

WHAT DRIVES THE COST OF YOUR RIDE?

When it comes to affording a car, you may be focused on the purchase price. But buying a vehicle is just the beginning.

According to the Automobile Association of America (AAA), the average cost of owning a car is \$8,849 per year! Why so high? Here are a few additional expenses that add up fast:

77%
of teens say
'price' is the most
important factor
when buying a car

Source: Fox Business



GAS Fueling up your car is unavoidable, but your gas bill will depend on how much you drive. Only commuting to school and back costs less than taking daily trips to the mall.

CAR INSURANCE Insurance for teen drivers isn't cheap. Expect to pay up to \$500 or more per month.* Fortunately, you may be able to get a discount for good grades, or if you complete a safety program.

MAINTENANCE & REPAIRS From oil changes to fixing flat tires, cars require upkeep. Some maintenance can be scheduled, but certain repairs will take you by surprise. Be ready to cover the costs.

REGISTRATION Every year, you need to pay a fee to update your vehicle registration. The cost varies by the age of your car and the state where you live. Remember to set money aside.

* Prices vary depending on location, age, type of car, and other factors.



THREE CAR LOAN POWER TIPS

Buying a car can be pricey. That's why many people get a car loan. With a car loan, you borrow money from a financial institution to pay off the price of your ride. Teens can't get a car loan, but if your parents are helping you buy a car, check out these three ways to save:

1) START SAVING RIGHT NOW

The more you can pay up front for your car loan (i.e., the down payment), the less money you need to borrow.

This means you'll have a lower payment each month.



2) CHOOSE A SHORT TERM (IF POSSIBLE)

The term is basically how many months it will take you to pay off your loan. A shorter term may have higher monthly payments, but you'll pay less over time.

3) CHECK FOR REBATES

If there's a cash-back rebate option on your car, take the rebate and finance the car with your financial institution. Use the extra money as part of your down payment.

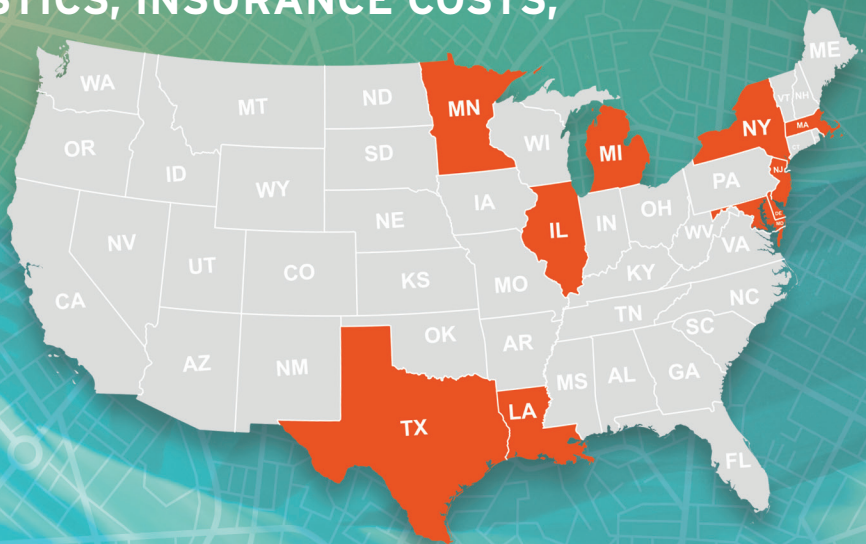


PRO TIP:

DON'T FORGET TO LOOK AT USED VEHICLES AND CONSIDER LEASING OPTIONS WHEN SEARCHING FOR YOUR NEXT CAR.

TOP 10 BEST STATES FOR TEEN DRIVERS

...BASED ON ACCIDENT STATISTICS, INSURANCE COSTS, DRIVING LAWS AND MORE.



1. **MARYLAND**
2. **NEW YORK**
3. **MASSACHUSETTS**
4. **LOUISIANA**
5. **TEXAS**
6. **MICHIGAN**
7. **MINNESOTA**
8. **NEW JERSEY**
9. **ILLINOIS**
10. **DELAWARE**

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