selection, companies that qualify must be privately owned with equity provided by the individual owners and/or private investors.

Participants were asked to provide full-year data relating to funded new business volume, which was to include information pertaining to equipment-related loans and leases only.

We also collect information such as staffing levels, origination and funding sources, average deal size, etc. Once received, the data was compiled, checked for accuracy and formatted for this report.

A company's position in the **Monitor's Top Private Independents** ranking is based solely on its funded new business volume.

Questions/Participation Inquiries:

Please contact Rita Garwood at rgarwood@monitordaily.com.

2016 Top Private Independents Index

ALPHABETICAL BY COMPANY NAME

COMPANY BUSINESS HEAD	RANK		VOLUME		DEAL SIZE AVG 2015 (\$=THOUSANDS)	EMPLOYEES YE/15	ORIGINATION DATA		LOCATION/URL
	2015	ESTABLISHED & SCOPE	2015 (\$=MILLIONS)	SOURCE MIX % (VDR/DIR/BRKR-INDIR/OTHER) TOP ASSET CLASSES			HEADQUARTERS (city, st) WEBSITE		
Ascentium Capital Tom Depping	3	2011 National	686.3	59.7	187	84/7/9/0 Medical, IT, Furniture/Fixtures	Kingwood, TX ascentiumcapital.com		
Axis Capital Gordon Glade	7	1996 National	213.9	77.0	57	99/0/0/1 Construction, Industrial, Truck/Trailer	Grand Island, NE axiscapitalinc.com		
CCA Financial Kim Albers	19	1972 National	115.6	100.0	38	8/55/27/10 IT, Networking, Manufacturing	Richmond, VA ccafinancial.com		
Crossroads Equip Lse & Fin Jeffrey Macartney	8	2006 National	206.5	136.5	71	37/62/1/0 Truck/Trailer, Vocational, Construction	Rancho Cucamonga, CA crlease.com		
CSI Leasing¹ Kenneth B. Steinback	1	1972 International	1,048.8	250.0	894	0/100/0/0 IT, Telecom	St. Louis, MO csileasing.com		
ENGS Commercial Finance Craig Weinewuth	5	1952 National	267.0	80.0	96	96/4/0/0 Truck/Trailer, Construction	Lisle, IL engsfinance.com		
Equify Pat Holby	17	2011 National	129.3	380.0	78	19/74/7/0 Const, Truck/Trailer, Energy Related	Fort Worth, TX equifyllc.com		
First Financial Corporate Tom Slevin/Richard Stebbins	24	2000 National	67.9	327.0	38	15/84/1/0 Medical, Mats Handling, IT	Placentia, CA ffcsi.com		
Forsythe Technology William P. Brennan	21	1971 National	105.5	1,517.6	12	0/100/0/0 IT, Telecom	Skokie, IL forsythe.com		
Great Atlantic Capital John Wallace	23	2000 National	95.9	626.8	6	22/78/0/0 Printing, Packaging, Construction	Hackensack, NJ greatatlanticcapital.com		
GreatAmerica Financial Services Tony Golobic	2	1994 National	816.2	17.0	421	97/0/3/0 Office Related, Telecom, Auto Repair	Cedar Rapids, IA greatamerica.com		
GSG Financial Andrew Bender	25	2003 National	61.1	120.0	17	89/11/0/0 Mats Handling, IT, Office Related	New York, NY gsgfinancial.com		
Jules and Associates Jules Buenabenta	18	1989 National	122.2	250.0	48	0/100/0/0 Manufacturing, Construction, Medical	Los Angeles, CA julesandassociates.com		
Kingsbridge Holdings Dan Flagstad	9	2006 National	204.5	130.2	79	3/88/9/0 IT, Mats Handling, Medical	Lake Forest, IL kingsbridgeholdings.com		
LEAF Commercial Capital Crit DeMent	4	2011 National	388.1	20.5	239	100/0/0/0 Office Related, Telecom, IT	Philadelphia, PA leafnow.com		
Lease Corporation of America² John B. Kemp	14	1988 National	148.5	34.2	90	68/0/26/6 Telecom, Office Related, Medical	Troy, MI leasecorp.com		
Med One Capital Larry Stevens	22	1991 National	98.9	200.0	50	85/15/0/0 Medical	Sandy, UT medonecapital.com		
Nations Equipment Finance Phil Carlson	6	2010 International	218.5	1,426.0	39	0/73/27/0 Const, Truck/Trailer, Mach Tools/Plastics	Norwalk, CT nationsequipmentfinance.com		
Northland Capital Financial³ Willis Kleinjan	16	1996 National	130.5	64.9	39	32/51/16/1 Agriculture, Truck/Trailer, Construction	Saint Cloud, MN northlandcapital.com		
Somerset Capital Group Evan Bokor	11	1984 International	190.7	412.0	76	6/50/25/19 Semiconductor Mfg, IT, Mats Handling	Milford, CT somersectcapital.com		
SQN Capital Management Jeremiah Sitkowski	10	2007 International	198.9	2,313.4	33	0/86/0/14 Mfg, Portfolio, Energy Related	New York, NY sqncapital.com		
Trans Lease Brian Eschmann	12	1993 National	180.2	127.3	47	37/57/0/6 Truck/Trailer, Const, Energy Related	Commerce City, CO transleaseinc.com		
United Leasing (Indiana) Ronald D. Romain	15	1964 National	137.0	147.0	64	17/69/14/0 Trans, Fitness, Manufacturing	Evansville, IN unitedevv.com		
VAR Technology Finance Gary Sutton	20	1990 National	115.6	59.2	65	100/0/0/0 IT	Mesquite, TX vartechologyfinance.com		
Wallwork Financial William Wallwork III	13	1952 National	148.7	171.5	23	20/32/14/34 Truck/Trailer, Energy Related, Const	Fargo, ND wallworkfinancial.com		
			6,096.3	9,047.8	2,807				

FOOTNOTES:

¹ CSI Leasing
YE 6/30/2015

² Lease Corporation of America
YE 11/30/2015

³ Northland Capital Financial
YE 8/31/2015