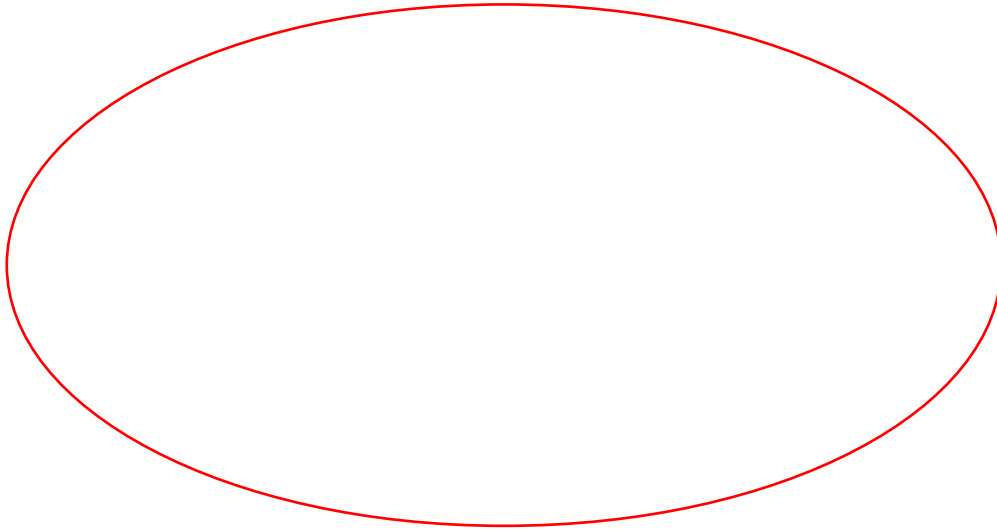




A GUIDE TO

# CAR BUYING TERMINOLOGY



For many, purchasing a vehicle is last on the priority list until it's too late. When making a vehicle purchase, it's always best to understand the lingo and the options before you walk into a dealership. Knowing which type of vehicle you want, what you need, and what you can afford are all necessary aspects to the vehicle purchasing process. In this guide, we will break-down a summary of everything you need to know, what MSRP means, what gas mileage is right for your budget, and much more. We will attempt to explain everything without wasting your time. We're well aware that you're busy; the last thing we want is to waste a minute of your time. First, we'll start-off with the type of vehicles that exist.



## ♦ ..... C H O O S I N G   A   V E H I C L E ..... ♦

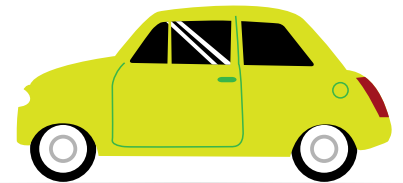
For this guide, we've compiled the 13 most recognizable types of vehicle (in order of size, not price). Next, we'll break down what some of the lingo means, and finally we'll delve into statistics before heading into new, used, and certified pre-owned.

## A

**TYPES OF VEHICLE**

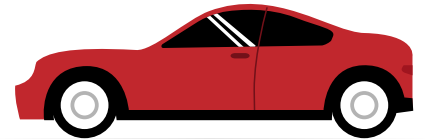
### Compact/subcompact

The compact car is generally the cheapest option from the factory; it comes with great gas mileage and occasionally a stylish look. These cars are ideal for teenagers and college students, they can fit four people, but aren't generally big enough for a full-sized family. Subcompacts are very small, generally meant for two grown adults max, but they sometimes are equipped with 4-doors and a rear seat.



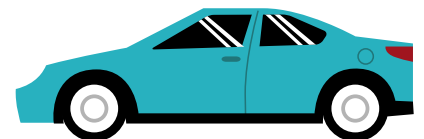
### Sport (2-seater)

The sport type is a broad category, but refers to vehicles with a specific purpose. These are generally on the higher end of the price-point at a dealership because fewer are made and fewer are sold. If you want a car for the race track or something to climb the sand dunes, you'll likely need a sport vehicle. These are definitely not vehicles known for good gas mileage or fitting more than two people.



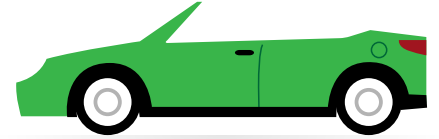
### Coupe

A 2-door car is called a coupe. Whether it's a compact, sport or hatchback, these are all coupes. Generally, a coupe refers to a car that also includes a back seat. For the sake of this guide, we'll use the term coupe to describe cars that aren't sporty enough to be in the sport category, but are also a tad too large to be in the compact. Think of the base model, Honda Accord for example.



