

The Leased He Could Do

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Q I make my living as a car dealer. Since early in the COVID-19 era, prices in the used car market have been elevated. Of course, leasing companies like Ford Credit and GM Financial couldn't predict this three years ago, when a three-year lease now ending was signed. As a result, the residual value listed in the lease contract—the price at which the customer has the right to purchase the car at lease end—is usually thousands below the vehicle's current market value. The customer can exercise his buyout right at that low price and then flip the car for a significant profit. Many lessees are not aware of this opportunity, so they just return the car to the dealer when the lease is over and walk away. The dealer, better informed than the customer, can then buy out the lease himself, sell the car at today's valuation, and pocket the spread. But may I do so?

A It would seem that the customer's option to buy out a leased car is halachically defined as a *zechus* (right). This *zechus* belongs to the lessee, but when he returns the car to the dealer, he essentially is being *mafkir* (making ownerless) that *zechus*. The dealer then capitalizes on the opportunity and acquires that right from *hefker*. But when a man is discarding an item he doesn't know is valuable, the mitzvah of *hashavas aveidah* dictates that one must inform him of its value.

The Rama (C.M. 232:18 toward the end) discusses the case of a tin-plated gold ring whose owner believes it is solid tin. The Rama writes that because the owner is not aware of the true value of the ring, he does not halachically own it. Although this case may appear similar to ours, it is in fact different: In our case, the lessee is aware of his *zechus* to buy the car, he just doesn't know how valuable that *zechus* is. By contrast, the ring's owner is entirely unaware of the gold. Additionally, if the hidden value of the item is likely to be discovered, then it does belong to the item's owner. Here, the matter is not a secret, and the lessee will quite possibly find out about the value. It would therefore appear that the mitzvah of *hashavas aveidah* requires you to inform him of the value of the car before he relinquishes it.

