

Buying a Vehicle Workbook



The decision to purchase a vehicle is a big financial commitment. The price of a vehicle does not end when the sticker price is paid. You also need to consider ongoing maintenance and other costs such as repairs, registration, insurance, inspections, fuel etc. Consider carefully how you will use the car, how long you plan to own it, how much you can afford to spend and your options around leasing, financing or paying outright for the vehicle. Be sure to check with your insurance company what your premiums will be before you buy.



How will you pay for the vehicle?

Do you have all the money you need to buy the vehicle you want (including registration, tax, delivery, etc.)?

- Yes No

If not, how much money do you need to borrow? _____

Ask each lender these questions:

Name of Lender	Interest Rate	Monthly Payment Amount	# of Months to Pay	Total Cost (Inc. fees & interest)	Is a Co-Signer Needed? Y/N
		\$		\$	
		\$		\$	
		\$		\$	
		\$		\$	
		\$		\$	



How much will insurance cost?

Insurance rates will vary depending on your age, the type of vehicle you purchase and the amount of coverage you want to purchase. Shop around for insurance and ask for quotes based on the vehicles you are considering.

Insurer Name:	Vehicle 1:	Vehicle 2:	Vehicle 3:

Test drive and compare

If you are asked for a deposit or to sign a contract before the test drive, make sure to read and fully understand what you are signing.

Ensure you will get your deposit back and the contract is cancelled with no conditions if you choose not to purchase the vehicle. Get everything in writing and don't sign anything you are not comfortable with. You are responsible to hold up your end of a contract once it is signed, even if you didn't take the time to read and understand it before you signed.

	Vehicle 1:	Vehicle 2:	Vehicle 3:
Options Included			
Price			
Your Notes			

Can I afford it?

The cost of a vehicle does not stop once you've paid the sticker price. Use this chart below to estimate the annual ongoing costs of the vehicles you are considering.

Be honest when asking yourself if you can afford these costs. You should be able to estimate these costs based on the information you find on each vehicle while researching them. Divide by 12 to get the estimated monthly costs of ownership. Make sure this fits into your overall budget as well. The website www.caa.ca/driving-costs can help you estimate some costs.

Cost:	Estimated Amount		
	Vehicle 1:	Vehicle 2:	Vehicle 3:
Regular Maintenance (oil changes, tune-ups, tires and brakes)			
Registration cost			
Fuel cost (each week x52)			
Insurance			
Unexpected Repairs			
Parking (each week x52)			
Annual Cost			
Monthly Cost (/12)			
Monthly Payments to the Dealership or Bank			
Total Monthly Cost			

Vehicle reputation and ratings

There are many websites to help you compare the reputation and ratings of different vehicles before you purchase. Different organizations test vehicles and rate them usually on a scale from excellent to poor. Some websites charge a fee for this information.

	Vehicle 1:		Vehicle 2:		Vehicle 3:	
Safety	Excellent	Good	Excellent	Good	Excellent	Good
	Fair	Poor	Fair	Poor	Fair	Poor
Reliability	Excellent	Good	Excellent	Good	Excellent	Good
	Fair	Poor	Fair	Poor	Fair	Poor
Maintenance	Excellent	Good	Excellent	Good	Excellent	Good
	Fair	Poor	Fair	Poor	Fair	Poor
Fuel	Excellent	Good	Excellent	Good	Excellent	Good
	Fair	Poor	Fair	Poor	Fair	Poor
Insurance industry rating	Excellent	Good	Excellent	Good	Excellent	Good
	Fair	Poor	Fair	Poor	Fair	Poor

The content in this workbook has been adapted from materials published by the federal-provincial-territorial Consumer Measures Committee. <http://www.consumerhandbook.ca/en/>

Contact us

Financial and Consumer
Services Commission
Toll Free: 1 866 933-2222
Facsimile: 1 506 658-3059
info@fcnb.ca

85 Charlotte Street
Suite 300
Saint John, NB
E2L 2J2
fcnb.ca



FINANCIAL AND
CONSUMER SERVICES
COMMISSION

regulation • education • protection



#spendsmart

