

Tool 12: Preparing for a Car Loan¹

Your Decisions

How much can I afford?	
How much of a down payment can I make?	
Do I want or need a co-signer?	
How much is my trade-in worth?	
How long do I want to be paying this car loan?	

Your Actions

	Complete?
Develop a realistic spending plan.	
Check your credit report and score before you apply.	
Decide if you want or need a co-signer.	
Think about optional add-ons, such as extended warranties or the car's physical features, ahead of time.	
If you're trading in a vehicle, research its approximate value using online commercial sites such as Consumer Reports, Kelley Blue Book and NADA Guides.	

¹ CFPB's Auto Loans (<http://www.consumerfinance.gov/consumer-tools/auto-loans>) - resources to help people avoid common pitfalls and understand the total cost of an auto loan.