

Courtesy of Fort Worth Star Telegram

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## Know your options before buying a car

Post-graduation is one of the busiest times for car-buying. Even though it's summer, there's some homework to do before hitting the car lot.

### Here are some tips to take with you;

- Map your budget. One possible arrangement:

If the parents are buying the car the child can pay for insurance, gasoline and maintenance. If you're paying for the car, figure out how much you truly can afford each month including insurance, maintenance, license-plate fees and gasoline on a really expensive day — and don't exceed that number. Remember you need a car, not a status symbol. Dwayne Emmel, a financial counselor at the Village Family Service Center, which has locations in Minnesota and North Dakota, said consumers should be 'looking for a car that fits into their lifestyle and their budget.'

For a young person, that might be a reliable car that gets good mileage for commuting to work or a used van with plenty of room to haul your stuff to and from college. Save the sports car for midlife crisis. Shop around for insurance. Most people know to shop for cars, but it's also important to check insurance policies before signing a purchase agreement. Insurance costs vary widely for different vehicles and drivers (sorry, guys under 25). Call around for quotes before you fall in love with a particular car. Explore financing options. Pull your free credit report at [www.annualcreditreport.com](http://www.annualcreditreport.com). Consider a co-signer if your credit's not great. Emmel suggests pre-qualifying for a loan through your bank or credit union before going to the car dealership, but don't reject dealer financing. Some automakers have programs offering favorable rates to first-time car buyers, or they may be running a great low interest rate deal.

## Online resources

AWARE'S site has many helpful articles. [www.Autofinancing101.org](http://www.Autofinancing101.org).

The Texas Department of Transportation has information on buying a used car at

<http://www.dot.state.tx.us>

[www.Edmunds.com](http://www.Edmunds.com) has a Young Driver's Handbook. Edmunds also has a number of car buying calculators.

[www.cars.com](http://www.cars.com) has launched a new online tool to answer shoppers' questions about new cars and the car-buying process.