

## Money Tip Tuesday – Save money on vehicle costs

Vehicles can get expensive. The average American spends an average of \$ 9,576 on vehicle costs annually (according to U.S. Bureau of Labor Statistics, 2019). Are there ways to cut those costs and save a little money on expenses?

I'm Wil, here with Liz and Terri with today's money tip.

This money tip will lay out a few things you can do to cut your vehicle expenses.

With everything from gas, to repairs, to purchase and resale, having a car can get expensive. Of course the purchase price is worth note, as well as your financing costs or interest, but what about maintenance, or fuel efficiency?

Well, if you are searching for a vehicle, this may offer you some insight on what to think about when purchasing. If you already have a vehicle, you may find some of these tips helpful to save yourself costs over time.

- **Tip 1: Buy used.** This can save you money right off the bat. You don't need to get an old vehicle, something 2-3 years old is fine. But compared to buying a new car, you could save yourself thousands off the price tag. A new car can average \$20,000 for small cars, \$25,000 for midsize cars and can climb to \$26,000 to \$33,000 for a small to midsize SUV (Kelley Blue Book). But due to depreciation, that same car in only a few years can cost about one half the price. For example, a \$30,000 brand new vehicle can cost \$15,000 in 3 years (Nerdwallet). If you buy a vehicle that's a few years old, you can save yourself a good chunk of change right off the bat and still get a good, reliable car.
- **Tip 2: Get regular servicing.** Tire rotation, regular oils changes and even car washes will extend the life of your vehicle. Although those are all considered expenses, regular maintenance can save you quite a bit of money in the future because you're less likely to pay money in repair costs and it keeps the value of your car up. It also extends the life of your vehicle, keeping you from having to buy another car every 7 years. Pay attention to your vehicle, budget for the regular maintenance costs and you'll pay less over all.
- **Tip 3: Do repairs or maintenance yourself if you can.** If you're mechanically inclined, you may be able to do some of the work yourself. Some car servicing or repairs are easy enough to do yourself. You may not need to pay someone for servicing when you are just as likely to perform the job yourself. YouTube is a great resource for watching repair or service vehicles. You'll most likely be able to find a tutorial for your car and watch someone perform the repair. Just make sure that you know what you're doing so you don't make a mistake that you'll need to pay a professional to fix.
- **Tip 4: Find ways to save on gas.** You can do this by purchasing a fuel-efficient car like an electric car or a hybrid. If you are not looking to buy another car just yet, you can try cutting down the number of miles you travel. Choose to stay home a little more if you're usually on the go. You can also use an app like GasBuddy to search the nearest gas stations and their prices to avoid

driving across town to your favorite, low cost station.

- Tip 5: Refinance your car payment. This is always a good option if you find your car payments are just too high. Shop around for low rates and try refinancing your car loan. This can save you a lot of money in expenses and cut your monthly car payment. Triangle offers refinancing at competitive rates, so visit [trianglecu.org](http://trianglecu.org) and check the current rates and apply to refinance your vehicle.

What did I miss? What are some other ways you save money on your car expenses?

Let us know on social media. There may be someone else out there who could use the extra tips.

Thanks for listening to today's Money Tip Tuesday and be sure to check out our other tips and episodes on the Making Money Personal podcast.

Catch you next time!