

Seven top luxury buys for less than \$36,000

JEREMY CATO

From Thursday's Globe and Mail

Latest comment posted at 9:42 AM EDT 26/05/08

We think these premium models are among the very best deals in Canada. They are all stylish, safe and a pleasure to drive. Here's a closer look at each and the deals that make them attractive ...[Read the full article](#)

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1. **Jeremy Kalanuk from Calgary, Canada writes:** Again Cato (who used to be better at giving the straight story) is twisting the Canadian / US Pricing issue to the benefit of the manufacturers. The IS250 "bargain" he praises Lexus for simply isn't true. Sure the base prices on the vehicle at roughly \$31K may be nearly identical in the US and Canada but the level of equipment on that base car is radically different. The US IS250MT includes a leather interior (Canadian standard is cloth), 10-way driver and passengers seats (Canadian standard is manual adjustment), 17" alloy wheels (Canadians get 16"), moonroof (an option in Canada) and so on and so on. Toyota has played this shell game with other "base" cars as well (likely as very few people actually buy "base" models.) A more telling figure is that a FULLY optioned IS 350 in the US will run you \$45,085 whereas the same car in Canada will run \$55,450 or 23% more. Thanks a lot Toyota and thank you Mr. Cato for trying to sell this to us as a good deal. The pricing discrepancy story is true of the Acura TSX, the BMW and the Cadillac and I find it disappointing that Mr. Cato tries to convince Canadians that they are actually getting a good deal. If that was the case, why are Toyota, Lexus, Honda and Acura dealers in the US told they can't sell to Canadians? If it wasn't significantly less expensive to purchase a car stateside, you wouldn't have Canadians flocking to the US in droves to import vehicles in record numbers.
 - Posted 22/05/08 at 2:44 PM EDT | [Alert an Editor](#) | [Link to Comment](#)
2. **Jeremy Kalanuk from Calgary, Canada writes:** It gets even better with the Acura TSX! Last time I looked the 2009 TSX pricing wasn't on the Canadian or US websites but it is now and a 2009 TSX with the Tech Package in Canada is \$42,025 with freight and PDI versus \$32,775 in the US (28% more). So when introducing his new model, Acura actually decided to continue to INCREASE prices in Canada! And Honda/Acura is one of the worst offenders in regards to cross border shopping as they don't honor the warranty on imported vehicles (never mind trying to obtain a recall clearance letter).

For LESS money Americans can purchase a BMW 328xi (ALL WHEEL DRIVE) with the same equipment (including a navigation system) for \$41,075!!!

o Posted 22/05/08 at 3:11 PM EDT | [Alert an Editor](#) | [Link to Comment](#)

3. **Jay Sherman from Ottawa, Canada writes:** Jeremy, I guess you didn't notice the Lexus ads in the top right? Good catch on manufacturers still playing shell games with Canadians. Still being ripped off as usual. Add the Canadian gov't to the list with their RIV admission requirements that try to keep you from buying in the US and importing.

o Posted 22/05/08 at 8:46 PM EDT | [Alert an Editor](#) | [Link to Comment](#)

4. **bill johnson from Quebec, Canada writes:** Jeremy...excellent comments. I have a tsx and aside from the fact the new 'premium' car has been totally trashed in Edmunds, NY Times, Car and Driver etc. etc., I refuse to buy another Canadian Acura product. Acura is rudderless - following every pathetic move by Lexus, including, as you described, dropping price and totally gutting the car. A Kia has more content than the Lexus or Acuras with the lower price. Do yourself a favour and go to the states and pick a loaded car up for the price of cloth seat Acura/Lexus.

