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LESSON 17:
Buying a car

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The right vehicle

Before you shop, conduct an auto-biography.

Hey, wait. Don't go down to the car dealer and start shopping immediately. Are you sure that the car, pickup, sport utility or van you have in mind is what you really need?

If you rush into a deal without carefully considering how you will really use the vehicle, you could be making a \$25,500 mistake, at the average new-car price.

Sure, you want a car that will make you smile. But consider the purpose of most of your driving. Is it commuting? Hauling kids? Weekends? Vacations?

If you drive more than half an hour to work every day, a combination of a comfortable ride and reasonable gas mileage is important. If you frequently drive clients or co-workers to lunch, a sleek coupe won't be welcoming for whomever has to crawl into the back seat; you need a four-door sedan.

If you frequently haul your kids and their many friends or classmates, a minivan or sport utility with three rows of seats may be essential. If weekend errands involve hauling building materials or large bushes, that same utility or van will come in handy.

Be honest with yourself. What is the largest number of people you carry regularly? What is the biggest pile of gear, luggage or haul from Home Depot that you regularly carry?

Once you have made this practical matchup, however, you still have lots of choices. With careful planning, you can get a vehicle that you need and really want.

In Lesson 17



Glossary



Take the test

- Top things to know
- The right vehicle
- What can you afford?
- New or used?
- Buy or lease?
- Shopping for money
- Setting your target price
- Negotiating the best deal
- Closing the deal
- Buying on the Web

Autos

| | |
|---------------|-------|
| 36 month new | 5.91% |
| 48 month new | 5.98% |
| 60 month new | 6.03% |
| 72 month new | 3.78% |
| 36 month used | 6.31% |

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Money 101 Lessons

- Setting priorities
- Making a budget
- Basics of banking and saving
- Basics of investing
- Investing in stocks
- Investing in mutual funds
- Investing in bonds

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