

Part 2

# **SECTION 10-3**

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# BUDGETING

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- ✘ Monthly Car payment
- ✘ Gas Expenses
- ✘ Repairs
- ✘ Maintenance
- ✘ Taxes + Fees
- ✘ Insurance Costs

# REPAIRS

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- ✘ Estimate how much you think you will need that year for repairs.
- ✘ More for older cars.

# MAINTENANCE

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- ✘ Oil Changes – 4 / year
- ✘ Tune Ups – 2 / year
- ✘ Car Washes – 12 / year



# TAXES AND FEES

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- ✘ Registration – 1 / year
- ✘ Taxes – Only when you buy a car.

# INSURANCE

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- ✘ More expensive if you get speeding tickets or accidents.
- ✘ More expensive if you are younger.
- ✘ More expensive if you drive an expensive car.

- ✘ What should Bob's monthly budget be for the following car expenses:
- ✘ \$17,000 car payment over 4 yrs at 7% APR
- ✘ Maintenance - \$230 /yr
- ✘ Repairs - \$400 /yr
- ✘ Insurance - \$650 twice a yr
- ✘ Taxes - \$70 /yr
- ✘ Gasoline - 15000 miles at 12 cents per mile.

- ✘ What should Joe's monthly budget be for the following car expenses:
- ✘ \$25,500 car payment over 3 yrs at 6% APR
- ✘ Maintenance - \$350 /yr
- ✘ Repairs - \$600 /yr
- ✘ Insurance - \$800 twice a yr
- ✘ Taxes - \$100 /yr
- ✘ Gasoline - 10000 miles at 10 cents per mile.



# LEASING

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- ✘ Still have monthly payment (lower)
- ✘ Insurance
- ✘ Maintenance
- ✘ Repairs
- ✘ Taxes and Fees
- ✘ Gasoline
- ✘ Charges for overage of miles.

# CLASSWORK

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× PG 482

× EYS 1-4

× MR 1-5