

## Lease or Finance?

The decision to lease or finance depends on many factors, but most customers make the decision based on monthly payments and how long they typically drive their vehicles.

In general, customers who lease prefer to drive a new car every 2-3 years and appreciate making lower monthly payments. For certain business customers there may also be additional tax advantages with leasing.

Customers who finance their vehicles tend to drive them for five to 10 years and appreciate driving without mileage limitations.

Explore the detailed benefits of leasing and financing below.

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### Drive the Vehicle at Its Prime

In a lease, you contract to enjoy a new vehicle for a specified period of time. You can also choose to lease one of our premier Honda Certified Used Cars.

### Less Cash Up Front

One of the biggest advantages of a lease is that it does not usually require a substantial down payment. In many states, you can even pay the sales taxes as part of your monthly lease payment, rather than in a lump sum.

### Lower Monthly Payment

If the finance period is the same, your monthly payments will generally be lower when leasing (vs. traditional financing) because your payments will be based on the vehicle's estimated depreciation. (You are contracting to use a portion of the car's value, rather than buying the entire car).

### A New Car More Often

A short-term lease makes it easy to drive a new car more frequently. Plus, if life changes demand a larger or smaller car in a few years, a lease can make it easier to plan and adapt.

### Guaranteed Future Value

You don't have to worry about resale value. If your car depreciates more than the estimated residual value in your lease contract at full term, you can turn it in at the end of your lease term. But if it's worth more, you can purchase it.

### Tax Advantage for Business Use

People who use a lease car for business may find larger tax deductions with leasing than with buying a vehicle. Check with your tax advisor.

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## Financing

If you typically keep your vehicle for five to 10 years, then traditional financing may be your best option. With our competitive rates and flexible terms, Honda Financial Services<sup>SM</sup> just may be your best choice in financing your new vehicle.

### Ownership Equity

Payment by payment, your ownership equity may increase. And the longer you drive the vehicle after your contract is complete, the more value you derive from your investment.

### **No Restrictions on Mileage**

This is important to consider if you drive more than 12,000 to 15,000 miles per year.

### **Make Changes to Car's Appearance**

You can alter the interior or exterior to suit your taste (though your choices may affect the resale value).

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