**Project #2: Car Buying**

**In this assignment, we will learn how to buy a car and figure out whether it is priced at or below market value.**

**Instructions for Project #2**

**First, you need to decide on your budget, which is the maximum you can spend on a car, and that maximum number should take into consideration price, tax, registration, and fixing if needed.**

**Second, go to a website such as cars.com, and search for a car in within your budget constraint.**

**Third, go to a website such as the one for the Kelly Blue Book, and find out whether the car is at market value, overpriced, or underpriced.**

**Finally, write a two-page paper discussing your findings and issues to explain or discuss.**

* **Explain your choice. Why did you select the car that you identified? What are the three different prices the Kelly Blue Book provides?**
* **Based on Kelly Blue Book prices, is the car overpriced or underpriced?**
* **Did you have any surprises, prior experience, feedback, thoughts, and so on?**
* **Referring to the car that you selected, discuss the insurance decisions you will need to make. What type of coverage will you need? What is the minimum amount of coverage you will need (based on your state of residence) and what amount of coverage would you actually like to have? Are there any actions you can take to reduce your premiums? Address these questions, taking into account your current budget and financial status.**

**Don't forget to submit your assignment**.