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If One is a Little Careful Personal Car Leasing Can Be a Very Advantageous Prospect by Julia Roger

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Basically, leasing allows the lessee to use certain property without paying its purchase price and the lessor to generate income out of possessions, which are otherwise lying unused. However, to gain full advantage out of personal car leasing, both the parties must remain careful about certain legal aspects. For instance, before one takes a vehicle on lease, he or she must draw an agreement with the lessor and abide by its stipulations. Now, the first point to look into is that, whether such an act will be financially advantageous. If the leasehold period is long, taking car loans and making outright purchase may actually come out to be much cheaper.

Another important aspect is that, if one wants to lease car, he or she has to do that for a fixed period of time. Early termination of the agreement often involves heavy penalty. Therefore, if leasing of the car nay not seems as a viable option at any later date, a lessee can not just walk out of the agreement; he/she will have to compensate the lessor for that. Moreover, the mileage the leased car is expected to run is important too. In general, for private cars, the leasehold agreement limits that to 10,000 miles per annum. Now, if the leased car runs, 12,000 miles, one may be required to pay a heavy fine for that. However, one can also negotiate in this respect and be allowed higher mileage for higher fees. Thirdly, the agreement also limits how much wear is permissible under the contract; if that exceeds the limit, one will also have to pay penalty for that.

However, not every aspect in personal car leasing is off-putting. It is actually a very advantageous prospect if the requirement is for a short period. Many business firms find leasing a much better solution than outright purchase; they keep on inducting new vehicles as soon as the previous one has run certain mileage. That way they can be assured of hassle free services without having to pay a large sum of money for a new car. In short, leasing of cars has both advantages and disadvantages. One will have to consider all aspects before he/she actually leases the car.

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