

Capital Car Finance Ltd specialise in two main finance products as detailed below to enable you to purchase your new vehicle.

1. Personal Contract Purchase

A Personal Contract Purchase (PCP) plan will enable you to purchase your next car with lower monthly repayments. The way this is achieved is by deferring an amount of the total cost of the vehicle to the end of the contract. This amount is known as the Guaranteed Future Value or GFV.

The Guaranteed Future Value plus your deposit is subtracted from the cash price of the vehicle and your monthly payments are based on the balance (plus interest on the balance and the GFV).

By only repaying the difference between the cash price and the optional balloon payment you are only financing the depreciation of the car.

At the end of the contract you have the following options:

- You can return the vehicle to the finance company. As long as you have not exceeded the agreed mileage, you will have nothing more to pay.
- If you want to keep the vehicle, you can simply pay off or refinance the outstanding balloon payment.
- You can part exchange your vehicle for a new one and if the trade-in value is greater than the GFV, the difference can be used towards a deposit on your next agreement.

2. Lease Purchase Payment Plan

Lease Purchase Payment Plan will enable you to purchase your next car with lower monthly repayments. The way this is achieved is by deferring an amount of the total cost of the vehicle to the end of the agreement. This amount is known as the Residual Value (RV).

It is the customers responsibility to settle the final payment either through additional finance, cash or settlement by part-exchange.

The Lease Purchase Payment Plan product and has no tie to a mileage contract. Repayment periods are typically taken over 2, 3 or 4 years and settlement can be made at any stage of the agreement, which add flexibility.

We would recommend that you select a realistic Residual Value for the vehicle you intend to purchase to give some equity. At the end of the agreement you have three options:

- If you want to keep the vehicle, you can simply pay off or refinance the outstanding balloon payment.
- You part exchange your vehicle with a motor dealer and if the trade-in value is greater than the RV, the difference can be used towards a deposit on the next agreement or vehicle purchase.
- You can sell the vehicle privately and keep any profit over and above the RV.