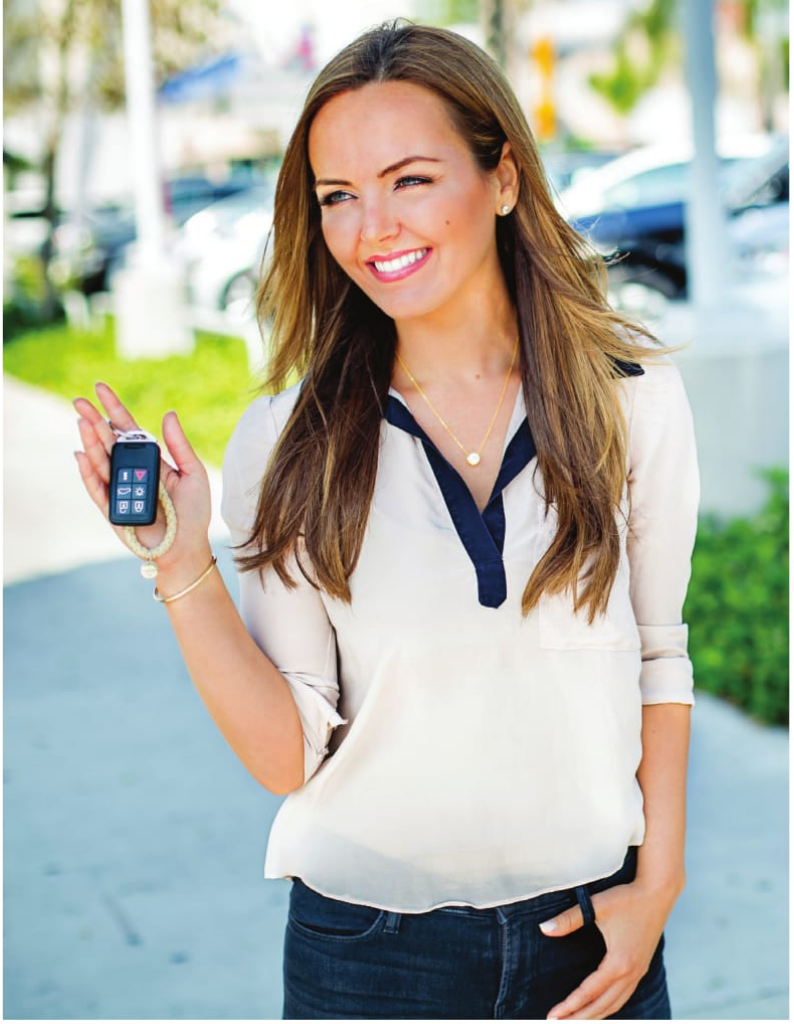
Before you buy, know this

You can save heaps of money if you figure out which things in your life are worth owning and which you can get away with renting. Financial pro Nicole Lapin has all the details.



MY WHOLE LIFE, I WAS TOLD that owning stuff—anything from a home to a handbag—is the American dream. But when I first moved to New York, I decided to rent an apartment instead of buying a place, because I wasn't ready to commit and didn't have the cash for a good down payment. It was my first step toward realizing that owning isn't always the wiser move. Buying can be a great investment, of course, and there's no one-size-fits-all solution for what to rent and what to buy. But here are some ways to help you make the most of your money.

CARS

Leasing offers sound so appealing these days. You can drive off the lot with a shiny new model for less money up front than you'd pay to purchase—and then get an upgrade every two years. But the truth is somewhat trickier.

Do the math. Here's a real-world example: If you lease a car for $209 a month for 36 months with $2,299 due at signing and add costs for taxes, title, and dealer fees, you could wind up paying as much as $15,000 total for the car. So that makes it a good deal—for the dealership! You'll pay close to the ticket price for a car you have to return in two years. Crazy, right?

Buy a used car instead, and take care of it so it runs for the next five years, at least. Cars drop in value the most in the first four years. If you buy a car after that initial depreciation, you're actually getting the best rate, and if you keep it running, you'll spend much less than you would on a lease.

CLOTHING

You've been told that it's important to own a few investment pieces, but what's truly worth the money? Don't pass up those adorable yet pricey dresses you're not likely to wear every week—just rent them instead.

First, follow my simple formula: Take the total cost of the item, factoring in maintenance costs like hemming and dry cleaning over the course of a year, then divide by the number of times you're going to use it annually. Subtract that number from the purchase price to find out its value per year. If the result is greater than 65 percent of the price tag, then it's a smart buy.

That $400 dress may not make the cut. With maintenance costs adding up to $30 per year, if you only wear it twice a year, the value you're getting for each wear is less than half of the original cost. Instead, head to renttherunway.com. You'll look like you've got an endless closet and feel great when the credit card statement comes in the mail.

EQUIPMENT

Every woman should have a hammer and a screwdriver, but costs for the larger stuff can go way up. So renting can save money and storage space.

Plan your projects. When you have a big job, like carpet or window cleaning, the tools (steam cleaner, pressure washer) can cost upward of $300. Rentals, on the other hand, can be as low as $30 a day. Renting can allow you to save on less expensive things, too, like a drill or even a wheelbarrow, but you've got to organize your chores so you can max out the item's usage during one or two weekends a year.

Be real about outdoor gear. If you're a once-a-year camper, don't buy a tent for $400 when a rental is around $50 for the weekend. You'd have to camp at least three times a year for four to five years to make owning worth it. But do invest in a sleeping bag—you can get one to fit any budget, and I, at least, don't want to share it with a stranger.

Former CNBC and CNN anchor Nicole Lapin is the author of the financial best-seller *Rich Bitch* and one of the stars of the CW show *Hatched*.

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