## Convertible

Similar to the spot type, the convertible is generally either a 2- or 4-seater vehicle that has a limited use. Possibly good for carrying a family, but definitely not great in a climate that experiences harsh changes in weather. These cars are often small and have preferable gas mileage, but they are also heavier to ensure structural integrity and safety. The added weight makes it slightly less efficient than non-convertible vehicles.



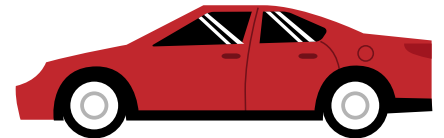
## Hatchback

Once referred to as a wagon, the hatchback has become its own category with the popularity of the compact and subcompact vehicle types. This category takes any type of vehicles, extends the trunk and roof-line, and includes a large deck lid known as a hatch. Perfect for carrying more groceries, luggage or other miscellaneous goods, the hatchback vehicle can be great on gas, sporty, and also practical for a family of four. Expect to pay around the price of a sedan for this option.



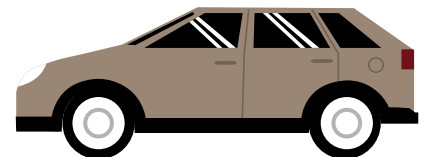
## Sedan (midsize)

Today, sedans are the most popular vehicles on the road. They retain excellent gas mileage, while potentially costing only a fraction more than a compact. They generally have more options than a compact vehicle, ranging from interior to performance, and also look more stylish.



## Wagon/Crossover

At one time, this was the most driven car on the road. Able to fit the entire family for a weekend camping, haul the groceries after work or drive strap a canoe on the roof, these vehicles still exist with limited availability. They're longer than a hatchback, wider than a compact and often are built-off the pre-existing frame of a sedan. Wagons obtain reasonable gas mileage while looking sporty and fun to drive. They generally cost a similar amount as a fully-loaded sedan.



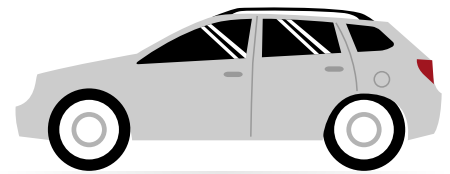
## Minivan/Van

The traditional van is still made by the Chrysler group and Ford, though fewer and fewer are sold these days. Searching for better gas mileage, the minivan has taken the stage, front and center. These vehicles generally have three rows of seating for large families. Gas mileage is better than an SUV, but still not great. These vehicles need bigger engines to carry a heavy load; they're also taller and wider, making them less aerodynamic.



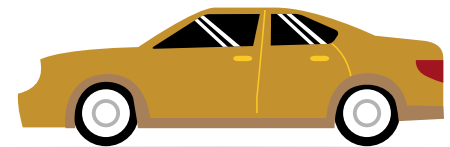
## SUV (sport-utility-vehicle)

SUVs are generally larger vehicles with 4-doors and a tailgate. These vehicles are best suited for larger families (4 to 6 people) and can be the safest on the road. These vehicles get the name SUV from 4-wheel-drive options and all terrain suspensions. Today, many brands make a variety of SUVs, ranging from compact SUVs to fully-loaded, rock climbers. Some get better gas mileage than others, but generally not the best choice for city driving.



## Luxury/Full-size

This category is technically two types wrapped into one. Luxury is broad, generally referring to the brand or options on a vehicle. Full-size is straight forward: it's larger than a sedan, costs more, and is ideal for families and/or taller individuals. Similar to the full-size, the luxury type does also affect gas mileage and overall cost - something to consider when figuring out what's best for your needs. Both types are generally 4-door vehicles, occasionally an SUV, and are owned by those living comfortably, financially.



## Utility/Off-road

This type spreads across a combination of sedans, SUVs or trucks. They're ideal for rainy, snowy or muddy road conditions, coming equipped with 4-wheel or all-wheel drive. They cost much more, have unfavorable gas mileage, and can demand more routine maintenance. Depending on your average weather conditions, you may have no choice but to drive this category of vehicle.



