

# CENTER FOR THE WOMEN OF NEW YORK

501(c)(3) Nonprofit Organization

*Empowering and Supporting Women Since 1987*





FINANCIAL LITERACY SERIES

**CAR OWNERSHIP:  
BUYING, LEASING, AND  
SELLING AND THE CURRENT  
UNIQUE MARKET CONDITIONS**



Guest Speaker: Kathy Carroll, E.A.

# CWNY MISSION

The Center for the Women of New York helps women overcome financial, violence, social, wellness, and legal issues by raising awareness and advocating for full gender equality for women, understanding their needs, and connecting them with CWNY services, nonprofit partner organizations, and public resources to aid, uplift, and address their challenges.



# WHO WE ARE

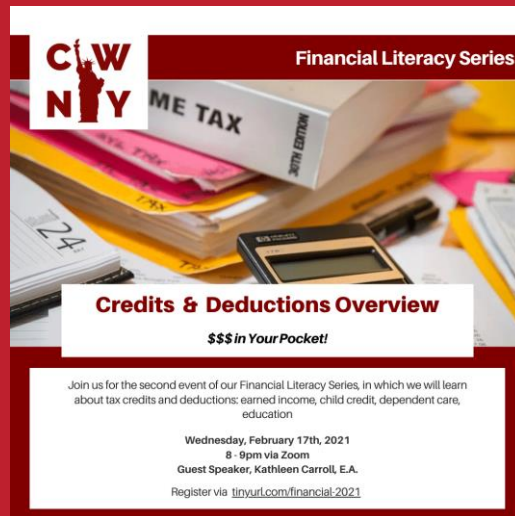
We are a nonprofit 501(c)(3) organization dedicated to women empowerment and gender equality since 1987. CWNy's Volunteers, Members, Sponsors, Advisory Board, and Board of Directors altogether make CWNy's mission possible.





# CWNY PHILOSOPHY

Our philosophy is that when we help women, families become self-sufficient, making our entire community stronger.



## CWNY CURRENT SERVICES AND PROGRAMS

- Referrals and Advocate Program
- Financial Literacy Workshop Series
- Career Workshop Series
- Women in Crisis Support Group
- Caregivers Support Group
- One-on-one tax preparation assistance
- Gardening and Sustainability Workshops
- ESL Conversation Class
- Legal Support Team



**YOU ARE INVITED  
TO STREET CONAMING AND  
TREE PLANTING CEREMONY**

— ∞ —  
**233RD STREET, DOUGLASTON, NY 11363  
(INTERSECTION OF 233RD ST. AND 39TH AVE.)  
WILL BE CONAMED**

*Ann Jawin Way*

**SATURDAY  
MAY 21, 2022  
11:30AM**

IN HONOR OF ANN JULIANO JAWIN  
FOUNDER OF  
THE CENTER FOR THE WOMEN OF NEW YORK AND  
THE DOUG-BAY MANOR CIVIC ASSOCIATION



## CWNY Gardening & Sustainability Workshop Series

Fort Totten Park

207 Totten Ave., Bayside, Queens. NY 11359

REGISTER at [cwny-green.eventbrite.com](https://cwny-green.eventbrite.com)

Instructor: Patricia Griffin Yoon, Former NYC Environmentalist Parks Ranger

*Sponsored by First Central Savings Bank & the  
Douglaston Garden Club*

Thurs. May 12 @ 10:00 - 11:30 AM

"Planting and designing raised beds and pollinated gardens"

Thurs., May 26 @ 10 - 11 AM

"Master Seed: Learn the basics of seeding"

Thurs., June 9 @ 10 - 11 AM

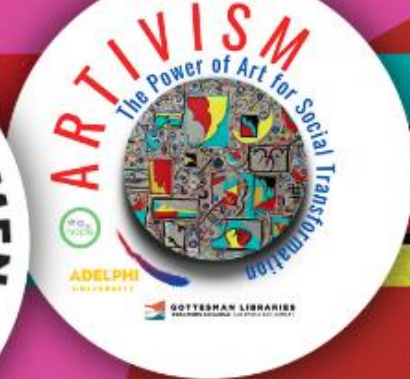
"Tree Identification"

