

## ***I owe more for my vehicle than it is worth***

You have the right to make an informed decision about a purchase or lease. Dealers have the responsibility to provide you with true and accurate information. This responsibility includes explaining the terms of your financing or lease. For example, if applicable, dealers should explain why you might owe more for your vehicle than it is worth.

Owing more for a vehicle than it is worth is called negative equity. Negative equity happens in many ways including:

- You didn't have enough of a down payment, or you made no down payment
- You bought a car you could not afford so the loan term had to be very long
- The interest rate was very high due to personal credit issues
- You are trading the vehicle in too soon
- You added negative equity from the car loan on your trade-in to the new loan

New or used vehicles can lose value when they are driven off the lot. The loan does not go down because the value went down.

You are responsible for negative equity when you trade-in the vehicle.