

BUYING vs LEASING PROJECT

OUTCOME B13: Compare the costs involved in buying versus leasing the same new vehicle

OUTCOME B15: Complete a project involving the purchase or lease of a new vehicle or the purchase of a used vehicle, including the cost of insurance

You will select a vehicle.

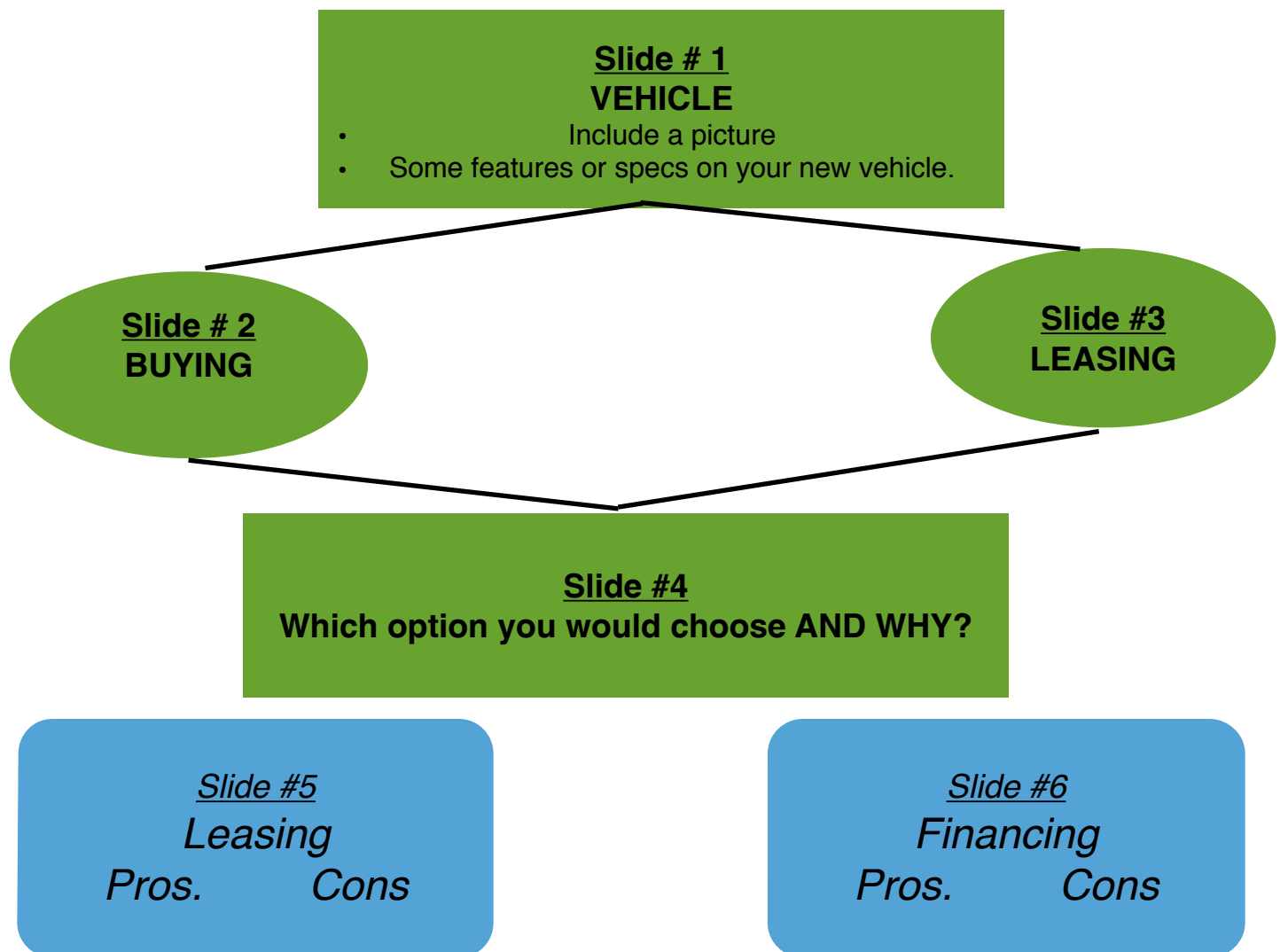
You will examine 2 possible payment scenarios:

BUYING (FINANCING)

LEASING

You will select the best option and explain why you selected this option.

You will use www.prezi.com to present your project.



Specifics Requirements per Slide:

Slide #1 (Vehicle):

- Include a picture
- Include some neat selling features or specs.

Slide #2 (Option #1- Buying): *(Red font optional)*

- MRSP= \$_____
- Freight and PDI=\$_____
- Down Payment= \$1000.00
- Fees and Taxes=\$_____
- Loan Amount (Balance to Finance)= \$_____
- Loan Period=_____months (**No more than 60 mths*)
- Interest Rate/Finance Rate=____%
- Total Monthly Payment=\$_____
- **Total Interest Amount/Cost (aka Total Cost of Borrowing)=\$_____**
- Total Cost to Finance=\$_____ (Amount of monthly payment x number of months)

Slide #3 (Option #2- Leasing): *(Red font optional)*

- MRSP=\$_____
- Freight and PDI=\$_____
- **Net Vehicle Price=\$_____**
- Residual Value/ Remaining Balance=\$_____
- Initial Lease=\$_____/month
- Interest Rate=____%
- Lease Term=_____ months
- Annual Km Allowance=_____ km
- Total of Monthly Payments=\$_____
- **Total Interest Amount/ Total Cost of Borrowing=\$_____**

Slide#4: Best Option

- Explain why you chose the option you chose.
- Explain why you did not choose the other 2 options.
- Can be in point form.
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Slide #5: LEASING Advantages and Disadvantages

- Use the article on our website (under Outcome B13) to find 3 advantages and 3 disadvantages of leasing.

Slide #6: FINANCING Advantages and Disadvantages

- Use the article on our website (under Outcome B13) to find 3 advantages and 3 disadvantages of financing.