

# Common Core Standards



## **CCSS.ELA-LITERACY.RI.9-10.7 / RI.11-12.7**

Analyze various accounts of a subject presented in different mediums... determining which details are emphasized.  
(Students read informational text, budget tables, and real-life guidance on car buying and financing.)

## **CCSS.ELA-LITERACY.RI.9-10.1 / RI.11-12.1**

Cite strong and thorough textual evidence to support analysis of what the text says explicitly as well as inferences.  
(Students answer questions that require text-based evidence, such as explaining why distracted driving is dangerous or how to calculate loan terms.)

## **CCSS.MATH.CONTENT.HSA.CED.A.1**

Create/solve equations and inequalities in one variable and use them to solve problems.  
(Budgeting asks students to calculate maximum affordable car payments based on income limits or savings goals.)

## **CCSS.MATH.CONTENT.7.EE.B.3**

Solve multi-step real-life and mathematical problems posed with positive and negative rational numbers... apply properties of operations to calculate with numbers in any form; convert between forms as appropriate; and assess the reasonableness of answers using mental computation and estimation strategies.  
(Students work through multi-step cost scenarios (e.g., *car purchase + gas + maintenance*). They evaluate loan offers, insurance savings, or total cost of ownership across multiple months or years.)

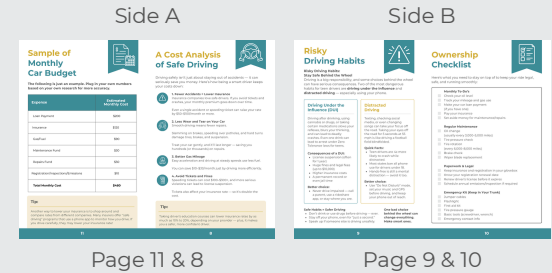
# Booklet Printing Instructions

This booklet should be printed double sided using a 8.5" x 11" paper. Remember to start printing on page 3 and select flip on short edge in your printer settings. Always test first. If pages are printing upside down, switch to flip on long edge.

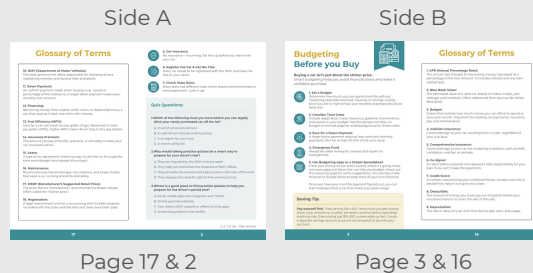
## 1 First Paper



## 5 Fifth Paper

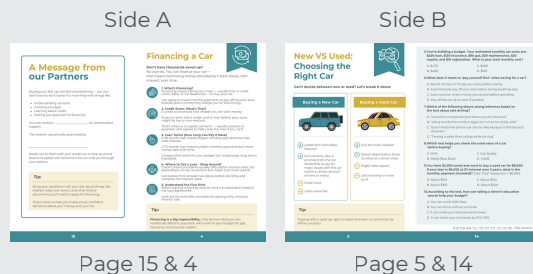


## 2 Second Paper

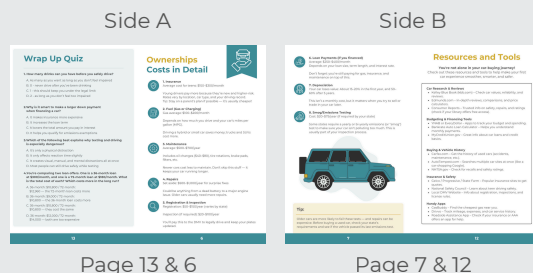


## 5 Compile all 5 pages and fold

## 3 Third Paper



## 4 Fourth Paper





Scan to visit our website:



# Money Milestones: Your First Car



# Requirements for Buying a Car



## Ready to get your first car? Awesome!

But before you start picking colors and test-driving, there are a few things you have to check off first. Here's what you need to legally and smartly buy your first car.



### 1. You Need to Be 18 OR Have an Adult Help You

If you're 18 or older, you're good to go.

If you're under 18, a parent or guardian will need to sign stuff with you.



