Procedure:

$$Total\ Depreciation\ Cost\ = Total\ Price - Residual$$

$$Total\ Finance\ Cost = (Total\ Price + Residual) * Money\ Factor * Lease\ Term$$

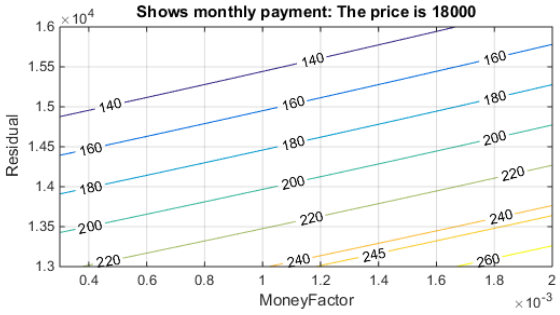
$$Total\ Customer\ Payment = Total\ Deprecation\ Cost - Total\ Finance\ Cost$$

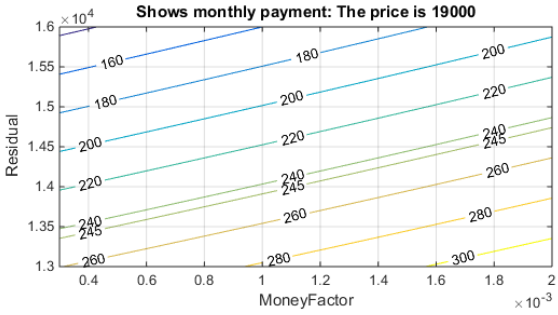
$$Monthly\ Payment = \frac{Total\ Customer\ Payment}{Lease\ Term}$$

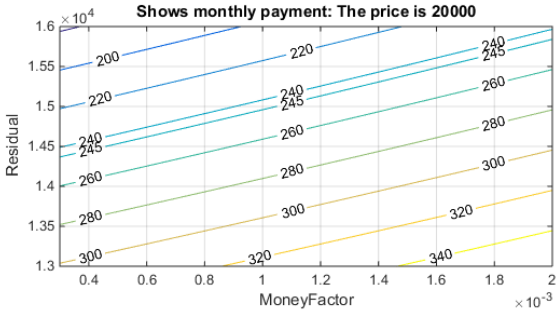
If the Total Price is $20063 and the Money Factor is .0051, then according to the above formula the Monthly Payment for 24 Months, residual $ 15255, is 218.35.

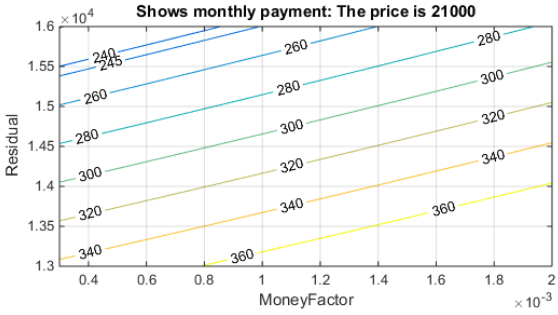
Charts:

The following plot shows the monthly payments at four different prices for a variety of Residuals and Money Factors. This plot is not specific, it applies to all leases within these parameters. The bottom left corner plot shows the price condition closest to that offered, and shows that the monthly payment should be close to $220 based on the details.









This plot shows the low and standard residuals, here called high and standard, as provided by the dealership for four different lease terms. As is expected, the longer lease terms result in smaller monthly payments even when the money factor is constant.