CAR BUYING 101:
5 STEPS TO Vehicle Financing

Hit the brakes!
Before you buy a car, follow these five steps:

1. Understand the Basics. Financing = the lender owns the car until you pay back the loan. Borrowing money costs money.

2. Shop Around. Compare financing → Banks vs. Credit Unions vs. Dealerships
Get your credit report → AnnualCreditReport.com


4. Know Your Numbers.?
   - How much car can you afford?
   - How much down payment can you afford?
   - How much can you afford to borrow?

5. Read the Fine Print. Confused? Ask your nearest legal assistance office to look it over before you sign.

Did You Know? The average annual percentage rate for car loans is 5.27%.

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>APR</th>
<th>Loan Length</th>
<th>What You Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>$20,000</td>
<td>5.27%</td>
<td>60 months</td>
<td>$22,794</td>
</tr>
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</table>

Need advice? Reach out to a personal financial manager or counselor at your nearest Family Center.

For more tips, follow the Office of Financial Readiness at https://finred.usalearning.gov

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