



# STEPS TO LEASE A FOOD TRUCK

Ready to turn your food truck dream into reality? This checklist gives you the lowdown on best practices for food cart leases.

## 1 CHOOSE YOUR LEASE TYPE

There are two primary lease arrangements. Choosing the best for your needs depends on your goals and overall financial situation:



### Traditional Lease:

A traditional lease involves a set amount of monthly payments.

- It may or may not require a down payment to get started.
- The lease length may vary, but there is a finite end to the contract, at which time you can renew, cancel, or upgrade based on your needs.
- This is ideal for operators that want to test the waters or save on monthly costs.



### Rent-to-Own:

A rent-to-own (also called a lease-to-own) contract allows operators to put their monthly payments toward truck ownership.

- A higher down payment is typically required.
- The initial costs and monthly payments are less than purchasing a new food cart.
- This option works well for owners that want to own their food truck but don't have enough upfront capital.

## 2 PREPARE DOCUMENTS FOR LEASING COMPANIES (GET ORGANIZED)



In order to get approved for your food cart lease, you'll want to make sure you have all of the following prepared:

### Business Plan:

Consider this your roadmap to present to leasing agents. Include all practical and operational aspects of your food truck business, such as:

- Brand identity
- Target market and analysis
- Location
- Sample menus
- Financial plan

### Financial Information:

Gather your pertinent financial information to demonstrate your financial responsibility background.

- Credit scores
- Access to capital
- Proof of down payments

### Proof of Insurance:

As a lessee, you will likely have to procure insurance for your food cart. Check with your state laws and leasing company to get the appropriate insurance to meet regulations.

## 3 GET LICENSES AND PERMITS IN ORDER

Once you have finalized all the leasing aspects, it's time to turn your attention to legal and health requirements before officially serving food. You will need a few basic permits to be legally operational.

*\*These can vary by city and state so be sure to check your local regulations.*

- Food license or food handler's permit
- Business license and Employer Identification Number
- Driver's license
- Location and parking permits
- Health code licenses and proof of inspection
- Fire inspection certificate
- Special event permit

