

## 1 YOUR BUDGET

Assess your monthly budget to determine what you can afford in terms of a down payment and monthly payments

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## CAR TYPE AND USAGE

Consider what type of car you need and how you'll use it. For example, if you drive a lot of miles, a car with good fuel efficiency might be a priority.

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## LOAN TERMS

Pay close attention to the terms of the loan, including the interest rate, the length of the loan, and any fees or penalties.

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## INTEREST RATES

Shop around for the best interest rates. Your credit score will significantly impact the rates you're offered.

### FACTORS TO CONSIDER BEFORE FINANCING A CAR

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## TOTAL COST OF OWNERSHIP

Calculate the total cost of owning the car, including the total amount you'll pay over the life of the loan with interest.

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## FUTURE FINANCIAL GOALS

Consider how taking on a car loan aligns with your other financial goals. For example, if you're planning to buy a house, taking on additional debt could impact your mortgage qualification.

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## DEPRECIATION AND RESALE VALUE

Cars depreciate quickly. Consider how this will impact your loan and your car's value over time.

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## INSURANCE COSTS

Financed cars often require comprehensive and collision insurance, which can be more expensive than the minimum insurance requirements.