

GAP Waivers

Did You Know?

A GAP Waiver is additional coverage you apply to your new or refinanced auto loan that protects you from potential financial catastrophe if something happens to your car – like theft or a total loss due to an accident.

The GAP Waiver is an option available to borrowers directly from their lenders and is typically built into your loan and loan payment. Best of all? It costs as little as 45 cents per day – or about \$14 per month.

GAP Waiver for as little as:



Per Day

or
about



Per Month

How It Works



Say you purchase a car for \$25,000 and then are in an accident that totals your vehicle. Let's assume that at the time of the accident your loan is at a \$22,000 balance, but the actual cash value (ACV) on your car is only \$18,000 due to depreciation (a word we will not be adding to our list of words we love to hear).

Your insurance company will only cut you a check for the \$18,000 ACV of your car – not the \$22,000 you still owe on the loan. What does this mean? This means that you're on the hook for the \$4,000 that remains on your balance and possibly more due to interest and other fees. Even scarier? Many lenders will require that \$4000+ payment to be made in full almost immediately after your insurance company pays the ACV of \$18,000.



With a GAP Waiver, you are covered against that “gap” between your vehicle’s ACV and what you owe on your loan. With this financial protection, you can pay off your loan quickly and easily, then move on to purchasing your new ride and getting back on the road.

Should I Refinance My Car Too?



In fact, our customers save an average of \$133 every month and \$2,753 over the life of their auto loan. Plus, if you don't currently have GAP protection, you can get a GAP Waiver applied to your refinanced loan. Two birds, one stone.