Article published on May 12th 2012 | Finance

It is now possible to enjoy good car leasing options with the many leasing firms available in the market. As with all things, there are always advantages and disadvantages on car leasing but there are more advantages than disadvantages to car leasing that make it popular.

Advantages

A car leasing contract is usually very cost effective to the average consumer as the monthly payments would come up to be lower than that in a personal loan. Hence, consumers who want to purchase a car would consider a car lease than use a personal loan.

Most car leasing contracts would include maintenance so that the consumer need not be concerned about the general upkeep or condition of the leased car. A well maintained car would fetch a higher resale value which is the primary objective of the leasing company or any car owner.

Car leases pose no depreciation concerns to the consumer as the car does not belong to them; the leased car belongs to the leasing firm. Hence, at the end of the leasing contract, the consumer only needs to return the car to the leasing firm and be done with the arrangement. There is no need to worry over the carâ€™s depreciation or resale value.

With car leases, the consumer is able to access more â€˜up marketâ€™ models of vehicles. It is possible t enjoy a more expensive model with a car lease than if personal funds or loans were exercised. Luxury cars may depreciate slower in value which makes them more attractive to car leases.

However, there are some disadvantages to a personal car leasing contract although they are mainly based on biased perception.

Disadvantages

Many consumers perceive car leasing contracts as a compulsory option to a comprehensive car insurance which is more expensive. This is true even with used or recon cars from leasing companies; not just for new models. Consumers are not allowed to take on third party insurance on their leased cars until the lease is completed or when the leased car becomes theirs.

Many consumers feel that they are never the real owners of the leased car on a car lease although they may possess the car and use it fully. They can even keep the car at home every day but at the end of the leasing contract, they would have to return the car.

Some stringent car leasing contracts have a â€˜No buy optionâ€™ which does not allow the consumers to buy off the car for themselves at the end of the car leasing contract.

Article Source:
http://www.articleside.com/finance-articles/advantages-and-disadvantages-of-car-leases.htm - Article Side

Freddie Wade - About Author:
For more details regarding van or a car leasing contact Lease4Less online, our website is packed full of the very finest deals available for a leasing a car in the UK.

Article Keywords:
car leasing,leasing a car

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!