### 2. Get Your License First

You need a valid driver's license to test drive, register, and insure a car. Check your state requirements for how to acquire a valid driver's license!



### 3. Prove Who You Are and Where You Live

Car sellers (and the DMV) want to know you're really you.

Bring your driver's license (this counts as ID) and something that shows your address — like a recent utility bill, your school enrollment letter, or any official mail that has your name and address on it.

This helps with things like registering the car and getting the title in your name.

Some places might also ask for proof of income or employment — especially if you're getting a loan.



### 4. Have a Way to Pay

Whether you're using savings or getting a loan, you need money ready.

You may need to show proof of income or have an adult co-sign if you're getting a loan.

# Glossary of Terms

## 19. Safety Rating:

A score given to vehicles based on crash test performance and safety features, often rated by agencies like the NHTSA.

## 20. Term (Loan Term):

The length of time you agree to repay a loan, typically expressed in months (e.g., 36, 48, or 60 months).

## 21. Title:

A legal document that proves ownership of a vehicle. You need the title to sell or transfer the car.

## 22. Trade-In:

Giving your current car to a dealership as part of the payment for a new (or used) car.

## 23. Used Car:

A car that has been previously owned and driven. Usually less expensive than a new car but may require more maintenance.

## 24. VIN (Vehicle Identification Number):

A unique 17-character code assigned to every vehicle that tells its history, including recalls, accidents, and ownership.

## 25. Warranty:

A guarantee from the manufacturer or dealer that covers certain repairs for a specific time or mileage.



# Glossary of Terms

## 10. DMV (Department of Motor Vehicles):

The state government office responsible for licensing drivers, registering vehicles, and issuing titles and plates.

## 11. Down Payment:

An upfront payment made when buying a car, usually a percentage of the total price. A larger down payment lowers your monthly loan amount.

## 12. Financing:

Borrowing money from a bank, credit union, or dealership to buy a car, then paying it back over time with interest.

## 13. Fuel Efficiency (MPG):

How far a car can travel on one gallon of gas. Measured in miles per gallon (MPG). Higher MPG means fewer trips to the gas station.

## 14. Insurance Premium:

The amount you pay (monthly, quarterly, or annually) to keep your car insurance active.

## 15. Lease:

A type of car agreement where you pay to use the car for a specific time and mileage limit instead of owning it.

## 16. Maintenance:

Routine services like oil changes, tire rotations, and brake checks that keep a car running smoothly and safely.

## 17. MSRP (Manufacturer's Suggested Retail Price):

The price the car manufacturer recommends the dealer charge. Often called the "sticker price."

## 18. Registration:

A legal requirement to drive a car, proving that it's been properly recorded with the state and that fees and taxes have been paid.



## 5. Get Insurance

No insurance = no driving. Set this up before you leave with your car.



## 6. Register the Car & Get the Title

Every car needs to be registered with the DMV and have the title in your name.



## 7. Check State Rules

Every state has different rules. Some require emissions tests or extra paperwork. Look it up!

## Quiz Questions:

### 1. Which of the following must you have before you can legally drive your newly purchased car off the lot?

- A. Proof of school enrollment
- B. A valid driver's license and insurance
- C. A co-signer for your loan
- D. A recent utility bill

### 2. Why would taking practice quizzes be a smart way to prepare for your driver's test?

- A. They are required by the DMV in every state
- B. They help you memorize the locations of DMV offices
- C. They simulate the real test and help you learn the rules of the road
- D. They replace the need for behind-the-wheel practice

### 3. Where is a good place to find practice quizzes to help you prepare for the driver's permit test?

- A. Social media apps like Instagram and TikTok
- B. Online gaming websites
- C. Your state's DMV website or official driving apps
- D. Streaming platforms like Netflix

Answer Key: 1.B, 2.C, 3. C

# Budgeting Before you Buy



## Buying a car isn't just about the sticker price.

Smart budgeting helps you avoid financial stress and make a confident purchase.



### 1. Set a Budget

Determine how much you can spend monthly without impacting essentials like food, housing, or savings. Luckily, since you are in high school, your monthly expenses should be fairly low!



