

BUYING vs LEASING PROJECT

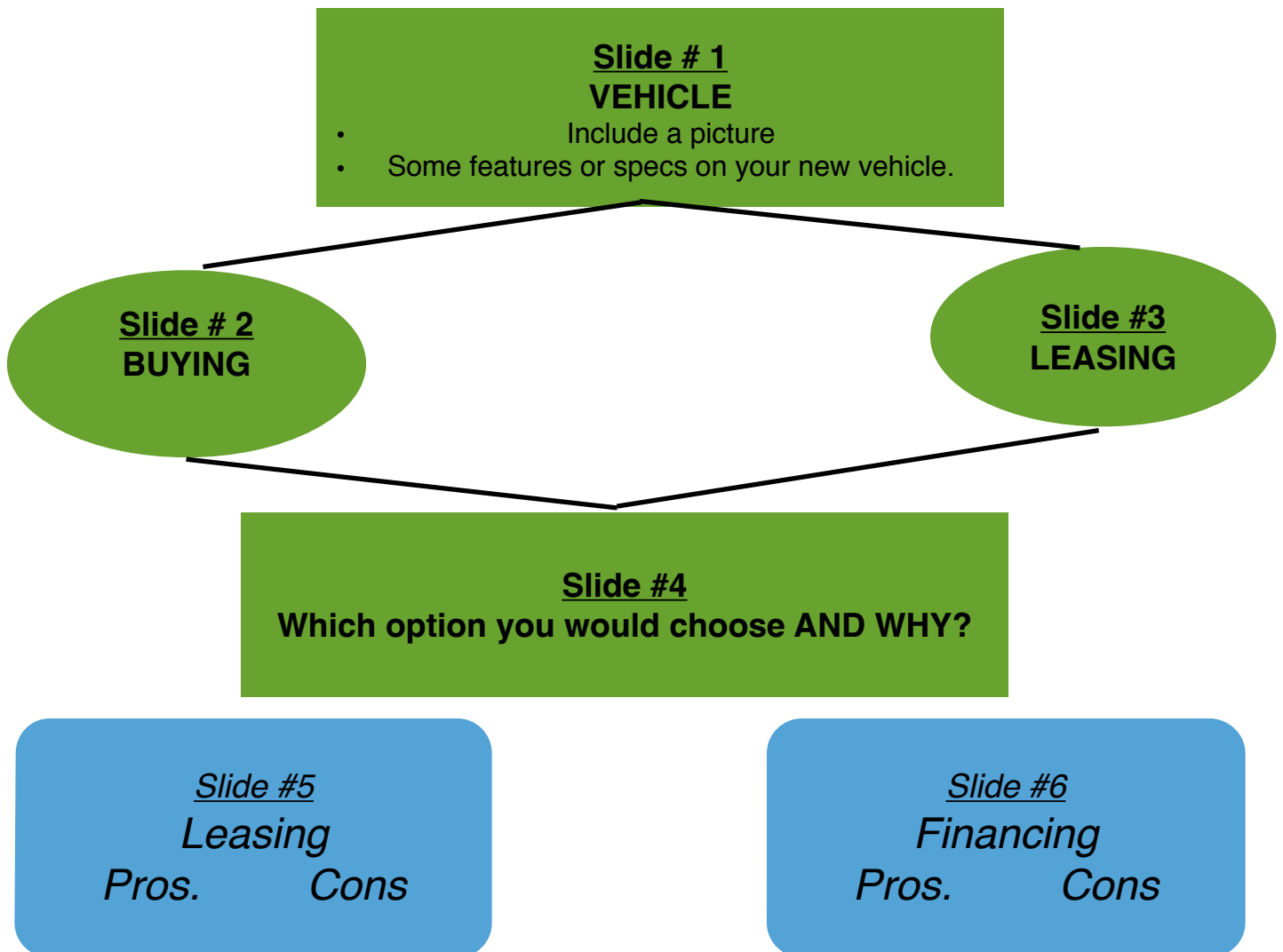
OUTCOME B13: Compare the costs involved in buying versus leasing the same new vehicle

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.