

# Car Buying 101

Consider these tips when purchasing your next vehicle

## FINANCING

### GET PRE-APPROVED

The first step is to get pre-approved. Pre-approval gives you better bargaining power at the dealership. You can get an affordable payment with flexible terms and a low rate.

### CREDIT SCORE

The higher your score, the lower your rate. Lower rate = lower payments.

We can help improve your credit score!

### SAVE!

Consider saving for a down payment, your monthly payments will be even lower when you have less to finance.

### PROTECTION PRODUCTS

Optional insurance products such as Borrower Protection, Mechanical Repair Coverage, and GAP can be purchased to protect you from loss.

### INSURANCE & LICENSING

Consider the cost of vehicle insurance and licensing fees before choosing a car. Get multiple insurance quotes to find the best rate.

### MAINTENANCE COSTS

Keep in mind that foreign vehicles are often more expensive than domestic vehicles to maintain, and prices can vary greatly among similar makes and models.

## NOW YOU'RE READY TO BUY:

### NEW OR USED?

Decide whether you want new or used. Search for cars by checking your local classifieds.

To get the largest selection, visit online car-selling sites such as [www.cars.com](http://www.cars.com) or [www.autotrader.com](http://www.autotrader.com).

### GET PRICE QUOTES

Research pricing online. Receiving quotes from multiple dealers pressures them into giving you a discount. Visit [www.cars.com](http://www.cars.com) or [www.nada.com](http://www.nada.com) to receive price quotes from dealers in your area.

### research INVOICE PRICING

The invoice price is what the dealer paid for the car, but is usually not the actual cost. Many dealers receive holdbacks and incentives after the sale of the car, lowering the invoice price. Visit websites such as [www.cars.com](http://www.cars.com) to find the actual invoice pricing of the vehicle you want.

### CLOSING THE DEAL

Now that you know how much you can offer for the car, you are in a better position than most car buyers. To get the best deal, keep these tips in mind:

- ▶ **Don't be an impulse buyer** - Buying on impulse can cost you a lot of money. You can always buy the car tomorrow or a week from now.
- ▶ **Stay strong** - don't waiver on your offer. Remember, you've done your research and know what the true cost of the car is.
- ▶ **Bring backup** - having another person can help you feel less intimidated.

### CHECK THE HISTORY

Check the history through [www.carfax.com](http://www.carfax.com), including:

- the number of previous owners
- if the car was ever involved in an accident
- any previous mechanical problems
- the maintenance history of the car

### Take a TEST DRIVE

Listen for abnormal noises, rattling, or grinding sounds. Make sure shifting is smooth and that the heater and A/C work properly. Check the radio, CD player or MP3 input. Check your blinkers, headlights, and tail lights. Last but not least, take the car through town and on the highway at varying speeds.

### NEGOTIATE PRICE

Once you have found the car you want, be sure to check the market value - this is different than the asking price. Market value takes the mileage, options, and overall condition into consideration. Visit [www.nada.com](http://www.nada.com) for an accurate value.

## ENJOY YOUR NEW RIDE!

These tips are well worth the time and energy when car buying. You will save money and be prepared with the tools and information you need to negotiate at the dealership.