The Consumerâ€™s Dilemma: to Buy or Lease a Vehicle

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Buying your own car can prove to be a very daunting task. The benefits of owning the vehicle of your dreams can easily be overwhelmed by problems that may arise during the buying process. These include insufficient credit and other financial shortcomings. Perhaps you are also bothered by still another concern: should you buy or lease?

The answer to the buy or lease question is definitely not a simple one. The answer will depend on you as a customer and your evaluation of your own individual financial standing. So before you choose a car, you should first know what purchasing and leasing means.

By definition, purchasing or buying the vehicle means that you are paying for the vehicle's entire cost. This means that once you have fully paid the vehicleâ€™s cost, you become the proud owner of that vehicle regardless of how long you keep it or how many miles you drive it. Leasing a vehicle means you are only paying for the vehicle while you are using it. Much like renting an apartment, you are never considered as the owner of the property. You are simply paying for the use of it. Car dealerships Indianapolis In has can cite the advantages and disadvantages of both cases that you will need to consider.

The first thing you need to ask yourself from is how long you intend to use the vehicle. If you prefer to own a new vehicle every couple of years, then leasing a vehicle may be the better choice. However, leasing a vehicle would mean never ending car rental payments. When you buy a vehicle, your car payments end once you are fully paid. Monthly payments for buying a vehicle are also considerably higher than that of leasing one. Auto dealers Indianapolis buyers transact with should also consider is that these car dealers will require a reasonable down payment for the vehicle. Thus, initially, buying a car will also mean a bigger expense.

As mentioned earlier, leasing a car means you will regularly pay for the car you rented. If that doesnâ€™t sit well with you, then leasing is probably not for you. A leased car may also have mileage restrictions. Most leases have a restriction of 15,000 miles per year. Car dealerships in Indianapolis In may require you to pay extra if you go over the allotted mileage. In addition, insurance companies commonly charge higher coverage costs for any type of leased vehicles. This additional cost is based on the customerâ€™s age, driving history and place of residence. So before you get your dream car, make sure you have carefully weighed all the important details.

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