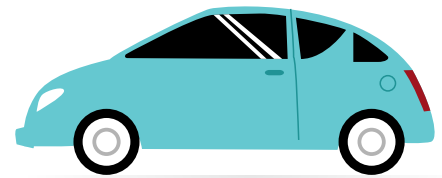
## Truck

The truck is meant for someone who needs to carry large objects, tow a trailer, or navigate treacherous weather conditions. A vast variety of trucks makes this category difficult to summarize. Great gas mileage can be obtained, but that's relative to truck standards. These are heavy, non-aerodynamic vehicles with large motors. They cost quite a bit, sometimes as much as a fully loaded luxury sedan. When considering the purchase of a truck, it's best to understand what you'll be using it for before signing the paperwork. An SUV or wagon may be a cheaper option.



## Hybrid/Electric

Still hot off the press, these vehicles are all-new, expensive, and often controversial. The future will one day only consist of electric vehicles, but until then society has a choice: gasoline or electric. A hybrid is meant for someone caught in the middle; this vehicle has both a gasoline and electric motor, when one is being used, the other is turned off. Sadly, neither a hybrid nor an electric car is saving the environment – the batteries used in these vehicles are extremely destructive. Also, the price point is outrageously high, making them unaffordable for those who pollute the most.



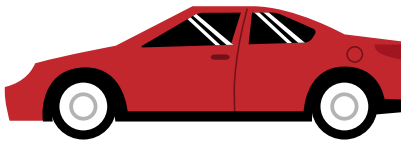
If you have the money to obtain a fully electric vehicle, go ahead and save yourself the expense of gasoline – you'll also get a tax break for the purchase. There's a good chance you'll likely have fewer, overall trips to the mechanic as well. These days, you can have a full electric compact, sedan, SUV, convertible or Luxury vehicle.

## B CONFIGURATIONS



### Engine/motor

In layman's terms/everyday-life, an engine refers to a combustible, gasoline powered, power source. A motor refers to an electric power source. A hybrid vehicle has both.



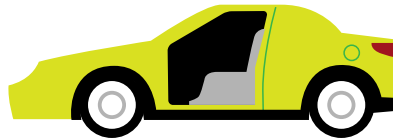
### Two-door

One door on either side of the car, two seats for a driver and a passenger.



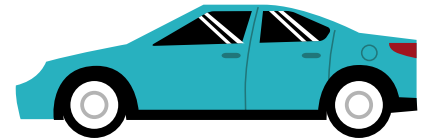
### Coupe

Same as a two-door, but has a back seat for an additional 2 - 3 passengers.



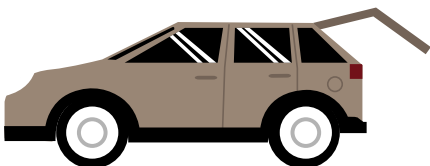
### Two-seater

Same as a two-door, but no back seat.



### Four-door

Two doors on either side, a front and rear row. These vehicles can hold between one and six passengers depending on the amount of safety belts.



### Five-door

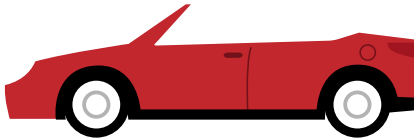
This is the same as a four-door, but the trunk is extended into a wagon/hatchback type configuration, occasionally referred to as a fifth door.

Sometimes, if the vehicle is an SUV, the fifth door can access another seat in the rear of the car.



## Hatchback

A trunk lid/tailgate that extends from the roof of the car to the bumper. A hatchback often includes window glass and a wiper blade.

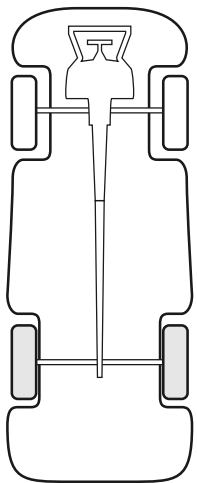
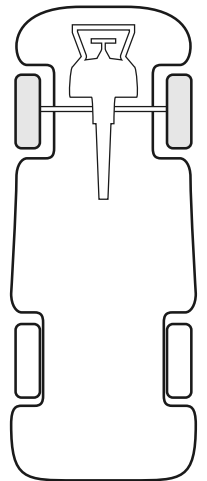


## Convertible

A roof that is either removed and placed in the trunk (a hard-top) or is lowered with the assistance of a built-in motor or manually with someone's hand operation (either a soft- or hard-top).

