

# PERSONAL FINANCE NEWSLETTER



## Lease to Own - The Newest Trends



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A costly, but popular, way to purchase household goods is rent-to-own (a.k.a., lease-to-own) plans. The rent-to-own (RTO) industry began in the 1970s with a limited selection of goods to offer consumers. Most of the items were low-end furniture and appliances. Today, RTO is an \$8.5 billion industry with approximately 9,200 stores nationwide that serve 4.8 million customers per year. RTO merchandise includes high-end electronics and computer equipment, household appliances, furniture, and jewelry. Items are usually of good to high quality.

RTO agreements consist of a rental contract that is renewed weekly or monthly. Typical terms are 78 weeks or 18 months. RTO items often end up costing 3 to 4 times their retail value. If customers pay \$15 a week for a television that costs \$350 retail, after 78 months, they will pay \$1,170 ( $\$15 \times 78$ ), more than enough for 3 television sets. Other fees may also be charged. For example, insurance on an item that protects the store and the consumer in case a rented item is damaged or stolen. This may cost \$1 per week or an additional \$78 over the loan contract.

[Read more.](#)

## Welcome

This month begins a 2-part webinar series focused on long-term care. On February 11, Dr. Michael Gutter will be joined by Mr. Kevin Friel, the Deputy Director of the Pension and Fiduciary Service of the VBA. They will discuss the basics of long-term care and options specific to Service members. Mark March 10 on your calendar to join the second half of this series to learn more about housing and in-home care options for those in need of long-term care.

## Mark Your Calendar!

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|-------------|---|
| FEB.<br>11  | <a href="#"><u>Understanding Long-Term Care: Basics and VA Aid &amp; Attendance</u></a> |
| MAR.<br>10  | <a href="#"><u>Understanding Long-Term Care: Extended Care and Housing</u></a>          |
| APRIL<br>21 | <a href="#"><u>Child Identity Theft: Repairing the Damage</u></a>                       |
| MAY<br>12   | <a href="#"><u>The Financial Implications of Caring for an Aging Parent</u></a>         |

You can keep up with all of our resources and upcoming events by visiting our webpage!

[Click here!](#)