### 2. Consider Total Costs

Include registration, taxes, insurance, gasoline, maintenance, and repairs in your budget. See the sample monthly car budget on the last page for solid background on these costs!



### 3. Save for a Down Payment

A larger down payment reduces loan costs and monthly payments. Aim for at least 10-20% of the car's value.



### 4. Emergency Fund

Always set aside money for unexpected repairs or emergencies.



### 5. Use Budgeting Apps or a Simple Spreadsheet

Track your money so you know exactly where it's going, there are many apps out there that can help you budget, check out the resources page for some suggestions. You can also make an Excel or Google Sheet to keep track of your own finances!

Once you have your monthly payment figured out, you can start looking to find a car that meets your price range.

## Saving Tip:

**Pay yourself first.** Treat saving like a bill—every time you get money (from a job, allowance, or gifts), set aside a portion before spending anything else. Even saving just \$10–\$20 a week adds up fast. Create a separate savings account so you're not tempted to dip into your car fund.

# Glossary of Terms

## 1. APR (Annual Percentage Rate):

The annual rate charged for borrowing money, expressed as a percentage of the loan amount. It includes interest and any loan-related fees.

## 2. Blue Book Value:

The estimated value of a used car, based on make, model, year, mileage, and condition. Often referenced from sources like Kelley Blue Book.

## 3. Budget:

A plan that outlines how much money you can afford to spend or save each month. Important for tracking car payments, insurance, gas, and maintenance.

## 4. Collision Insurance:

Covers damage to your car resulting from a crash, regardless of who is at fault.

## 5. Comprehensive Insurance:

Covers damage to your car not caused by a collision, such as theft, vandalism, weather, or animals.

## 6. Co-Signer:

An adult (often a parent) who agrees to take responsibility for your loan if you can't make the payments.

## 7. Credit Score:

A number representing your creditworthiness. Lenders use this to decide how risky it is to give you a loan.

## 8. Deductible:

The amount of money you must pay out-of-pocket before your insurance kicks in to cover the rest of the cost.

## 9. Depreciation:

The loss in value of a car over time due to age, wear, and usage.

# A Message from our Partners

Buying your first car can feel overwhelming — but you don't have to do it alone! For more help with things like:

- Understanding car loans
- Creating a budget
- Learning about credit
- Getting pre-approved for financing

You can contact \_\_\_\_\_ for personalized support.

This booklet was proudly sponsored by:

\_\_\_\_\_  
Reach out to them with your questions, or stop by a local branch to speak with someone who can walk you through your options.

## Tip:

Bring your questions with you! Ask about things like interest rates, loan terms, and what kind of documents you'll need to apply for financing.

They're here to help you make smart, confident decisions about your money and your car.

# Financing a Car



## Don't have thousands saved up?

No worries. You can finance your car — that means borrowing money and paying it back slowly, with interest, over time.



### 1. What's Financing?

Financing means taking out a loan — usually from a credit union, bank, or car dealership — to buy your car.

You agree to make monthly payments to pay off the loan, plus interest (extra money they charge you for borrowing).



### 2. Credit Score: What's That?

A credit score shows how reliable you are with money.

If you've never had a credit card or loan before, your score might be low or non-existent.

That's where a co-signer comes in — usually a parent or guardian who agrees to help cover the loan if you can't.



### 3. Loan Terms (How Long You Pay It Back)

A 36-month loan means bigger monthly payments but less total interest.

A 72-month loan means smaller monthly payments but more money paid over time.

Choose what works for your budget, but avoid super long terms if possible.



### 4. Where to Get a Loan - Shop Around!

Credit Unions and Banks usually offer better interest rates. Car dealerships can be convenient but might cost more overall.

Get quotes from at least two places before deciding and compare the interest rates!



### 5. Understand the Fine Print

Before signing anything, read (or have a trusted adult explain) the loan agreement.

Look out for extra fees, penalties for paying early, and your interest rate.

