

Review: Some of the best cars cost less than \$399 per month

2 December 2020, by Cameron Rogers Of Edmunds



This photo provided by Kia Motors America shows the Kia 2021 Forte. The Kia Forte is a sharp little four-door with lots of features and personality. Redesigned for 2019, the Forte has all the latest driver conveniences and safety features, as well as a cabin with a sporty design aesthetic and high-quality materials. (Kia Motors America via AP)

The COVID-19 pandemic initially slowed car sales, but now many new-car buyers are making more expensive purchases than ever before, according to sales data from Edmunds.

The average transaction price for a new car in the third quarter of 2020 was slightly above \$39,000, with payments averaging just under \$570 per month. That's a price increase of about \$2,000 from 2019.

But a monthly payment approaching \$600 just isn't in reach for many shoppers. With this in mind, we sought to find a number of new vehicles that could be had at a more attainable \$399 monthly payment.

Factoring in today's average annual percentage rate (4.6%), a popular loan term (72 months) and a

lower-than-average down payment amount of \$4,000, a vehicle with a manufacturer's suggested retail price of \$29,000 will match that monthly payment target.

We've compiled a list of vehicles that can be financed for less than \$399 a month using the above parameters. Remember that with a little research, you can easily secure a deal for less than MSRP. Note that while we will include destination and handling charges in the prices below, sales tax and fees are not included and can vary by location.

2021 KIA FORTE

Small sedans are no longer the drab, soulless econoboxes of yesteryear. The Kia Forte, for example, is a sharp little four-door with lots of features and personality. Redesigned for 2019, the Forte has all the latest driver conveniences and safety features, as well as a cabin with a sporty design aesthetic and high-quality materials. The base engine gets the job done, but buyers looking for a sportier edge should check out the GT model, which features a more powerful engine and unique transmission options.



This photo provided by Mazda shows the 2021 Mazda CX-5. Though a little smaller on the inside than its primary competition, the CX-5 makes up for that with an eye-catching design and interior materials that rival what you'll find in luxury SUVs. It's also tremendously fun to

drive, with excellent handling and sharp steering. (Drew Phillips/Mazda North American Operations via AP)

Recommended trim: EX (\$24,055). Unless you want the GT's turbocharged engine, the EX is the way to go. It has almost every feature the Forte offers, yet it doesn't cost an arm and a leg. Using the parameters above, payments on a Forte EX will be roughly \$320 per month.

2021 HONDA INSIGHT

Think of the Honda Insight as an electrified Civic. The two match up pretty closely in terms of size, price and equipment, and both have plenty of passenger and cargo room. The Insight's hybrid powertrain is the primary differentiator. While it isn't as quick as the Civic in a straight line, the Insight consumes far less fuel. Depending on trim, the Insight earns 48-52 mpg in the EPA's combined cycle, while the turbocharged Civic gets 33-36 mpg combined. The Insight is also slightly newer and benefits from a next-generation infotainment system.

Recommended trim: EX (\$25,765). The EX is only a little more expensive than the base LX and adds features such as Apple CarPlay and Android Auto functionality, a touchscreen infotainment system and blind-spot monitoring. Payments on an Insight EX using our calculations will run just under \$350 per month.



This Photo provided by Honda North America shows 2021 Honda Insight. The EX model is only a little more expensive than the base LX and adds features such as Apple CarPlay and Android Auto functionality, a touchscreen infotainment system and blind-spot monitoring. According the Edmunds, payments on an Insight EX using their calculations will run just under \$350 per month. (Honda North America via AP)

2021 KIA K5

The Kia K5 is the latest version of Kia's midsize sedan, formerly known as the Optima. The K5 is notable for its sleek and sophisticated sheet metal and near-luxury cabin. Many interior surfaces are covered in soft-touch imitation leather or convincing facsimiles of open-pore wood and textured aluminum. The K5 presents a strong value statement, with nifty features including wireless smartphone compatibility and ventilated seats available at a price that is commensurate with more lightly equipped rivals.

Recommended trim: GT-Line (\$26,355). The midtier GT-Line gives the K5 a sporty look and feel while adding desirable creature comforts. A pair of option packages can outfit the GT-Line with even more goodies, and it's one of the only models available with all-wheel drive. Payments on a K5 GT-Line with our parameters will run about \$355 per month.



This photo provided by Kia Motors America shows 2021 K5 GT-Line 1.6T FWD. The Kia K5 is the latest version of

Kia's midsize sedan, formerly known as the Optima. The K5 is notable for its sleek and sophisticated sheet metal and near-luxury cabin. Many interior surfaces are covered in soft-touch imitation leather or convincing facsimiles of open-pore wood and textured aluminum. (Kia Motors America via AP)

2021 MAZDA CX-5

The Mazda CX-5 is one of our favorite compact crossovers. Though a little smaller on the inside than its primary competition, the CX-5 makes up for that with an eye-catching design and interior materials that rival what you'll find in luxury SUVs. It's also fun to drive, with excellent handling and sharp steering. Performance aficionados with a flexible budget should snag one of the models powered by the optional turbocharged engine.

Recommended trim: Touring (\$28,110). The CX-5 Touring adds a lot of features for the money and opens the door to the budget-friendly yet comprehensive Preferred SV package. Monthly payments on a CX-5 Touring with our calculations check in at just under \$385 per month.

EDMUNDS SAYS: Although the average car payment is now an eye-popping \$570 per month, shoppers don't have to spend that much to get a great car. In fact, some of Edmunds' top-rated sedans and crossovers can be snagged for far less.

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