## Front-wheel drive (FWD)

On a vehicle with four wheels, the front two wheels act as the main source of power, generally directly driven off the transmission with little or no driveshaft. This type of vehicle pulls (rather than pushing) its mass, utilizing the weight of the engine/motor directly over the wheels that pull the vehicle. This setup generally makes the vehicle more fuel efficient. If the vehicle were suspended in the air, you would see one front wheel spinning when the accelerator is applied in the drive gear.



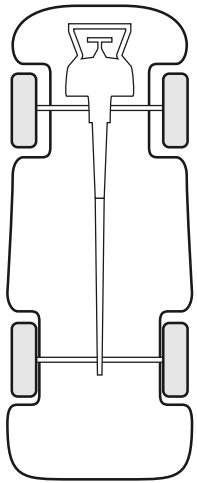
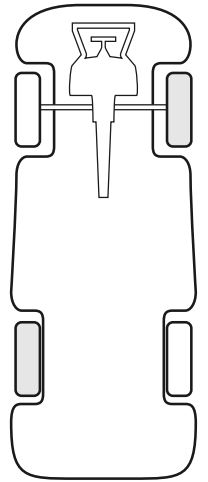
## Rear-wheel drive (RWD)

In a RWD vehicle, the setup is the complete opposite of the FWD setup. The wheels in the rear of the vehicle act as the power source, pushing the mass rather than pulling. If the vehicle were suspended in the air, you would see one rear wheel spinning when the accelerator is applied in the drive gear.



## Four-wheel drive (4WD)

One wheel on the front and one wheel on the back (diagonal from one another) spin off the engine/motor's power simultaneously to push and pull the vehicle. If the vehicle were suspended in the air, you would see two wheels spinning when the accelerator is applied in the drive gear.

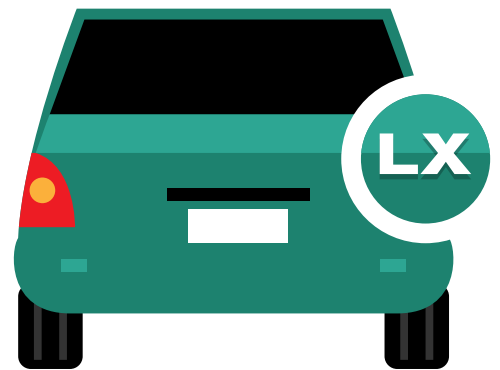


## All-wheel drive (AWD)

Both the front and rear wheels (all four) are directly attached to a power source directly connected to the engine/motor. If the vehicle were suspended in the air, you would see all four wheels spinning when the accelerator is applied in the drive gear.

## Trim options (SS, RS, LX, LE, etc.)

Every option is signified by a number and/or letter on the build sheet of the vehicle, from the manufacturer. These options are sometimes represented on the vehicle itself as well. Many years ago, customers checked boxes on order forms for the options they wanted to purchase; today, cars are preloaded with most options – designated by the trim level. The options may refer to the interior, exterior, engine/motor size and/or transmission gear ratios. Generally, a trim option will require a higher MSRP (Manufacturer's Suggested Retail Price). The dealer will be allowed to charge more money for a vehicle if it has more option, making the vehicle cost more to build at the factory. Dealerships purchase vehicles slightly higher than what the factory pays to manufacture them; the dealership then attempts to make a small profit off the new vehicle, but that's not always the case.





There are many variables to consider when purchasing a vehicle (horsepower, mileage, safety rating, etc.), keep in mind that these numbers are how the manufacturers compare themselves to the competition. Reading reviews about a model will answer which brand is building the safest, most efficient vehicles, but depending on what you need and what you can afford, a high horsepower or loud sound system may not be the most important factor. Many of the statistics are for recreation (horsepower, torque, brake rotor dimension, engine displacement, compression ratio, etc.), but other numbers (number of cup holders, how many USB ports, and gas mileage) may be the determining factors. First, determine what use you need the vehicle for, and what you can afford, before worrying about the statistics you'll want.



