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# Buying your first car

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A young man with short brown hair, wearing a light blue patterned shirt, is smiling broadly while driving a blue convertible car. The car's top is down, and the background shows a blurred green landscape under a clear blue sky. The car's interior, including the steering wheel and a white leather seat, is visible.

Where do I begin?

Many students need a car while attending college, for purposes such as commuting to work. Cars are expensive, and there is a lot to keep in mind when purchasing your first car.



# Setting a budget

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The price of buying or leasing a car isn't the only cost you will face. Some examples include:

- License and registration fees
- Routine service
- Car fluids
- Gas



You'll also face insurance costs, which will vary greatly based on the car you choose and your traits such as age, grades, etc.

When you purchase a car, you can either lease it, or buy it.

- Leasing is similar to renting, because you pay a monthly fee for the vehicle for a specified period, and then give it back at the end of that period.
- If you buy the vehicle, it is yours to keep once it has been paid off.

Leasing a vehicle has two advantages. The first is a lower monthly payment and down payment, and the second is that you don't have to worry about selling the vehicle when the period is up.

There are disadvantages, however:

- You can only drive it for a specified amount of miles each year. If you go over, there can be high fees for that overage.
- You pay for damages when turning it in.
- Whereas you can sell your own car for money, with a lease you hand it in and are back to square one.

When you buy a vehicle, you keep it after it has been paid off. You can sell it later on to get some of your money back, and can put as many miles on it as you want.

Like leasing, there are disadvantages:

- You will be facing the full cost of the car, which means you may not be able to afford as much as you can with a lease.
- You may own the car for a longer period of time, so you could run into more maintenance costs.

# Paying for a car

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If you wish to buy the car instead and you can't afford to pay for the car with cash, you may need to finance it. There are a few things to keep in mind when financing:

- Read the fine print- understand every aspect of your loan
- Only finance something you can afford to pay back
- Get the shortest financing period you can afford to do
- PARDA is here to help- ask about our auto loans!




A silver SUV is parked on a snowy road in a mountainous, winter landscape. The car is on the left side of the frame, showing its rear and side profile. The background consists of snow-covered trees and mountains under a bright sky. The overall scene is serene and cold.

## Protecting your purchase

Here at PARDA, we offer Guaranteed Auto Protection (GAP) and Major Mechanical Protection (MMP). To learn more about these payment protection plans, [visit our website](#).



## Final notes

A photograph showing four people inside a car. A man with a beard is driving, looking forward with a smile. A woman with long blonde hair is in the passenger seat, smiling. A woman with a large afro hairstyle is in the foreground, smiling broadly. A fourth person is partially visible in the back seat. The car's interior and windows are visible, with a bright, sunny outdoor setting.

Buying a car can take time and involves a lot of thought. When it's finally time to start going to dealerships to get pricing options, don't hesitate to ask for someone experienced with car buying to come with you, and always shop around at dealerships to get the best deal!