

# BUYING A CAR VS. LEASING A CAR

## BUY

## LEASE



### THE MONEY

Requires **more money up front**, and each month.

Costs **less up front** and each month, so you can afford a more expensive car.



### THE BILLS

Can **pay off your auto loan**, which eliminates a monthly cost.



If you always lease, you'll **make car payments for life**.



### THE COMMITMENT

Have the **freedom** to sell or trade it in whenever.

A **lease contract** is difficult and expensive to break.



### THE DOLLARS AND CENTS

Usually **costs less** than leasing overall, over time.



You can get a **tax break** if you use the car for business purposes.



### THE TIME

It's yours to sell, total, or drive for **20 years**.

Can upgrade to the newest model **every couple of years**.



### AND KEEP IN MIND...

The car's **value depreciates** as soon as you drive it off the lot.



You'll **owe fees** for exceeding annual mileage limits or any damage to the car.

If you want	Then you might consider
A new car every 2-3 years	<p style="text-align: center;"><b>Leasing</b></p> <p style="text-align: center;">(Leases benefit car owners who plan to switch cars regularly since a long-term commitment isn't required)</p>
To resell the car	<p style="text-align: center;"><b>Buying</b></p> <p style="text-align: center;">(Buying a vehicle means that you could resell it to recoup some of your payments, whereas leasing doesn't allow for any resale rights since the car doesn't belong to you)</p>
No major repair risks	<p style="text-align: center;"><b>Leasing</b></p> <p style="text-align: center;">(Because a lease is under a special warranty, the vehicle leaser never has to worry about covering major repairs)</p>
Eventual ownership	<p style="text-align: center;"><b>Buying</b></p> <p style="text-align: center;">(Leasing a car means you're borrowing it for a period of time, so if you want to eventually own the vehicle, its best to take out a car loan)</p>
Lower monthly payments	<p style="text-align: center;"><b>Leasing</b></p> <p style="text-align: center;">(Leasing a car means that you don't have to pay a high monthly payment because you're only paying a portion of the cars cost and the interest rates are lower)</p>
Long-term cost savings	<p style="text-align: center;"><b>Buying</b></p> <p style="text-align: center;">(While a lease could save you money in the short-term because you make low monthly payments, buying the vehicles means you will get to keep the car cost-free after you've successfully completed your term)</p>
A lack of vehicle restrictions (miles and maintenance)	<p style="text-align: center;"><b>Buying</b></p> <p style="text-align: center;">(When you lease, you must not only stay under a specific number of miles per year, but also keep the car in good condition to avoid wear-and-use charges)</p>