

The study was conducted to establish and analyze whether policy and legal framework, Access to information, level of education and resources are factors that determined access to lease financing in Kenya among small and medium enterprises. The study was motivated by the fact that the researcher established that besides limited information on lease financing to SMEs, studies carried out on lease financing and SMEs in Kenya had not covered in depth the factors that determined access to lease financing in this sector. The study employed the use of descriptive research design where by data collected was presented without the researcher influencing the findings in anyway. The target population for this study was 50 entrepreneurs of SMEs in Kisii Municipality. The study employed the use of questionnaire with both closed and open ended questions and structured interviews. Data was analyzed using Statistical Package for Social Sciences (SPSS). Descriptive statistics (i.e. use of frequency tables, pie charts and graphs) was used to analyze the data. The findings of the study demonstrated that majority of the respondents i.e. 44.68% were not satisfied with the policy and legal framework governing lease financing in the country. This was due to the presence of laws and regulations that were not encouraging hence hindering the development of their businesses. The findings of the study also indicated that the respondents lacked access to information and as a result lacked access to credit. The study concluded that lack of adequate knowledge prevented SMEs from generating lease from banks or leasing companies due to their weak accounting standards since majority did not have tertiary education. As a result of this it was difficult for leasing firms to obtain information about prospective borrowers. The study concluded that resource levels affected lease financing since most high lending Financial institutions had policies that hindered SMEs from securing loans. To facilitate a loan from high lending institution SMEs had to disclose their financial status and other compliance requirements which they did not have the capacity to handle.