**HP**

**What is Hire Purchase?**

With Hire Purchase, you can purchase a car by paying a deposit, followed by lower monthly repayments over a set period. At the end of the contract, you have the option to purchase the car for a small fee. The interest is calculated on the outstanding balance, which can increase the overall cost of the car.

**Who is HP Right For?**

- If you want low monthly payments
- If you don’t want to own the vehicle at the end of the contract
- If you can afford the initial deposit

**PCP**

**What is a Personal Contract Plan?**

A PCP agreement offers monthly payments that are lower than HP by deferring a proportion of the cost of the vehicle to be paid at the end of the contract. You choose how much deposit you want to pay, calculate your annual mileage and decide on the length of the contract, before paying fixed monthly payments. At the end of the contract, you can hand the vehicle back, exchange it for a new one (both subject to fair wear and tear guidelines), or take ownership of the vehicle by paying the outstanding balance.

**Who is PCP Right For?**

- If you don’t want to own the car at the end of the contract
- If you want flexibility at the end of the contract
- If you know your annual mileage

**PCH**

**What is Personal Contract Hire?**

A PCH agreement involves paying a deposit (typically 3-months rental costs), followed by fixed monthly payments. At the end of the contract, you hand the car back (subject to fair wear and tear guidelines). This differs from PCP, as there is no option to buy the car after you have made the final payment.

**Who is PCH Right For?**

- If you don’t have a large deposit
- If you don’t want mileage restrictions
- If you want to eventually own the vehicle

**Car Finance Lowdown**

- Should you buy? Should you hire? Do your research to find the right product for you.
- Calculate your annual mileage and cash deposit.
- Compare different quotes by looking at the APR and monthly repayments.
- Remember, there is always room for negotiation.

**How to Drive Away with the Best Deal**

- Always Negotiate
- Don’t Rush
- Consider the Repayments
- Compare APRs

**Car Finance Doesn’t Have to be Confusing.**

Car Finance. Made Simple. We’re here to help you find the best finance product to suit your budget and needs.