

AUTO TALK



SAINT VINCENT
FEDERAL CREDIT UNION

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Buying vs. Leasing: The Pros and Cons of Each Option

In addition to determining the ideal make and model of your next vehicle, you'll also have to decide whether you want to buy the vehicle outright or if you want to lease it. It's a tough question to think about as it depends on a lot of variables and personal factors. That's why it's important to know some of the positives and negatives of each option as you begin your car buying journey.

Buying pros and cons:

Pro: By buying your car, you own it and are free to do what you want with it. Whether you want to modify the vehicle or simply take long drives without having to worry about mileage caps, you're in total control.

Pro: Once you've finished paying off the car, you don't have to pay anymore. While that sounds simplistic, the money you'd otherwise be allocating towards a monthly car payment can be put aside for your next car or even in an emergency fund in case a costly repair arises.

Con: The monthly payments when you choose to buy a car will typically be more expensive than if you choose to lease, especially when you factor in interest.

Leasing pros and cons:

Pro: Since you'll have the ability to swap cars every few years, you'll be able to experience the newest features and technology.

Pro: At the end of the your lease, you don't have to worry about trying to resell your car or haggling with the dealer about the value. You may have to pay fees if you've exceeded the mileage cap or accumulated excess wear and tear, but in general all you have to do is return the vehicle and move on to your next car.

Con: Even if the monthly amount is lower compared to buying a car outright, you'll always have a car payment when leasing. You're also very unlikely to earn any cash back on a leased car, so it'll be more difficult to put aside funds that you can use upfront for your next lease.



WEBSITE HIGHLIGHT

Free CARFAX® Reports

A CARFAX® report is a great place to start when researching a pre-owned vehicle on our auto shopping website. This report provides key details, such as accident history and recall information. Best of all, we offer free CARFAX® reports for most vehicles when you shop for your next vehicle with us!



Get the Best Deal on Your Car

Getting a car obviously isn't as simple as going to a single dealership one afternoon and picking one of the cars on the lot or in the showroom.

It's important to do as much research as possible on your dream vehicle and browse multiple dealerships. You can conveniently do this on our website, whether you're at home on a computer or on-the-go with your phone.

Additionally, you'll have a significant advantage by talking to us for a pre-approved auto loan before your decide to go and visit a dealer to get your car. Getting pre-approved for a loan with your credit union not only will help you avoid overpaying for your car, but it also serves as a powerful negotiation tool with the salesperson.

By taking these items into account, you'll be in great shape when it comes time to make a decision on your dream car!



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