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**For Immediate Release**

**Contact: Karen Klugh**

202-888-2082

[kklugh@autofinancing101.org](mailto:kklugh@autofinancing101.org)

### **Five Vehicle Financing Tips**

**WASHINGTON, May 15, 2014** – A vehicle is the largest purchase most people make after a home and usually requires financing. Taking the time to research and understand the financing process can help consumers make an educated decision.

AWARE (Americans Well-informed on Automobile Retailing Economics) offers five helpful vehicle finance tips for consumers:

- Budgeting helps eliminate surprises. Shop smarter by knowing how much you can afford to spend each month on a vehicle payment. Remember to consider operating costs such as insurance, gas, parking and maintenance. Create a monthly budget with AWARE's *Affordability Gauge* at <http://www.autofinancing101.org/resources/MonthlyBudgetAffordabilityGauge.xls>.
- Become familiar with financing jargon. Many common vehicle finance phrases, such as APR or Annual Percentage Rate, collateral, down payment, and lien, can be found at [www.autofinancing101.org/resources/glossary.cfm](http://www.autofinancing101.org/resources/glossary.cfm).
- Determine if buying or leasing is the best choice for you. Learn about your options at <http://www.federalreserve.gov/pubs/leasing>.
- Find the best deal. Compare terms such as rates, down payment amounts, and finance contract or loan length with the interactive worksheet at [www.afsaef.org/apply\\_for\\_financing.cfm](http://www.afsaef.org/apply_for_financing.cfm) and calculate your monthly vehicle payment with the *Auto Finance Calculator* at [www.autofinancing101.org](http://www.autofinancing101.org).
- Negotiate your finance arrangements and terms. Do not sign a contract until you are satisfied with the terms.

“Educating yourself on the basics of vehicle finance can save you time and money,” said AWARE spokeswoman Susie Irvine. “AWARE simplifies the process with a collection of valuable educational resources at [www.autofinancing101.org](http://www.autofinancing101.org).

AWARE is a vehicle financing industry coalition to help consumers understand how auto financing works. The group provides potential buyers of new and used autos with the tools and resources they need to successfully navigate the auto financing process.

AWARE's members include American Financial Services Association, National Automobile Dealers Association, National Association of Minority Automobile Dealers, American International Automobile Dealers Association, as well as members of these organizations.

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