



To Buy or to Lease?

Read the passage. Then answer the questions.

Unless you claim your car or truck as a business expense, then leasing a car is probably not going to be advantageous for you. Though some people like the idea of leasing because they want to drive a new car every couple of years, there are some good reasons why purchasing a car makes more financial sense.

When you lease a car, you are limited in how many miles you can drive each year. Limits usually range between twelve and fifteen thousand miles. If you go over you have to pay a penalty, sometimes as much as twenty-five cents per mile.

Leasing also means that you have to return the car in pretty much the same condition it was in when you picked it up. If you have pets or small children that will be in the car with you, then you may end up paying exorbitant “wear and tear” fees when your lease is up.

If you’re not sure where your paycheck may be coming from in the next few years, then leasing probably isn’t a good idea either. Car leases are legally binding for the entire length of the lease, and it is virtually impossible to get out of one without paying a huge amount of money.

So before going for the glamour of a leased car, make sure you consider your lifestyle, your financial situation, and your stability. Read the fine print and do your research; you may find that you’re better off just buying your car.

1. How many reasons does the author provide for not leasing a car?

2. The author states that mileage limits on leased cars vary from twelve to fifteen thousand miles a year. Which reason for not leasing a car does this evidence support?

- A. When you lease a car, you are limited in how many miles you can drive each year.
- B. Leasing means you have to return the car in the same condition it was in when you picked it up.
- C. Car leases are legally binding for the entire length of the lease.

3. Why does the author suggest that you should know where your paycheck will be coming from several years down the road?
