

Car Buying Strategies

Tips for Negotiating the Best Deal

Online

- Find out what your trade-in is worth
- Estimate a payment you are comfortable with
- Search by price or monthly payment
- Research safety, fuel economy, reliability
- Pre-qualify for financing before going to the dealer! Fill out the online loan application
- Decide which add-ons you want
- Set your walk-away (target) price based on invoice price and options or average retail price
- Call a dealer using the toll-free number and ask the internet salesperson to meet with you

At the Dealer

- Follow the "two-visit" rule – 1) make sure the vehicle and the terms are right, 2) finalize payment and take possession
- Do your homework and bring it with you – this will keep you from forgetting and will show the salesperson you are an informed buyer
- Negotiate your trade-in first – get it in writing
- Always negotiate using the invoice price (new) or wholesale price (used) as the base -- don't let the salesperson talk MSRP or sticker price
- Don't give a deposit until the offer is approved in writing
- Complete the back of this toolkit and show it to the salesperson in the finance office
- After you reach agreement, have the salesperson fill out the contract completely
- Compare the "amount due" to your ultimate target – stay within your budget
- Remember, you are in charge -- negotiate the very best deal you can

Decisions

- I will pay cash or have already arranged for financing.
My financing is through:

- I understand that I will pay these fees:
 - Destination Charge (new)
 - Sales Tax (if applicable)
 - License and registration fees
 - REASONABLE documentation fee
- I (want / don't want) an extended warranty
- I (want / don't want) Credit Life Insurance
- I (want / don't want) to lease this vehicle
- I (want / don't want) an add-on anti-theft device
- I (want / don't want) rust proofing or paint sealant
- I (want / don't want) fabric protection
- I (want / don't want) appearance protection package
- I expect that your cost of doing business is reflected in the negotiated price, and will not pay additional dealer fees, such as:
 - Additional administrative costs
 - Dealer flooring charges
 - D&H charge in addition to Destination Charge
 - Advertising Fees (unless listed on the invoice)

The invoice (new) or wholesale (used) price for this vehicle is:

\$ _____

Agreed upon value for my trade in is:

\$ _____

Pocket Buyer's Toolkit

Buying a vehicle is an important and exciting event with many opportunities for success and for missteps. We have prepared this toolkit to help you make the most of your buying experience.

**Lender's
Resource
Group**

Make/Model Selection Checklist

Evaluate the make/model, not the individual car. Tell the salesman you are cross-shopping models and not ready to buy a vehicle right now. Remain non-committal.

- Look at the car from every angle – anything bother you?
- Doors open easily and doorstops keep doors open?
- Hood open easily & stay open? Engine setup for easy servicing? Easy to check and add fluids?
- Easy to get in/out of driver's seat? Too high or too low?
- Enough headroom & legroom? How is visibility?
- Headrests feel natural? Sound system & environmental controls easy to find and use? Mirrors easy to adjust?
- Check out sound system, navigation, cruise control, etc?
- Lights turn off when engine stops? Interior lights handy?
- Places for your stuff (cell phone, change, cupholder, etc.)?
- Seatbelts easy to use? Can you see into backseat?
- Easy to get in/out of rear seat? Passenger legroom? Can a child seat be easily inserted/removed?
- Trunk/cargo area big enough for your stuff? If seats fold down is it a simple one-person job? Strength required?
- Simple to get to the spare tire?

Test Drive:

- Engine start easily? Steering easy to lock/unlock?
- Easy to get out of lot? Turning radius small enough for U-turns and parallel parking?
- Enough acceleration for freeway merge & climbing hills? Power at low and high speeds?
- Automatic transmission shift smoothly & timely?
- Manual transmission shifting is smooth?
- High speed steering ok? Under/Oversteer on corners?
- Brakes smooth? Comfortable doing panic stop?
- Quiet when stopped, moving, accelerating? Wind noise?
- Ride too soft or too hard?
- Vibration at high speeds & rough roads?
- Engine idles smoothly at stops?
- Visibility good all directions?
- Instruments easily visible?

TAKE NOTES! You will forget details about earlier cars unless you write things down.

Go on to the next test drive, you might like that car better. If you like more than one car, you will be in a better negotiating position when it comes time to buy.

Used Car Inspection Checklist I

Examine the car parked on level ground from a distance and from all angles in natural light:

- Droop to front or rear, looking from the side?
- Droop to either side, looking from the front or rear?
- All body panels exactly the same color?
- All body panels reflect light the same way?

Take a look up close:

- Problems with the paint or body panels?
- While looking from a shallow angle down the sides of the car, hood, roof and trunk lid: Any ripples in the surface or obvious fender or door alignment problems?
- Uneven paint application, differences in paint surface texture, color shifts or overspray?
- Handles/latches work smoothly for hood, trunk, doors?
- Binding/squeaking when opening? Slamming required?
- Any rust or mud on the bottoms of the doors?
- All external lights and mirrors work?
- Windshield wipers good? Windshield washer works?

Open the engine compartment:

- Free of oil and coolant leaks? All fluid levels okay?
- Engine oil clean? Dipstick free of varnish? Milky-white foam present?
- Coolant looks rusty, cloudy, dirty, or muddy?
- Power steering fluid burned or black, bubbly, leaking?
- Battery & terminal connections clean? Firmly mounted to battery tray? Electrolyte level correct?
- Belts have cracks or look glazed?
- Hoses brittle or spongy? Leak marks present?
- Signs of recent repair?

Examine the interior:

- Mud or rust under seats or instrument panel?
- Severe wear of pedals, driver's seat, driver's armrest?
- Problem adjusting tilt-wheel or any seat?
- Problem operating seatbelt, hood latch, trunk release, cigarette lighter, clock, radio, accessories?

Look in the trunk:

- Clean and dry? Moisture or rust under spare tire?
- Jack and tools present?
- Spare tire in good shape? Tire pressure okay?

Check the tires:

- Tread evenly worn, tread depth sufficient?
- Pressure okay for each tire?

Used Car Inspection Checklist II

Check warning lights and instruments with key in ignition but without engaging starter:

- All warning lights (service engine soon, ABS, oil pressure, battery, etc.) on?

Check the engine with radio and fan off, motor cold:

- Engine starts quickly (<2-3 seconds of cranking)?
- Unusual noises while starting or idling?

Check the transmission while leaving engine idling:

- Automatic: With foot on brake shift into gear. Any engagement delay in drive or reverse for any gear?
- Manual: Put foot on clutch and shift into each gear. Gears engage easily and shift pattern feels firm? Any unusual noises?

Check brakes with car idling – automatic transmission in park or manual transmission in neutral:

- Press hard on brake pedal for one minute. Does the pedal soften or sink further during this time?

Test drive:

- Does the car run well both cold and hot?
- At freeway speeds is there any vibration or overheating?
- Is acceleration smooth?
- Any vibration or roughness during gentle or rapid acceleration?
- Does the transmission shift smoothly?
- Does the car tend to pull to one side on a straight smooth road driving at about 45 mph?
- Does the car pull to one side or do you feel vibration when you make a quick stop? Any squealing?
- Any unusual noises as you drive (turn off radio)?

Back at the lot with engine idling:

- Do all lights work (headlights, brake lights, each signal light, fog lights, part lights, etc.)?
- Do all accessories work (air conditioning, heater, sound system, power windows, power locks, etc.)?
- Has the engine temperature started to climb while you were checking lights and accessories?

If the vehicle passes these tests, it's probably in pretty good shape – but not always. Have a professional take a look if you are serious about buying.