



Your Navigation System For Financing

 **HYUNDAI FINANCE** | At every turn

We'll help you get there.

Buying or leasing a vehicle is exciting. It's also a big financial commitment, and most people will need to secure financing to get into a new vehicle. There are a few things you should know such as the ability to borrow money is based upon personal credit history. The better your history, the easier it is for you to borrow. We are here to help.

In this booklet, we'll walk you through the basics of vehicle financing and compare buying to leasing to help you make the smartest choice for you.



First things first.

Before you shop for a vehicle, there are a few things you'll want to consider:

- ▶ Before you make any decisions, it's important to decide how much you can comfortably afford to spend on a payment each month.
- ▶ Use a car budget calculator (like the one on [hmfusa.com](https://www.hmfusa.com)) to help with your buying decision.
- ▶ Familiarize yourself with the difference between buying and leasing a vehicle.
- ▶ Understand that your credit history will affect the financing charge you receive to purchase or lease a vehicle.
 - If you don't know your credit history or credit score, you may obtain a free copy of your credit report from each of the three major credit bureaus: Equifax, Experian, and TransUnion — once every 12 months by going to [annualcreditreport.com](https://www.annualcreditreport.com). You may also obtain your credit score from each credit bureau by paying a small fee.
- ▶ Consider a co-signer if you have no credit score and are new to financing
 - A co-signer with good credit can help get you approved for a vehicle loan and you can begin to build your own positive credit history.
- ▶ Remember you will also need auto insurance. Ask a friend for a referral and always shop around for a reputable provider and the best rates.

At the dealership:

- ▶ Bring your valid driver's license. You will need to provide the dealer with your date of birth, and information about your income and employment to complete your credit application.
- ▶ Know your auto insurance agent — you will need insurance before you drive off the dealer lot.
- ▶ Be prepared to thoroughly read the retail contract/lease agreement carefully before signing. Bring your co-signer if needed.
- ▶ Remember to be patient. This is a serious financial decision so expect the process to take a bit of time.



Whether to buy or lease?

When it comes to financing a vehicle, one size does not fit all. Ultimately, you have to decide which financing option is the best for you. Here's some key information to help you decide whether buying or leasing makes the most sense for you.

BUYING

Retail financing is considered installment-term financing, which means that the purchase price of the vehicle is paid over a period of months. The vehicle's title is in your name, and once the vehicle loan is paid in full, you own it free and clear. Payment terms are agreed upon in a retail contract.

LEASING

When you lease a vehicle, you drive that vehicle for a specified amount of time, paying only for the value you intend to use instead of financing the full purchase price. This allows you to trade into new vehicles more often because the term of a lease contract is typically shorter than a standard retail contract. Payment terms are agreed upon in a lease agreement.

Choosing Hyundai Finance has its advantages.

Once you have decided to buy or lease, Hyundai Finance is here to help you make the best decision for your lifestyle.

Benefits of Hyundai Finance:

First and foremost, we are part of the Hyundai family. We work directly with Hyundai Motor America to help provide you with the best financing offers. In addition to a variety of loan and lease terms to fit your needs, you'll also receive:

- ▶ A complimentary FICO® score for the primary account holder
- ▶ 24/7 account access via your smartphone, tablet or desktop with live call center support
- ▶ Regular customer communications, keeping you informed and up to date

Additional benefits if you choose leasing:

- ▶ Guaranteed Auto Protection (GAP): If a leased vehicle is totaled or stolen, there may be a gap between the amount of the insurance settlement and the remaining lease obligations. Hyundai Finance GAP coverage waives the difference between what the car is worth and what you still owe. You pay only your deductible and are not liable for the remainder of your lease payments. Restrictions and limitations may apply. *GAP waiver not available in CT or NY.
- ▶ Additional vehicle protection coverage options offered through Hyundai Protection Plan (HPP). With 13 products ranging from pre-paid maintenance, to excess wear & use coverage, to extended mechanical coverage, HPP has you covered.
- ▶ Turn-in process designed to be hassle free

MORE ABOUT OUR SIMPLE TURN-IN PROCESS:

At lease end, you can drive off in a new Hyundai, keep your leased vehicle, or just return it. Whatever you decide, we'll be with you all along the way. You'll receive a lease-end kit that walks you through your options, as well as the necessary steps for each. Useful tools like our online Lease-End Self-Assessment help make the turn-in process easy so you can evaluate wear and use ahead of time.

Financing 101.

A simple comparison. Whether you choose to buy or lease, this side-by-side comparison will help arm you with the knowledge you need to choose the financing option that's right for you.

BUYING

VS

LEASING

WHAT ARE THE BENEFITS OF EACH?

- Full control and independence over your car's condition
- No limit on mileage
- Full ownership of your vehicle after loan payoff
- Factory warranty to cover major repairs
- Ability to customize your vehicle
- Variable contract lengths to fit your needs

- Typically lower payments, compared to a purchase
- Opportunity to drive a new car every two to three years
- Factory warranty to cover major repairs
- Shorter contract terms compared to standard purchase contract

HOW MUCH DO I PAY?

When you finance your vehicle purchase, your monthly payments will be determined by the vehicle's sale price, amount of your down payment and trade-in value (if applicable), interest rate and length of term.

When you lease a vehicle, you're only paying for the portion of the vehicle you use over the course of the lease. A lower amount due at signing, or none at all, may also be possible.

HOW LONG DOES MY FINANCE CONTRACT LAST?

Usually 24 to 72 months

Usually 24 to 48 months

HOW MANY MILES CAN I DRIVE MY VEHICLE?

There are no restrictions. However, more miles driven tends to lower resale or trade-in value.

