

Name: _____

Date: _____

It Depends On What I Earn!

Case 1

Will you finance the car or lease the car?	
What is your net annual salary?	\$20 000
How many kilometres will you drive each month? (the “average” Canadian drives 20 000 km per year.)	
Calculate the maintenance costs: (Use \$0.30 per kilometre)	(I)
Calculate the amount of your salary that can be spent on owning a vehicle. (Use 20% <input type="checkbox"/> net annual salary)	(II)
Monthly amount available for a car (Line II divided by 12)	(III)
Monthly amount available for loan or lease expenses (Line III – Line I)	

Case 2

Will you finance the car or lease the car?	
What is your net annual salary?	\$40 000
How many kilometres will you drive each month? (the “average” Canadian drives 20 000 km per year.)	
Calculate the maintenance costs: (Use \$0.30 per kilometre)	(I)
Calculate the amount of your salary that can be spent on owning a vehicle. (Use 20% <input type="checkbox"/> net annual salary)	(II)
Monthly amount available for a car (Line II divided by 12)	(III)
Monthly amount available for loan or lease expenses (Line III – Line I)	

Case 3

Will you finance the car or lease the car?	
What is your net annual salary?	\$60 000
How many kilometres will you drive each month? <i>(the “average” Canadian drives 20 000 km per year.)</i>	
Calculate the maintenance costs: (Use \$0.30 per kilometre)	(I)
Calculate the amount of your salary that can be spent on owning a vehicle. (Use 20% \square net annual salary)	(II)
Monthly amount available for a car (Line II divided by 12)	(III)
Monthly amount available for loan or lease expenses. (Line III – Line I)	