## Tip:

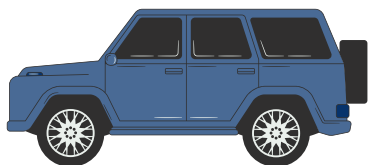
**Financing is a big responsibility.** Only borrow what you can realistically afford to pay back, with room in your budget for gas, insurance, and surprise repairs.

# New VS Used: Choosing the Right Car



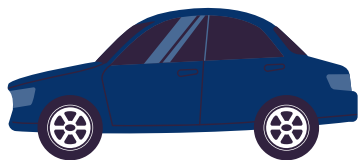
Can't decide between new or used? Let's break it down:

## Buying a New Car



- ⊕ Latest tech and safety features
- ⊕ Full warranty (like a promise from the car dealership to pay for major issues with the car within a certain amount of time or miles)
- ⊖ Costs more
- ⊖ Loses value fast

## Buying a Used Car



- ⊕ Can be much cheaper
- ⊕ Slower depreciation (loses its value at a slower rate)
- ⊖ Might need repairs
- ⊖ Less warranty or none at all

### Tip:

If going with a used car, get a trusted mechanic to check the car before you buy!

5.You're building a budget. Your estimated monthly car costs are: \$200 loan, \$120 insurance, \$90 gas, \$30 maintenance, \$30 repairs, and \$10 registration. What is your total monthly cost?

- A. \$470
- B. \$490
- C. \$480
- D. \$510

6.What does it mean to "pay yourself first" when saving for a car?

- A. Spend money on things you enjoy before saving
- B. Automatically pay off your loan before doing anything else
- C. Save a portion of any money you receive before spending
- D. Pay off the car all at once if possible

7.Which of the following shows strong inference based on the text about safe driving?

- A. "Insurance companies give teens a youth discount."
- B. "Using hands-free mode is legal, so it must be totally safe."
- C. "Even hands-free phone use can be risky because it still distracts the brain."
- D. "Texting is safer than calling while driving."

8.Which tool helps you check the used value of a car before buying?

- A. DMV
- B. Kelley Blue Book
- C. Gas Buddy
- D. YNAB

9.You have \$2,000 saved and want to buy a used car for \$8,000. If your loan is \$6,000 at 5% interest over 3 years, what is the monthly payment (rounded)? (Use: Total repayment ≈ \$6,950)

- A. About \$160
- B. About \$180
- C. About \$145
- D. About \$200

10.According to the text, how can taking a driver's education course help your budget?

- A. You can avoid DMV fees
- B. You can drive without a license
- C. It can make your loan payments lower
- D. It can lower your insurance by 10%–20%

Answer Key: 1.B, 2.C, 3.C, 4.A, 5.C, 6.C, 7.C, 8.B, 9.A, 10.D

# Wrap Up Quiz

## 1. How many drinks can you have before you safely drive?

- A. As many as you want as long as you don't feel impaired
- B. 0 - never drive after you've been drinking
- C. 1 - this should keep you under the legal limit
- D. 2 - as long as you don't feel too impaired

## 2. Why is it smart to make a larger down payment when financing a car?

- A. It makes insurance more expensive
- B. It increases the loan term
- C. It lowers the total amount you pay in interest
- D. It helps you qualify for emissions exemptions

## 3. Which of the following best explains why texting and driving is especially dangerous?

- A. It's only a physical distraction
- B. It only affects reaction time slightly
- C. It creates visual, manual, and mental distractions all at once
- D. Most people can still drive safely while texting

## 4. You're comparing two loan offers. One is a 36-month loan at \$300/month, and one is a 72-month loan at \$180/month. What is the total cost of each? Which costs more in the long run?

- A. 36-month: \$10,800 / 72-month: \$12,960 — the 72-month loan costs more
- B. 36-month: \$9,000 / 72-month: \$10,800 — the 36-month loan costs more
- C. 36-month: \$10,800 / 72-month: \$10,800 — they cost the same
- D. 36-month: \$12,000 / 72-month: \$14,000 — both are too expensive

# Ownerships Costs in Detail



## 1. Insurance

Average cost for teens: \$150–\$300/month

Young drivers pay more because they're new and higher-risk. Rates vary by location, car type, and your driving record. Tip: Stay on a parent's plan if possible — it's usually cheaper!