Mr Cato should drive the car before writing fluff. Not one review of the new tsx praises the vehicle: terrible steering, controversial grill, bad brakes, same engine as in 04. Nice content, but they turned a great road car into a total wimp.

o Posted 22/05/08 at 11:21 PM EDT | [Alert an Editor](#) | [Link to Comment](#)

5. **Alex D from Ottawa, Canada writes:** Solid posts Jeremy. I would buy in this segment, but I decided a couple months ago that I'm sitting on my wallet and keeping my car for at least another year.

o Posted 23/05/08 at 1:57 AM EDT | [Alert an Editor](#) | [Link to Comment](#)

6. **Aloha Eric from Toronto, Canada writes:** What happened to Acura? The Legend was...well a legend, while the RL is pure mediocracy. Everything except the Civic is dull, meanwhile Toyota and moreso Nissan/Infiniti continue to build beautifully styled automobiles.

As for importing, go to www.carswithoutborders.com and join the petition!

o Posted 23/05/08 at 9:54 AM EDT | [Alert an Editor](#) | [Link to Comment](#)

7. **Luc Lafrance from Ottawa, Canada writes:** This article is basically flawed. Nobody buys these "base" cars. If you want one nicely equipped you're typically looking at an MSRP above \$45K. Monday I'm picking up an '08 Lexus ES 350, by far the best value in the entry-level luxury category right now (an opportunistic anomaly according to the Sales Manager at the dealership I dealt with). The difference in MSRP between US and CDN cars is less than \$1000; congratulations to Toyota for making it so. I priced an IS 250 AWD and to get it at the same level of equipment as the base ES it was more money.

o Posted 23/05/08 at 10:39 AM EDT | [Alert an Editor](#) | [Link to Comment](#)

8. **Jeremy Kalanuk from Calgary, Canada writes:** Luc, you are right, the ES350 is actually a pretty good deal compared to the US pricing. Were you able to get a deal off of MSRP or did you need to pay sticker?

o Posted 23/05/08 at 11:57 AM EDT | [Alert an Editor](#) | [Link to Comment](#)

9. **Luc Lafrance from Ottawa, Canada writes:** Jeremy, I used one of the best shopping tools around: the wholesale price report from CarCostCanada.com (\$39.95 for 5 reports). That told me that the dealer had a \$3100 profit and a \$500 factory-to-dealer incentive. I asked for \$2000 off and ended up getting \$1600 below the MSRP (already reduced by \$3000 earlier this Spring). The kicker was a lease rate of 2.1% and net payments of \$615 a month for 4 years. In the end I think I got a great deal; not worth the hassle of going to the US and importing a vehicle. Note: I should also add that I took a car they had a stock, always the way to go if you're going to haggle.
- o Posted 23/05/08 at 12:25 PM EDT | [Alert an Editor](#) | [Link to Comment](#)
10. **Kevin K. from Edmonton, Canada writes:** So I should buy a new low-end luxury car in Canada instead of a high-end used luxury car in the States? I bought and imported from a BMW dealer in the U.S. -- hence no need to spend \$500 on a recall clearance letter here -- a near-loaded certified pre-owned 2006 330xi with some 60K on it. It took me two days to get all the inspections done once it arrived here by rail (so no hassle at all, Luc). Total cost, including duties, GST and shipping: Just under \$38,500. Yes, I had to finance it myself, so I'm missing out on all those great lease rates. I'm also missing out on the \$10K premium on the same vehicle here. And I'm guessing it's more fun to drive than an Acura TSX (although maybe not as much fun as Luc's ES350). Good on people like Luc and Jeremy for putting paid to the continuous stream of columns from Cato on these great "deals" and giving consumers enough **real** information to make the right choice.
- o Posted 23/05/08 at 1:28 PM EDT | [Alert an Editor](#) | [Link to Comment](#)
11. **Luc Lafrance from Ottawa, Canada writes:** Kevin, I like the peace of mind of buying new. Yes, used high-end from the US represents huge savings and avoids a lot of the manufacturers' road blocks (pun intended) but the need to self-finance was a non-starter for me.
- o Posted 23/05/08 at 1:39 PM EDT | [Alert an Editor](#) | [Link to Comment](#)
12. **Nigel Newton from Canada writes:** When you publish an article called "Seven top luxury buys for less than \$36,000" it would be great to have a bulleted list so at a glance you can see what the seven are BMW 323i, Lexus i250....
- o Posted 23/05/08 at 5:33 PM EDT | [Alert an Editor](#) | [Link to Comment](#)
13. **bill johnson from Quebec, Canada writes:** Interesting times...I have been totally turned off the Acura brand by their heavy-handed approach to both their customers and USA dealers. When I checked my mail today, I had a new magazine from Acura advertising the new tsx. I called them and the receptionist noted I was repeat customer. I told her to take my name off all marketing initiatives and that I would no longer be an Acura customer in future.

