

Lease Consultant Help

This is an **UNREGISTERED** copy of Lease Consultant.

- REGISTER
- Incentives To Registering

Leasing a vehicle can be an attractive alternative to financing for many reasons. Yet anyone who has ever leased a vehicle knows that it is an ambiguous process full of illegible terms and threatening restrictions. **Lease Consultant** was created in order to help the consumer take the mystery out of leasing. It can help verify that the dealer isn't "taking you to the cleaners".

Lease Consultant can help you check the dealer's lease offer in two ways:

1) It will calculate the monthly lease payment from the terms agreed upon, so you don't have to rely on the dealer's "honesty".

or

2) It will calculate the car's sale price from the monthly lease payment. The car's sale price is a figure most dealers try to hide from the consumer in order to maximize their own profit. Armed with this feature you are able to check the dealers profit margin in order to avoid overpaying for the car. A leased car's sale price should not exceed a purchased car's sale price.

The easiest way to learn how to use **Lease Consultant** is to follow this example, it calculates the Monthly Lease Payment. You may also calculate the car's Sale Price by simply clicking on options and choosing **Calculate Sale Price** from the menu, then entering the Monthly lease payment quoted by the dealer in the appropriate box.

| Lease Consultant | |
|--|--|
| File Options Help | |
| MSRP | 34406 |
| Sale Price | 30290 |
| Down Payment | 0 |
| Residual | <input checked="" type="radio"/> % <input type="radio"/> \$ |
| Money Factor / Interest | <input type="radio"/> % Interest <input checked="" type="radio"/> \$ Factor |
| Term | 36 |
| <input checked="" type="checkbox"/> Include Tax: | 6 |
| Monthly Lease Payment | 443.81 |

The M.S.R.P. is posted on the car window in the dealership.

The Sale Price is obtained this way:

Dealer invoice for the car with all options desired is \$28,700. Dealer profit for luxury import: \$1,000 to \$1,500. After some haggling with the salesperson the price agreed upon was \$30,290.

In this example, No Down Payment was made.

The Residual according to the leasing bank is 56% for a 36 month term with 15,000 miles allotted per year.

The Money Factor was also obtained from the leasing bank.

The Term is 36 months.

In this example it was decided that the Tax will be added onto the payment.

M.S.R.P.

The M.S.R.P. is the Manufacturers Suggested Retail Price.

Remember that M.S.R.P. is only SUGGESTED, and you should never be expected to pay M.S.R.P. for a car or to base a lease on this figure. When leasing it is important to know the Price of the car and base the lease on that. When you lease a car, the dealer sells the car to a bank that turns around and leases it to you, thus a lease sale-price should not be any more than an outright sale-price.

Contents

Down Payment.

The down payment is also known as a Capital Cost Reduction or a Cap Cost. It is a fancy term for the money you put down toward the lease to lower your monthly payments.

[Contents](#)

Price

Price should not be confused with the M.S.R.P. The "price" is the amount of money the dealer gets for that car by sell it to the leasing company or bank. The price can be obtained by negotiating with the dealer (read: haggling), or from any dealer invoice publication. When using a dealer invoice publication, remember that you must account for dealer profit. If the dealer tries to avoid negotiations by stating that the car will be leased and not purchase, remind him that he is really selling the car to the bank! You should not be expected to pay more for a lease than for a purchase.

Contents

Residual

The residual is what your car will be worth at the end of the lease. It is usually represented as a percentage of M.S.R.P.

When leasing you only pay for the depreciation of the car (plus interest). Thus, the higher the residual the lower your lease payment will be.

Lease Consultant gives you the option of entering the Residual as either a percent or a dollar amount:

Click on the % sign to enter a percent value, or click on the \$ sign to enter a dollar amount. When changing from the percent option (%) to the dollar amount option (\$) Lease Consultant will automatically calculate the dollar amount represented by the percent ($M.S.R.P. * \text{percent} = \text{Dollar amount}$), but not vice-versa (read note).

NOTE: Once you enter the percent value it remains constant. Thus, changing from the dollar amount (\$) option to the percent (%) option will cause Lease Consultant to bring up the last percent value that was manually entered. It does not calculate what percent of the M.S.R.P. that dollar amount represents. This is done because the residual given by the bank is a constant, and never changes with fluctuations in the M.S.R.P. or sale price.

[Contents](#)

Money Factor

The money Factor is a fraction in the form of .00#### (.00410, .00256) that represents the banks interest rate in the lease formula.

Contents

Lease Term

The term is the length of the lease in months.

Contents

Tax

Your locality's tax, applicable to car leases.

NOTE: **Lease Consultant** calculates the tax on the car's depreciation (price - residual). Some states double tax leases, charging tax on the full price of the car. If you are not sure of the way tax is applied to leases in your state, turn off the tax option by removing the 'x' from the box on its left.

[Contents](#)

Registering Lease Consultant

To Register Lease Consultant send :

- Your name
- Your address
- Any suggestions you may have
- Preferred disk type (3.5 or 5.25)
- Cheque or money order for \$24.95 payable to Steven Hodorov
- The version number of Lease Consultant you are currently using

to the following address :

Steven Hodorov
1689 East 54th Street
Brooklyn, NY 11234
USA

Copyright Steven Hodorov 1995

[Contents](#)

Incentives To Registering

Top four reasons why you should register the Shareware

- 4 This shareware has not crippled in any way (it has no annoying beeps, delays or random keys to press) The evaluation copy is fully useful.
- 3 Registering is just the right thing to do. Your registration will encourage me to release other programs as shareware. This will also encourage me to release a new edition of this program with more features.
- 2 Your registration does make a difference. Each individual registration is personally appreciated.
- 1 Once this software is registered you will be notified of new revisions and you will be able to download new versions and register the upgrades at no additional cost for the life of the product.

Contents

Options Menu



- Chose **Calculate Monthly Lease Payment** if you know, or have negotiated, the sales price and want to see what leasing would cost per month.
- Choose **Calculate Sales Price** if you have a lease offer in hand and want to check the cars' sales price to make sure the dealer isn't overcharging you.

[Contents](#)