Thurs., June 23 @ 10 - 11 AM

"In-depth proper use and maintenance of gardening tools"







CWNY is pleased to participate in  
Artivism's *Art for a Purpose*  
and through  
the power of art  
shed light on social issues  
to inspire change.



ing reception sponsored by



## Art for a Purpose

Artivism: Multi-Venue Global Exhibition  
Fort Totten Park, 207 Totten Ave.  
Bayside, Queens

Opening Sat., 5/7 1- 5 pm  
Exhibit dates Saturday, 5/7, 14, & 21  
and 6/11 & 18 from 1-5 pm

Come see the exhibit!  
Art materials will be on hand  
for children and adults to  
**Create Your Own**  
**Art for a Purpose**





**Consulate General Of India, New York**

Please join us in celebration of

**THE EIGHT INTERNATIONAL DAY OF YOGA**  
**A FREE EVENT**

In Association With

**Indo-American Arts and  
Cultural Forum**

[WWW.IAACF.ORG](http://WWW.IAACF.ORG)

&

**Center For The Women of New York**

[WWW.CWNY.ORG](http://WWW.CWNY.ORG)



*Venue:*

**Fort Totten Park**

**On front lawn of CWNY building, 207 Totten Avenue  
Bayside, Queens, NY 11359**

**Date: Saturday , June 4th 2022**

**Time :10:00 - 12:00 noon**

[cwny.org/past-events](https://cwny.org/past-events)



## Q & A

Your questions will be addressed after the presentation.

Use the Chat Box at the bottom of your Zoom screen to ask questions.

If you dialed in, email your questions to [events@cwny.org](mailto:events@cwny.org)







FINANCIAL LITERACY SERIES

**CAR OWNERSHIP:  
BUYING, LEASING, AND  
SELLING AND THE CURRENT  
UNIQUE MARKET CONDITIONS**



Guest Speaker: Kathy Carroll, E.A.

# CWNY Financial Literacy Series

Automobiles: A World of Choices

# The Automobile: A World-Changing Invention

In our modern society, it is hard to imagine a world in which there were no cars on the street. Cars are everywhere we look, and sometimes it seems there are way too many of them in one place. But over the course of history, the automobile is a relatively recent invention.

The first car was patented by Karl Benz in 1886. Henry Ford popularized the automobile in the United States in the early 1900s. His system of mass production made it possible to manufacture affordable cars for the public. The development of the automobile changed the world. In present times, the ownership of a car can change the owner's personal world.



# Automobile Ownership: Advantages and Disadvantages

The purchase of a car is a fairly major decision in one's life. It is a relatively expensive asset that hopefully will provide years of satisfaction and service to the purchaser. Like any other major purchase in one's life, research should be done and care should be taken to ensure that the car fits the needs and finances of the buyer.

Cars provide convenience of travel and increase time management for owners. A car allows one greater flexibility in performing daily tasks such as shopping and transporting children to and from school and other activities. Many jobs may require the use of a car.

Despite the many advantages to owning a car, there are some disadvantages to be considered as well. The first and foremost would be the cost of a car. In addition to the purchase price, there are many other costs that one must consider in car ownership: insurance, gas, potential repairs, and, depending on where one lives, potential storage costs for the car. All of these things can have a substantial impact on one's monthly budget.

## Leasing vs. Purchase

When obtaining a vehicle, there are two types of “ownership” to be considered. One option is purchase of the car (which can be either a cash purchase or involve financing), or leasing. Leasing “is a contractual agreement with monthly payments for the use of an automobile over a set period of time (typically three to five years). At the end of the lease term, the vehicle is usually returned to the leasing company.”