One would figure that the loser companies would be the 1st to break the conspiracy of elevated prices, just to get some business (e.g. Acura, Saab, Volvo, Subaru). Honda feels different. My guess is that the new tsx will be a sales failure. It is a completely different car than the current one. [the current tsx is a blast to drive].

Buying slightly used in the states can save you a bundle. We did it last year and saved >20K on a Lexus. No hassle getting recall letter, no difficulties with warranty.

○ Posted 23/05/08 at 10:21 PM EDT | [Alert an Editor](#) | [Link to Comment](#)

14. **bill johnson from Quebec, Canada writes:** How many of these so-called luxury models have cloth seats? Hmm.

○ Posted 23/05/08 at 10:22 PM EDT | [Alert an Editor](#) | [Link to Comment](#)

15. **Guido Sartucci from Flin Flon, Canada writes:**

For myself, we have three 1998/1999 vehicles in our driveway needing replacement. I can assure you that I will not be buying in Canada until the price differential is addressed by the distributors. I will also keep note of and never buy again from Honda or any of the other companies who have put up significant barriers to buying from the USA. I view those practices as highly anti-consumer and worthy of wrath.

PS This author is not worth reading. His last 2 articles were plugging SUV's, an obvious attempt to resuscitate an utterly dead segment. This latest article is equally ridiculous in it's effort to brush off the very high US price differential in this segment.

○ Posted 24/05/08 at 10:31 AM EDT | [Alert an Editor](#) | [Link to Comment](#)

16. **J G from Canada writes:** Most cars in Canada are a rip-off vs US prices except maybe Chrysler which has huge discounts. Honda / Acura are worse offenders. Look at edmunds.com and compare a loaded Honda CR-V. 26K vs 36K in Canada... ouch!

○ Posted 24/05/08 at 2:30 PM EDT | [Alert an Editor](#) | [Link to Comment](#)

17. **Tony . from Waterloo, Canada writes:**

One thing to consider with these U.S. vs. Canada pricing is that Canadians are NOT getting ripped off here, the issue is that U.S. buyers are getting extraordinary deals.

Almost all of these cars are made in either Japan or Europe. The U.S. dollar has fallen about 20% against these two currencies in the past years, but vehicle prices remain unchanged. What this means is that the manufacturers are essentially given Americans a 20% discount on these cars. The only reason why this is the case is because the U.S. economy is teetering on the brink of a recession (if it's not there already) and the car market has collapsed so manufacturers can't afford to raise prices.

What does this mean? Simple, don't expect many better deals any time soon. It's more likely that U.S. prices will slowly rise to meet Canadian prices (still both cheaper than nearly anywhere else on the planet) rather than the other way around. Car makers can't afford to keep losing money by selling cars so cheaply in the U.S. vs. making WAY more money selling them in Europe, Japan, China or elsewhere!

○ Posted 25/05/08 at 9:19 PM EDT | [Alert an Editor](#) | [Link to Comment](#)

18. **You (R Lamb, from Kirkland, Canada) wrote:** Jeremy needs to do his homework before spouting off! Although pricing in Canada has come down recently, Canwest and reporters like Jeremy are failing to properly inform the Canadian public of the true picture!

The average Canadian is still being "gouged". And the practices condoned by Transport Canada do little to support the public.

Jeremy.... Luxury Cars with cloth seats! need we say anything more!

Co-founder

Carswithoutborders

www.carswithoutborders.com

o Posted 26/05/08 at 9:42 AM EDT | [Alert an Editor](#) | [Link to Comment](#)

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