

How to lease a new car?

Whether you lease a car to get into the latest models or have better purchasing flexibility, getting a good deal is always bound to give you a lift. Use these guidelines to help you spot one:

Check incentives: be on the look-out for factory -subsidized lease deals. Car manufacturers realise that consumers who lease vehicles from them are more likely to be repeat customers than those who simply purchase vehicles. Through their leasing companies, they adjust the residual value and offer low financing charge. Other auto-manufacturers are also starting to give incentives on leasing, called leasing subventions. They offer these subsidies to put slow-selling models on the street, saving you even more money.

Set up a competitive: bidding environment to get the lowest price. If you already have an idea in mind of the make, model and trim level of your desired car, attempt to calculate your own lease payment before you go shopping to avoid paying through the roof. Check online comparison tools or use a lease calculator to check your lease payment based on purchase price. This gives you greater negotiation leverage as you solicit quotes from various leasing companies.

Make sure you know all the fees involved at the beginning of your lease: you may have to pay fees for licenses, registration and title. Other fees include acquisition fees, freight fees and local or state taxes. At lease-end, you may have to pay a disposition fee and charges for extra mileage and any excess wear. Be aware that some of these fees - like acquisition and disposition fees - are negotiable.

Know your mileage needs: almost all leases limit the number of miles per year by imposing typically 10 to 20 cents per excess mile over 15,000 miles a year. If you are the kind of high-commuter who puts 40,000 miles a year on his car, then you might end up running thousands of dollars in hefty penalties at the end of your lease. Be smart and negotiate a higher-mileage limit or pad you excess miles at the beginning of your lease to avoid robber tax rates for excess miles.

Almost all leases limit the number of miles per year by imposing fees typically 10 to 20 cents per mile over 15,000 miles per year. If you are the kind of high-commuter who puts a lot miles on his car, then these costs can add up quickly. Negotiate

Include GAP coverage: make sure your lease includes GAP coverage. This

covers you in the event of the vehicle getting wrecked, stolen or totalled. Without GAP insurance, you leave yourself wide open to thousands of dollars in leased obligations. Check if the GAP coverage is included so you don't pay it twice.

(Word count: 451)

PPPPPP