

Guide to investing in a van or playing it safe

Choosing a new van is easy: working out how you're going to afford it is the hard part. Times are certainly tough, but that rusting heap parked outside has no understanding of what a recession means. So how are you going to replace it? You've got two choices - buy or lease. And with this easy guide, you'll soon know the best option for you;

The difference between buying and leasing

Buying is the method you're probably most familiar with: find the cash either stuffed away in your bank account (unlikely) or ask someone for a loan. And once paid for, the van is yours.

The alternative is leasing. When leasing a vehicle you never own it, you pay a monthly fee for the use of the van (though with some schemes you can pay a lump sum at the end of the lease period - e.g. two years - to buy the vehicle outright).

The pros of buying a van

Buying is a good option for several reasons:

- * It tends to offer the best value. When you're negotiating with cold, hard cash, you're in a good position to haggle down the price and get a great deal.
- * If you've already got a van, you can trade it in and save even more on the purchase.
- * You are not restricted to a mileage limit, often a pitfall of leasing a van.
- * Most importantly, the van is yours. It's an asset, a part of your business and if you need to trade, sell or swap, you can do so whenever you want.

The pros of leasing a van

Leasing a van has a number of advantages, not least the fixed monthly cost:

About the Author

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