

Chapter 4
Vehicle and Other Major Purchases

Section: Other 8.1

Planned Buying

How to Buy Smart:

- An ill-advised credit purchase can have negative effects on your

- Do not buy on
- Pay cash if there is a
- Buy at the

- Do not pay extra for a

- Recognize the high price of

- Get the “_____”. It is an item with

Planned Buying:

- It is thinking through all of the details of purchase from the initial desire to buy to your

- It makes the most of one's earnings and puts more money available to save and invest thereby enhancing.

- Use it for
- Ex:

Planned Buying Steps

Step 1: Prioritize your wants: What will you buy?

- Needs:
 - They are

 - Ex:
- Wants:
 -
 -

 - Ex:

Step 2: Do Pre-shopping research:

- Wise buyers become
- Gather information _____ interacting with sellers.
- Cost per use: It provides a way to compare among

Cost per use =

Ex: Types of Car Research:

- A. Become knowledgeable about
 - Manufacturer's Suggested Retail Price (or MSRP):

 - Dealer Invoice Price:
- B.
 - What is my trade-in worth?

 - Should I trade-in or sell my old vehicle
 - It may be better to

 - Dealers offer a low price for for your vehicle because they need to

 -

Step 3: Fit the purchase into your budget:

Can I afford it based on:

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