You pre-select the amount of miles you plan to drive during the lease term before you sign the contract. Between 12,000 and 15,000 miles per year is typical. Carefully consider your realistic driving habits before choosing a mileage amount. At lease end, you will be responsible for excess mileage charges (typically at \$0.20/mile) for each mile driven over the mileage option you chose.

CAN I CUSTOMIZE MY VEHICLE?

Add accessories to your vehicle at any time.

Customize your vehicle only when your lease begins with accessories approved by your lender.

WHAT HAPPENS AT THE END OF MY FINANCE CONTRACT?

Assuming all payments are made, you will receive your title, lien release, or a letter from us indicating our lien has been released electronically after your final payment has been processed. Upon release of the lien, you own your vehicle free and clear.

Assuming all payments are made, at lease end, you may purchase your leased vehicle or return it to your Hyundai dealership, at which point you may choose to purchase or lease a new Hyundai, or visit your dealer again in the future when you're ready.

Key Terms

There's a lot of jargon that gets thrown around when talking about financing a car. To help break it down for you, we've listed out some key terms you may want to become familiar with.

ACQUISITION FEE (LEASE): Fee that the creditor (also called lending company or lessor) charges at the beginning of the lease term to cover administrative costs.

ANNUAL PERCENTAGE RATE (APR): The cost of credit for one year expressed as a percentage.

ASSIGNEE: The bank, finance company or credit union to which the dealership sells or assigns your retail contract or lease agreement.

BASE PAYMENT (LEASE): Monthly lease payment excluding taxes, insurance, maintenance fees and other fees. **CO-SIGNER:** A person who legally agrees to pay off your purchase or lease contract in the event you default on your payment obligations.

CREDIT APPLICATION: The formal written application or request for credit. It usually includes your name, address, Social Security number, date of birth and information about your financial ability to repay the finance contract. By signing the application, you are giving the dealership authorization to pull a credit bureau report to check your history.

CREDIT BUREAU: Agencies that provide credit reports. The three most frequently used credit bureaus are Equifax, Experian and TransUnion.

CREDIT REPORT: A report obtained from a credit bureau that contains information about your current and past credit obligations, account numbers, payment history and previous addresses.

DISPOSITION (TURN-IN) FEE: A fee, specified in the lease contract, payable at lease-end if the lessee does not purchase the vehicle. When you lease or finance the purchase of a new Hyundai through Hyundai Finance within 60 days of returning your lease, your disposition fee will be covered.¹

DOWN PAYMENT: An initial amount paid to reduce the amount financed.

EXCESS WEAR AND USE: Everyday driving can result in wear and tear on a vehicle, like tire usage, exterior dents and dings or interior upholstery stains. At the end of a lease term, damage will be evaluated and there may be charges if it's considered excessive. Useful tools like our online Lease-End Self Assessment help make the turn-in process easy so you can evaluate wear and use ahead of time.

FINANCE CHARGE: The total dollar amount paid to a creditor for the use of credit.

¹ A fee, specified in the lease contract, payable at lease-end if the lessee does not purchase the vehicle. When you lease or finance the purchase of a new Hyundai through Hyundai Finance within 60 days of returning your lease, Hyundai will pay your disposition fee, up to \$400.

GAP (GUARANTEED AUTO PROTECTION) WAIVER: If a leased vehicle is totaled or stolen, there may be a gap between the amount of the insurance settlement and the remaining lease obligations. Hyundai Finance GAP coverage waives the difference between what the car is worth and what you still owe. You pay only your deductible and are not liable for the remainder of your lease payments. Restrictions and limitations may apply.

LEASE AGREEMENT: A contract outlining the use of a vehicle for a fixed period of time at an agreed amount of money, typically specifying allowed mileage and wear and use.

LEASE-END: When the terms and conditions of a lease agreement are fulfilled in full. Termination of a lease can be done early, but may include a penalty.

LESSEE: The customer who is leasing a vehicle.

LESSOR: The leasing company (also known as the lending company, assignee or creditor).

LIEN RELEASE: Once an auto loan is paid in full, the lien on the property is removed and the vehicle is owned free and clear.

MONEY FACTOR: The term money factor specifies a finance rate for a vehicle lease. It determines how much you'll pay in finance charges each month during your lease. The higher the money factor, the higher your monthly payments and the more you'll pay in total finance charges.

MONTHLY PAYMENT AMOUNT: The dollar amount due each month to repay the credit agreement.

RESIDUAL VALUE: Estimated value of the vehicle at the time the lease agreement expires, which is predetermined at lease inception.

RETAIL CONTRACT: The legal agreement governing the terms and conditions of your vehicle purchase.

RETAIL FINANCING: Financing the purchase of a vehicle using flexible terms or lengths of time that are selected to repay your credit agreement. Generally, the longer the term of the loan, the smaller the monthly payment, but the greater the total finance charge paid. Common terms are 24, 36, 48, 60 and 72 months.

SINGLE-PAY LEASE: A lease where the lessee makes a single up-front payment instead of monthly installments. The residual value does not change, but the money factor (the interest charge you pay when leasing a vehicle) is discounted, resulting in a lower total finance charge than with a traditional term lease.

VEHICLE FINANCING: The use of credit to borrow money for the payment of a vehicle. Also commonly known as financing, retail financing, leasing or buying.

Ready for the journey?

Hopefully, you now have a better understanding of the basics of vehicle financing. Of course, you'll ultimately have to decide what is the right path for yourself.

When you're ready to hit the road, visit **hyundaiusa.com** to check out the full line-up, where you can build your own Hyundai—choosing from a range of models, colors, trim levels and more.

Want more details about buying or leasing a new Hyundai?

Contact your dealer or visit **hmfusa.com**.

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