



LET'S TALK

LEASING

BENEFITS

We've pulled together the most important things to know about leasing a vehicle. That way, you'll have the information you need to make the smartest decision.



Finance

The smartest way to finance.

Should you lease a vehicle?

Most shoppers don't pay cash for a new car, so you'll need to decide how you're going to finance it. While many people take out a car loan, leasing is another option of new car financing. There are lots of advantages to leasing that make it the right choice for many people. When you lease, you can drive a new vehicle every few years, typically for a lower monthly payment. Of course, despite its advantages, leasing isn't right for everyone. As your go-to team for all things finance, The Finanswers are here to help you weigh your options. We'll walk you through the benefits of leasing to help you make a well-informed choice.



READY TO SOAK UP
SOME LEASING KNOWLEDGE?
LET'S DO THIS.



THE FINANSWERS

Leasing 101

When you lease a vehicle, you drive that vehicle for a specified amount of time, paying only for the value that you intend to use, instead of financing the full purchase price. Most people make monthly payments throughout the term of their lease, but you can also make one single payment for the full amount at the beginning of your lease or lease inception. At the end of your lease, you have the choice to return the vehicle and lease or purchase a new vehicle, purchase your current vehicle, or return the vehicle and walk away.

Why Kia Finance?

When you choose Kia Finance, you get all the perks of leasing with us. We're committed to creating a first-class ownership experience from start to finish. We work to help provide you with our most attractive available lease offers, as well as lease terms to fit your lifestyle. You will also receive:

- 24/7 account access via your smart phone, tablet or desktop with live call center support. Managing your account should be convenient.
- Complimentary FICO® score for the primary account holder. Knowing your credit score and where you stand with lenders can help you stay on top of your finances.
- Customer communications throughout your lease. We provide useful tools like our online Lease-End Kit & Self-Assessment to make the turn-in process easy so you can evaluate wear and use ahead of time.
- GAP waiver benefits are included in all Kia Finance leases at no additional cost (others may charge you). 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. Kia 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. It's peace of mind—free of cost.

*GAP waiver not available in CT or NY



Benefits of Leasing

There's no magic formula, but leasing could be right for you if you want to drive a new vehicle every few years, need a lower monthly payment, want more vehicle for your money, or would like to avoid trade-in and selling obligations involved with buying a car outright. Our team at Kia Finance can help you choose the best fit for your particular situation.

› NEWER VEHICLES:

Leasing gives you the opportunity to drive a new car every few years with the most advanced technology and safety features.

› LOWER PAYMENTS:

Monthly payments are usually lower, compared to a purchase because you are only paying for the portion of the car's life that you use. Plus, many leases require little or no down payment. This frees up disposable funds for things like education, investments, savings or other priorities you may have.

› LOYALTY REWARD:

When you lease or finance the purchase of a new Kia through Kia Finance within a limited time after your contract maturity date, we'll waive the disposition (turn-in) fee on your existing leased vehicle to thank you for your loyalty.

› FULL COVERAGE:

The term of most lease contracts coincides with the factory warranty period so major repairs are typically covered.

› FLEXIBLE TERMS:

The term is the length of time a car is leased, usually expressed in number of months (typically 24-36 months). There are several options to choose from when selecting your lease term. Lease terms tend to be shorter than traditional finance contracts.

› SIMPLE TURN-IN PROCESS:

At lease-end, you don't have to worry about trading in or selling your vehicle. As long as you've fulfilled all of your lease obligations, you can simply turn in the vehicle.

Key Terms

Make sure you know your stuff by reviewing these common leasing terms. Frequently used by lenders and dealerships, these key terms will give you a better understanding of the leasing process.

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

ADJUSTED CAP COST: The “adjusted” capitalized cost of the vehicle includes any trade allowance, down payment, incentives, and rebates that may have been applied to reduce the capitalized cost.

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

CAPITALIZED (CAP) COST: The negotiated price of the vehicle, plus any other items included in the lease and paid for over the life of the lease, such as a service contract.

CAPITALIZED COST REDUCTION: Any sum that reduces the capitalized cost such as a down payment, trade-in, factory-to-dealer or lender incentives.

CLOSED-END LEASE: The most common type of lease, a closed-end lease permits the lessee to return the vehicle at the end of the lease term with no liability, provided all other terms of the lease are met.

CONTRACT MATURITY DATE: The date when your lease contract ends and your vehicle must be turned in.

DISPOSITION (TURN-IN) FEE: A fixed fee, specified in the lease contract, payable at lease-end if the lessee does not purchase the vehicle. Kia Finance waives this fee with a Loyalty Reward if you lease or purchase another new Kia.

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.

GAP (GUARANTEED AUTO PROTECTION) COVERAGE: 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. Kia 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-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.

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.

PURCHASE OPTION: The option to purchase the leased vehicle, typically at the scheduled end of the lease term for a fixed price stated in the lease agreement.

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

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 is discounted, resulting in lower finance charges than with a traditional term lease.



“ Do you speak finance? Get this lingo down, and you'll be a pro in no time.”

We can help you take the next step.

Now that you have an understanding of leasing and its advantages, you can better evaluate whether leasing is the right call for you. Our goal is to make sure you have every bit of information you need to make the smartest choice for you. Ready to start shopping? Visit **kia.com** to check out the full line-up, where you can build your own Kia—choosing from a range of models, colors, trim levels and more.

WANT MORE DETAILS ABOUT LEASING A NEW KIA?

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



| Finance

The smartest way to finance.

KMFUSA.com