

Green with Envy

Although you may have the itch to buy a shiny new ride, holding onto 'Ole Reliable may make much more financial sense—to the tune of thousands of dollars per year.

This is especially important if you have a long-term goal of financial freedom.

“We advise our clients that if they want a 10 percent increase on their investments every year, they need to cut down on their expenses,” says Terry Mulcahy, vice president of investments for R.W. Baird.

“A new automobile is, for most people, their second biggest investment next to a home, so a great way to save money and increase financial assets is to hang onto their current vehicle rather than buy a new one every few years.

“Budgeting for and doing preventive maintenance on your car is one of the best ways to cut your costs and keep your car.”

Rich White, executive director of the Car Care Council, shares Mulcahy's viewpoint. “Whether it's an oil change, replacing brakes or new belts and hoses, that periodic repair bill is a drop in the bucket compared to monthly payments on a new car,” he says.

At Star Auto Authority, our goal is to work with you to keep your vehicle on the road for as long as you want. That's why we have clients

with 150,000, 200,000, and even 300,000-plus miles on the odometer.

With every service visit, our ASE-Certified Technicians inspect your vehicle and use our computer

Starovich. “First, preventive maintenance minimizes unexpected, costly breakdowns.

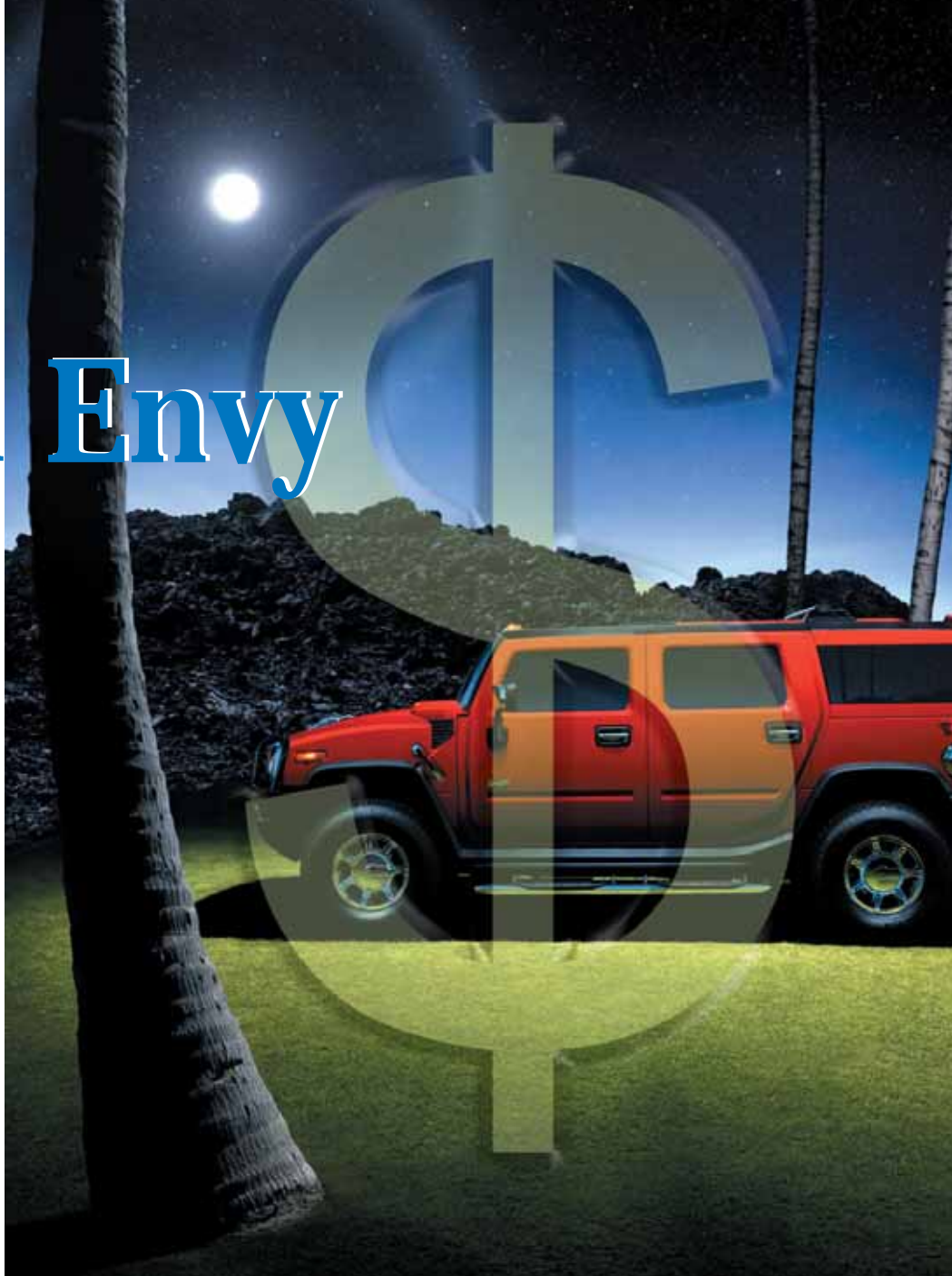
“Second, preventive maintenance means your engine, trans-

Do you have the urge to buy a new car? Before you splurge, consider what you could do with the \$2,500 a year you'll save by holding onto 'Ole Reliable.

database to ensure your vehicle is up to date with all of its factory-recommended maintenance.

The benefits of this are two-fold, says Star CEO & President Mike

mission and other critical vehicle components aren't forced to work overtime to compensate for sludged engine oil, acidic coolant, etc. This will give those compo-



nents a far longer lifespan than they would have if the maintenance were neglected.”

So how long should you plan on driving your vehicle? White says the smartest way to get a solid return on your investment is to keep your car through what is called the “Cinderella Era.” It’s that period of time after the payoff when your car is still in great shape and needs only modest repairs.

Figures from Runzheimer International, a management consulting firm that measures travel and living costs, confirms the Car Care Council’s assertions.

Recent figures from a Runzheimer study show that trading a vehicle every eight years instead of every four can save more than \$2,481.75 a year after the payoff. That includes repairs and maintenance, license, registration, taxes and insurance. In four years alone, that’s a total savings of nearly \$10,000.

Investing that \$10,000 rather than splurging on a brand new car will bring you exponential returns in due time.

The Car Care Council contributed to this article.