



Should You Buy Out Your Leased Vehicle?

If your auto lease is nearing its end, you're likely facing a decision. Many people who lease believe they have only two options: return the vehicle to the dealer and lease a different vehicle, or return the vehicle to the dealer and purchase a new or used car. But a third option exists that may be a better fit for your finances — an auto lease buyout. At TrueCore Federal Credit Union, we want to help you make the best choice for your financial situation.



What is an Auto Lease Buyout?

Most lease agreements include a purchase option, allowing you to buy the vehicle at the end of the lease term (or even sooner) for a predetermined price. This is an excellent option if you've grown attached to your current vehicle and want to continue driving it.

Benefits of Buying Out Your Lease

With current car market conditions, buying out your lease might be a smart move:

- **Avoid Market Delays:** New car inventory remains low, and used car prices remain high. Buying your leased vehicle provides immediate ownership.
- **Low-Interest Financing:** TrueCore Federal Credit Union offers competitive auto loan rates, helping you keep your monthly payments manageable.
- **Lock in a Lower Price:** The buyout price was likely set when you initially leased the vehicle, potentially offering a significant savings compared to current market values.
- **Freedom and Flexibility:** You'll no longer be bound by mileage restrictions or lease-specific customization limitations.

Disadvantages of Buying Out Your Lease

- **Higher Monthly Payments:** Auto loan payments are typically higher than lease payments due to the larger loan amount.
- **Increased Maintenance Costs:** As the vehicle owner, you'll now be responsible for all maintenance and repair costs.

5 Steps to Buying Out Your Lease

1. **Request a Buyout Packet:** Contact your leasing company and request the official buyout information.
2. **Review the Packet Carefully:** Understand all terms and conditions before proceeding.
3. **Apply for Financing:** Apply for an auto loan with TrueCore Federal Credit Union.
4. **Complete the Buyout:** Upon loan approval, TrueCore will send a check to the leasing company to cover the buyout amount. You'll then receive the bill of sale and vehicle title.
5. **Retitle the Vehicle:** Visit your local Department of Motor Vehicles to retitle the vehicle in your name using the bill of sale and title.

At TrueCore, we're committed to helping you make informed financial decisions. When you're ready, please call/text us at 740-345-6608 or email us at info@truecore.org.