## 2. Fuel (Gas or Charging)

Gas average: \$100–\$200/month

Depends on how much you drive and your car's miles per gallon (MPG).

Driving a hybrid or small car saves money; trucks and SUVs cost more.



## 3. Maintenance

Average: \$500–\$700/year

Includes oil changes (\$40–\$80), tire rotations, brake pads, filters, etc.

Newer cars cost less to maintain. Don't skip this stuff — it keeps your car running longer.



## 4. Repairs

Set aside: \$500–\$1,000/year for surprise fixes

Could be anything from a dead battery to a major engine issue. Older cars usually need more repairs.



## 5. Registration & Inspection

Registration: \$50–\$150/year (varies by state)

Inspection (if required): \$20–\$100/year

You'll pay this to the DMV to legally drive and keep your plates updated.





### 6. Loan Payments (if you financed)

Average: \$250–\$400/month

Depends on your loan size, term length, and interest rate.

Don't forget: you're still paying for gas, insurance, and maintenance on top of this.



### 7. Depreciation

Your car loses value: About 15–20% in the first year, and 50–60% after 5 years.

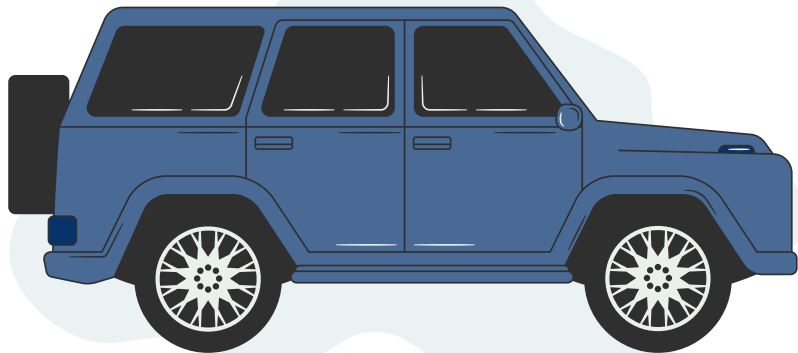
This isn't a monthly cost, but it matters when you try to sell or trade in your car later.



### 8. Smog/Emissions Testing

Cost: \$20–\$75/year (if required by your state)

Some states require a yearly or bi-yearly emissions (or "smog") test to make sure your car isn't polluting too much. This is usually part of your inspection process.



#### Tip:

Older cars are more likely to fail these tests — and repairs can be expensive. Before buying a used car, check your state's requirements and see if the vehicle passed its last emissions test.

# Resources and Tools

## You're not alone in your car-buying journey!

Check out these resources and tools to help make your first car experience smoother, smarter, and safer.

### Car Research & Reviews

- Kelley Blue Book (kbb.com) – Check car values, reliability, and reviews.
- Edmunds.com – In-depth reviews, comparisons, and price calculators.
- Consumer Reports – Trusted info on safety, repairs, and ratings (check if your library offers free access).

### Budgeting & Financing Tools

- YNAB or EveryDollar – Apps to track your budget and spending.
- Bankrate Auto Loan Calculator – Helps you understand monthly payments.
- MyCreditUnion.gov – Great info about car loans and credit basics.

### Buying & Vehicle History

- Carfax.com – Get the history of used cars (accidents, maintenance, etc.).
- AutoTempest.com – Searches multiple car sites at once (like a car-shopping Google).
- NHTSA.gov – Check for recalls and safety ratings.

### Insurance & Safety

- Geico / Progressive / State Farm – Popular insurance sites to get quotes.
- National Safety Council – Learn about teen driving safety.
- Local DMV Website – Info about registration, inspections, and license rules.

### Handy Apps

- GasBuddy – Find the cheapest gas near you.
- Drivvo – Track mileage, expenses, and car service history.
- Roadside Assistance App – Check if your insurance or AAA offers an app for help.

# Sample of Monthly Car Budget



The following is just an example. Plug in your own numbers based on your own research for more accuracy.