# 03

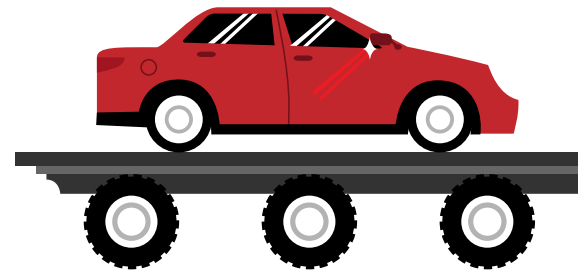
## ♦ ..... NEW AND USED ..... ♦

Once you know the type of vehicle you'd like, and you've narrowed down the make and model, it's time to search for where to make the purchase. There are a few ways to ensure a safe vehicle, a good deal, and reliable transportation. Depending on your budget and the type of vehicle you've decided to buy, the condition will vary. New, used, and certified pre-owned are the most common choices. We will now explain the differences between each, elaborating on which will get you the best bang-for-your-buck and the guaranteed safest ride on four wheels.

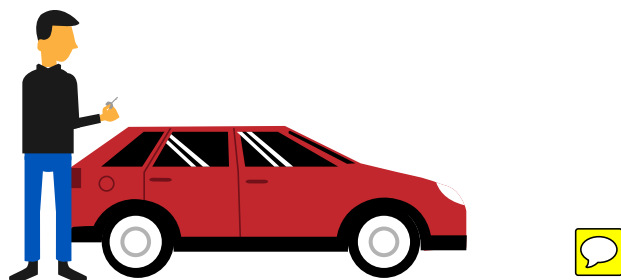
### A NEW

These vehicles come directly from the manufacturer, cost the most money, and are the best bet for reliability. They have nearly zero miles and have never been owned - both of these factors allow the dealership to ask the most money for the vehicle.

New vehicles are delivered on a semi-truck trailer, unloaded, checked for defects, test-driven, cleaned, and certified to be ready to sell. Dealerships generally make a small profit from these vehicles, relying heavily on warranty extensions, and additional dealer installed options to increase their return. The money made off a new car can go directly into the overhead of the store: the seller's commission is most likely where the money goes.



Once a brand-new vehicle has sat on a lot for roughly nine to ten months, the dealership will drastically reduce its price to make room for the next year's models. The best time to buy a new vehicle for the cheapest price is when a brand-new model year has been delivered to a dealership's lot.



A pre-owned/used vehicle takes extreme skill to purchase; knowing what to look for and trusting the seller are the most crucial elements to acquiring a pre-owned vehicle. Whether you buy from an independent seller in the classified section of craigslist or a dealership, you're never quite sure how the car was treated by the previous owner. Sure, a fresh wax, nice set of new tires, and a detailed interior may make the car enticing, but if the transmission slips or the engine secretly leaks oil you may not discover these issues until it's too late.

It's best to have your trusted mechanic look over a pre-owned vehicle before handing over money to a seller. If you know what to look for, rest assured you're getting the best deal. These cars generally come with a very limited or no warranty at all, making them the cheapest option and the best bang for the buck. They're also potentially the least reliable and potentially hazardous – something to seriously consider when buying a pre-owned vehicle from a private seller.



There is one classification of a pre-owned/used vehicle that can be the most confusing, but also a great option – that is the certified pre-owned vehicle. These modes of transportation are sold only through a dealership that has been certified by an auto manufacturer to sell its product in a used fashion. These vehicles are taken-in on trade from customers and must match a very stringent set of guidelines to be considered certifiable.

Once the dealership's mechanic decided the vehicle matches the conditional checklist, the dealership must then complete a long checklist of manufacturer mandated tests on the vehicle. Generally, these are not the cheapest option on the lot, but they are also money savers compared to brand-new cars. Certified pre-owned vehicles may have only been owned by one other individual and will always come with minimal miles – both are good news for someone looking for a deal that's also safe and reliable.

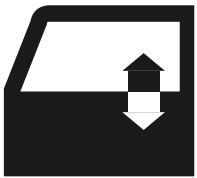
# 04

## ♦ ..... UNDERSTANDING FEATURES ..... ♦

If you're in the market for a vehicle in the 21<sup>st</sup> century, features can make or break a deal. Whether a car has power windows, a 5-star crash test rating, or the latest and greatest gadget, these options can make one model better than another. Below, we have broken-down some common features you'll find when searching for a vehicle to purchase. Certain manufacturers have renamed these features for marketing purposes, but they're the same regardless of which catchy name it's been given.

### A DRIVING FEATURES

These are the most important necessity items when thinking of the car strictly as a mode of transportation.



Power windows & door locks



Cruise Control



Tire pressure alert system



Four-wheel drive



Tow Hitch



Automatic transmission



Navigation System