



Car Lease / Purchase in the U.S.

Leasing vs Purchasing – What is Right for You?

Leasing

Leasing a car could be more clearly described as long-term car rental. You pay a monthly price that allows you to “borrow” a car for an extended time, typically 24-36 months but this number will vary based on the dealership. At the end of your lease, you will have the choice to either buy the car, for an amount specified in your lease agreement, or return the vehicle. Like renting, there are some restrictions that apply. Leases typically include:

- Mileage limitations: usually 10,000-12,000 miles annually (often with fees for exceeding)
- Maintenance requirement such as regular oil changes
- Out-of-pocket repairs (any fixes that are not covered by your warranty or lease agreement)
- Minimum level of insurance coverage

When you lease a new car, you get to take advantage of warranties and protections that are offered by the manufacturer. Some car dealerships also offer great added value programs that are typically only available when you purchase. It’s important to remember that while you are making payments, you do not own the car, and as such any damage done to the car will most likely come out of your pocket when the lease expires. It’s also important to note that rates can be elevated with no US credit, so you might want to consider companies that specialize in working with expatriates (see below for examples).

Potential drawbacks of leasing include:

- Mileage restrictions
- Additional costs
- Fees for any wear and tear that is considered “excessive”, which can include anything beyond small scratches and/or dings
- At the end of the lease, you do not own the car

Purchasing: New or Pre-Owned

There are several dealerships, both local and national chains, that will be happy to chat with you about new and/or pre-owned car options. You will be permitted to test drive vehicles when determining the best option for you if you bring your license with you to the dealership when

you visit. Note that each dealership will offer slightly different deals, so it is recommended to shop around before purchasing. Most dealerships do not need an appointment scheduled, but you can always call or email them in advance to start a conversation surrounding vehicle options available.

IOR Destination Services Consultants (DSCs) can provide a list of local car dealerships that can support with a car lease or purchase that are expat friendly. You will need a Social Security Number (SSN) and most likely a state issued driver's license before moving forward (this can vary by state). Employers should be aware due to potential delays at the DMV, rental car timing may need to be extended.

DSCs can also provide local insurance provider information. This tends to be "bundled" with home rental insurance for a more competitive cost.

Companies that Specialize in Working with Expats

International AutoSource

Website: <https://intlauto.com/home>

International AutoSource (IAS) is an exclusive program designed by Expats to buy or lease a car without U.S. credit history. IAS is an authorized distributor that allows vehicle purchase directly from the vehicle manufacturer. Buying factory direct means customers can purchase vehicles at factory invoice-based prices with a lowest price guarantee. In addition, IAS's full-service program offers low-cost auto insurance even for those without a U.S. driver's license or credit history.

Expat Ride

Website: <https://www.expatride.com/>

Email: cars@expatride.com

ExpatRide provides foreign nationals moving to or already in the U.S. with car leasing, car rentals, chauffeur services, and airport transfers. They operate in 176 countries. ExpatRide does not require U.S. credit history but does require a social security number (SSN). Prices are typically higher than going directly to the car dealership.