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The Pros and Cons of Using a Lease Car by [Julia Roger](#)

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A car very much serves as a utility vehicle. One may need a car for multipurpose; may be for commercial or even residential use. However, if the requirement is for the short term one can always look up to the concept of a lease car. This is a system, which allows someone to use a car, without having to outright purchase it. The contract is signed for a fixed term. After the expiry of the term the car will have to be returned to the leasing company. This system has several pros and cons.

The advantage here is that, this form of arrangement suits both parties. The user generally ends up paying a fee, which is less than he or she would have had to pay as EMI. If there is a desire to change the model it can easily be done once the period expires. One does not have to shoulder the responsibility of selling the older model. The leasing company also gets to enjoy revenues without having to part with the ownership of the car.

However, there are certain factors that one needs to pay attention to. The agreement with the leasing company is one such area, where one needs to pay much of their attention. Here, there are points, which limit the number of miles the user can drive. It is normally 10,000 miles per annum. It even calls for a payment of an extra fee if the user terminates the agreement earlier. The concept of leasing is generally done for business cars. The concept of business car leasing is great as it allows the business house to use the car without having to own it. The asset value of the car generally decreases with each passing day. Hence, the business house will be saved from the agony of owing a decreasing asset.

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