

## CONSUMER PROTECTION TIPS FOR YOUNG ADULTS

# QUICK TIPS ABOUT CAR LOANS

**A car is one of the biggest purchases you will make. Make sure that the car you buy is one that you can afford. If you need to get a car loan, make sure it is safe and fair. Here are quick tips to keep in mind.**

- **Look at your budget and decide how much you can afford up front and over time.** Don't forget about related costs, including insurance, parking, gas, tolls, and repairs.
- **Check your credit report at [annualcreditreport.com](https://annualcreditreport.com) and correct any errors.**

### IMPORTANT

Before applying for a car loan, it's important to make sure your credit history is accurate. Removing errors from your credit report may improve your credit score and make you eligible for a better loan.

- **Get preapproved for a loan.** Knowing the rate will help you comparison shop across financial institutions. Using your own bank or credit union gives added protection if something goes wrong.

- **Research the car's value.** Check the National Automobile Dealers Association's (NADA) Guides, Edmunds, and Kelley Blue Book to find out the average price of the car you plan to buy and trade in.

### IMPORTANT LINKS

NADA Guides: [nadaguides.com](https://nadaguides.com)

Edmunds: [edmunds.com](https://edmunds.com)

Kelley Blue Book: [kbb.com](https://kbb.com)

- **Check the dealership's license status and complaint history.** All used car dealers must be licensed by the Department of Consumer and Worker Protection (DCWP). You can search for a licensee online at [nyc.gov/dcwp](https://nyc.gov/dcwp). You can also call 311 (212-NEW-YORK outside NYC) to learn more about a business' license status or to check a business's complaint history.

## FREE HELP

**Get free professional financial counseling at an NYC Financial Empowerment Center.** Counselors can help you create a budget, understand your credit report, improve your credit score, and more. Call 311 to schedule an appointment near you or visit [nyc.gov/TalkMoney](https://nyc.gov/TalkMoney) for more information.

**Get a free copy of your credit report and review it carefully.**  
Go to [annualcreditreport.com](https://annualcreditreport.com) or call toll-free 1-877-322-8228.

## OTHER RESOURCES

Read DCWP's Used Car Buyer Guide for tips when you are at the dealership and to protect yourself from recalled cars. Visit [nyc.gov/dcwp](https://nyc.gov/dcwp).

### **About Consumer Protection Tips for Young Adults**

Young adults face consumer challenges every day. The Department of Consumer and Worker Protection (DCWP) created a series of tip sheets to educate young adults about their rights and how the spending decisions they make today will affect their future.