(Kapoor, et al, Focus on Personal Finance, Sixth Edition, 2021)



## Benefits of Leasing

The upfront costs of leasing a car are typically less than similar costs involved in a purchase. The “down payment” usually consists of a security deposit, the sales tax, and possibly two months’ advance payment. The monthly payments may be less than the monthly payments of a financed car. However, in a lease situation, the car is not actually owned by the “purchaser”; at the end of the lease the car may be turned in and exchanged for a newer leased car, or the present car may then be purchased at a residual value (which in turn may need to be financed).

## Benefits of Purchasing

The major benefit of purchasing a vehicle rather than leasing it is that one actually owns the vehicle. This is an important distinction, particularly if one drives frequently. Many leases, although they are contracted at a specific monthly payment, will charge for “extra” mileage at the lease end. For example, if the lease is limited to 12,000 miles annually, and one drives 20,000 miles, this will lead to increased charges at lease end. If the car is owned, then the amount of miles driven has no impact on cost.

Similarly, at the end of a lease, one may be charged for damages to the car, even if they are slight. Although everyone hopes that their car would not sustain damage of any kind, small damages such as scrapes and dents are almost inevitable over time. When the car is purchased/owned, these damages may be upsetting, but they will not create additional costs unless a decision is made to fix them.

## Read the Contracts

In either situation (lease or buy), it is very important to read the contracts carefully and be sure what you are signing. Both leases and purchases (if financed) involve interest on the monthly payments; it is important to know what interest rate is being charged. Interest on auto loans and leases are affected by one's credit score and can vary widely, which can significantly increase the monthly payment in each case. A poor credit score may prevent one from obtaining a lease.

In obtaining a car lease, the term “cap cost” is often heard. The term, capitalized cost, or “cap cost”, related to car leasing, refers to **the amount that is being financed with a lease**. The lower the capitalized cost, the lower the monthly lease payment. Cap cost includes the negotiated price of the vehicle plus any add-on fees or taxes that will be financed (not paid in cash).

<https://www.leaseguide.com/glossary/capitalized-cos>



## New vs. Used

Another important decision in addition to whether to lease or buy is to determine whether a new car or a used car is the most appropriate vehicle for one's situation. While it would be ideal for everyone to be able to buy a brand new car, this option may not be economically feasible for all. A used car may be a good purchase if it is purchased from a reputable seller and the car is thoroughly vetted before purchasing.

## Used Cars

Certified pre-owned vehicles are nearly new cars that come with the original manufacturer's guarantee. (Kapoor). Many certified pre-owned vehicles are actually cars that have been turned in at the end of their leases and are now available for resale.

A valuable source of information in the potential purchase of a used car is the Vehicle History Report.

## Vehicle History Report

One can purchase individual vehicle history reports or a subscription for a limited time, usually the number of weeks it takes to shop for and buy a used car. Carfax charges \$39.99 for a single report, or you get an unlimited number of reports for 60 days for \$54.99. AutoCheck is \$24.99 for one report or 25 reports for 21 days for \$49.99.

A vehicle history report tells you everything a prospective buyer needs to know about a car's past. Keep in mind, though, that the report doesn't tell you the current mechanical condition of the car. However, since it tells you how it's been treated, you get a pretty good idea of the current condition and the value of the car. All this information indicates — without even going to physically inspect the car — whether you should buy it.

Here's a quick breakdown of some of the information that vehicle history report provides:

- **Salvage title:** If a car's been in a serious accident, fire or flood and was "totaled" by the insurance company (declared a total loss), it still might be drivable. However, the insurance company will issue a "salvage title" to alert future buyers. In most cases, you want to steer clear of vehicles with salvage titles because they kill the resale value and the cars might still have hidden problems.
- **Accidents:** Serious accidents are reported to the insurance company and will probably be on the vehicle history report. Occasionally, minor accidents are also listed. So don't assume every accident is a reason to rule out an otherwise solid used car.