Expense	Estimated Monthly Cost
Loan Payment	\$200
Insurance	\$120
Gas/Fuel	\$90
Maintenance Fund	\$30
Repairs Fund	\$30
Registration/Inspections/Emissions	\$10
<b>Total Monthly Cost</b>	<b>\$480</b>

## Tip:

Another way to lower your insurance is to shop around and compare rates from different companies. Many insurers offer “safe driving” programs that use a phone app to monitor how you drive. If you drive carefully, they may lower your insurance rate!

# A Cost Analysis of Safe Driving



Driving safely isn't just about staying out of accidents — it can seriously save you money. Here's how being a smart driver keeps your costs down:



## 1. Fewer Accidents = Lower Insurance

Insurance companies love safe drivers. If you avoid tickets and crashes, your monthly premium goes down over time.

Even a single accident or speeding ticket can raise your rate by \$50–\$100/month or more.



## 2. Less Wear and Tear on Your Car

Smooth driving means fewer repairs.

Slamming on brakes, speeding over potholes, and hard turns damage tires, brakes, and suspension.

Treat your car gently, and it'll last longer — saving you hundreds (or thousands) on repairs.



## 3. Better Gas Mileage

Easy acceleration and driving at steady speeds use less fuel.

You can save \$10–\$30/month just by driving more efficiently.



## 4. Avoid Tickets and Fines

Speeding tickets can cost \$100–\$300+, and more serious violations can lead to license suspension.

Tickets also affect your insurance rate — so it's double the cost.

## Tip:

Taking driver's education courses can lower insurance rates by as much as 10% to 20%, depending on your provider — plus, it makes you a safer, more confident driver.

# Risky Driving Habits



## Risky Driving Habits:

### Stay Safe Behind the Wheel

Driving is a big responsibility, and some choices behind the wheel can have serious consequences. Two of the most dangerous habits for teen drivers are **driving under the influence** and **distracted driving** — especially using your phone.

### Driving Under the Influence (DUI)

Driving after drinking, using cannabis or drugs, or taking certain medications slows your reflexes, blurs your thinking, and can lead to deadly crashes. Even one drink can lead to arrest under Zero Tolerance laws for teens.

#### Consequences of a DUI:

- License suspension (often for 1 year)
- Huge fines and legal fees (up to \$10,000)
- Higher insurance costs
- A permanent record or even jail time

#### Better choice:

- Never drive impaired — call a parent, use a rideshare app, or stay where you are.

### Distracted Driving

Texting, checking social media, or even changing songs can take your focus off the road. Taking your eyes off the road for 5 seconds at 55 mph is like driving a football field blindfolded.

#### Quick Facts:

- Teen drivers are 4x more likely to crash while distracted.
- Most states ban all phone use for drivers under 18.
- Hands-free is still a mental distraction — avoid it too.

#### Better choice:

- Use “Do Not Disturb” mode, set your music and GPS before driving, and keep your phone out of reach.

## Safe Habits = Safer Driving

- Don't drink or use drugs before driving — ever.
- Stay off your phone, even for “just a second.”
- Speak up if someone else is driving unsafely.

**One bad choice behind the wheel can change everything. Make smart ones.**

# Ownership Checklist



Here's what you need to stay on top of to keep your ride legal, safe, and running smoothly:

### Monthly To-Do's

- ☐ Check your oil level
- ☐ Track your mileage and gas use
- ☐ Make your car loan payment (if you have one)
- ☐ Pay your insurance
- ☐ Set aside money for maintenance/repairs

### Regular Maintenance

- ☐ Oil change (usually every 3,000–5,000 miles)
- ☐ Tire pressure check
- ☐ Tire rotation (every 6,000–8,000 miles)
- ☐ Brake check
- ☐ Wiper blade replacement

### Paperwork & Legal

- ☐ Keep insurance and registration in your glovebox
- ☐ Know your registration renewal date
- ☐ Renew driver's license before it expires
- ☐ Schedule annual emissions/inspection if required

### Emergency Kit (Keep in Your Trunk)

- ☐ Jumper cables
- ☐ Flashlight
- ☐ First aid kit
- ☐ Tire pressure gauge
- ☐ Basic tools (screwdriver, wrench)
- ☐ Emergency contact info