- **Odometer rollbacks:** Shady car lots might spin the odometer back to increase the vehicle's selling price. History reports alert you to this scam.
- **Number of owners and how it was used:** It's nice to think the car you're interested in was driven only to church on Sunday by a little old lady. But maybe it was a leased car or even used as a taxi. If you order the report, you'll know for sure each time it changed hands.
- **Maintenance records:** Sometimes service visits are listed on the vehicle history report, showing the routine maintenance or repairs performed by a mechanic. This is most likely if the car was serviced at a car dealership rather than an independent garage.
- **Recall information:** This is useful information, but it can be checked for free on other sites.

<https://www.nerdwallet.com/article/loans>



## Mechanical Check

Although the Vehicle History Report is an important tool in determining if a particular car should be purchased, it is also important to have the car checked by a mechanic. Since most dealerships will not let a car off their premises prior to purchase, one may have to bring their mechanic to the dealership to give a cursory look for potential problems.

## Purchase Financing

Both new and used car purchases can be financed. Depending on one's credit, a higher down payment may be required or a higher interest rate may be charged. Most dealers have access to many different financing sources, and oftentimes the question is not "will a purchaser get a loan" but "will the loan be favorable and what will the terms be." In the past, auto loans were typically three to five years, but during the past fifteen years, loans of six or seven years' duration have become common. One has to understand that longer loan terms and higher interest rates will significantly increase the actual cost of the car over time.

## Current Unique Market Conditions

The current market for new and used cars, whether for lease or purchase, is in an unprecedented situation. Due to supply chain issues caused by the ongoing COVID-19 pandemic, including a severe shortage of microchips, there is a severe shortage of new cars. As the demand for cars is increasing, the lack of new car inventory is causing long wait times for purchasers, as well as significant increases in the price of both new and used cars.

## Cars in the Media

The shortage of car inventory has been well publicized in recent media. A Newsday article published Sunday, May 1, 2022, was entitled “Sticker Shock at the Dealership.” The article cited recent statistics from Edmunds that indicate that the average used car price is now \$29,969, and that the average new car price is \$46,426. Edmunds noted that the used car price was 25.7% higher than a year previous, and the new car price was 14.4% higher than a year previous.

In addition to consumers having to pay higher prices, there is reportedly long wait times for cars. For this reason, many consumers at the end of leases are now purchasing the car they have already, as they would have to wait too long for a new replacement, which would also be more costly than the buyout of the current vehicle.



Another consequence of this inventory shortage is that the resale price of used cars has increased dramatically and dealers are actively soliciting used cars so that they can resell them. So the advice here is that, if one has a used car they are thinking of getting rid of, check carefully so that you do not undersell it in the secondary market. Even cars that do not appear to be worth much now have increased resale value due to the extremely low inventory.



**Thank you,  
Kathy Carroll**

## UPCOMING EVENTS

### **Ann Jawin Way**

Street Co-Naming Ceremony

May 21, 2022, at 11:30AM

### **Gardening and Sustainability Workshops**

May 26, June 9 & 23 from 10 to 11AM

### **International Day of Yoga**

Saturday, June 4<sup>th</sup> from 10AM to 12PM

### **Artivism Exhibit**

Saturdays May 21, June 11 & 18 from 1 to 5PM



## JOIN US

BECOME A MEMBER

<https://www.cwny.org/membership>

DONATE

<https://www.cwny.org/donations>



# CONTACT US

[cwny.org](http://cwny.org)

Queens Borough Hall  
120-55 Queens Boulevard, Room 325  
Kew Gardens, NY 11424

(718) 793-0672

Fort Totten Park  
207 Totten Avenue  
Bayside, NY 11359

(718) 229-0020

[info@cwny.org](mailto:info@cwny.org)





# FOLLOW US

## Facebook

[Facebook.com/centerwomenny](https://www.facebook.com/centerwomenny)

## Twitter

[@centerwomenNY](https://twitter.com/centerwomenNY)

## Instagram

[@centerwomenny](https://www.instagram.com/centerwomenny)

## YouTube

[Center for the Women of New York](https://www.youtube.com/CenterfortheWomenofNewYork)

## Our Podcast

[Anchor.fm/centerwomenny](https://www.anchor.fm/centerwomenny)

