

Take the Wheel

# Take the Wheel: Get the Best Car Deal



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# Seminar objectives

## *Learn how to:*

- Determine how much car you can afford
- Use a car inspection and test-drive checklist
- Deal with dealers
- Negotiate the best car price
- Benefit from buying used
- Decipher financing options and warranties
- Find help if you have problems

# Ready ... set ... time out!

## *Look at your credit history:*

- Are you paying all debts on time?
- Is your credit report “clean”?
  - ([annualcreditreport.com](http://annualcreditreport.com))
- Or, are you living paycheck to paycheck?
  - If so, adjust purchase expectations
  - Meet with credit union staff to get finances under control *before* car shopping



# How much car can you afford?

- **Check your budget:**
  - List total income; list fixed and variable expenses
  - Keep all monthly payments—including rent or mortgage—less than 40% of monthly take-home pay
- **Don't forget about other vehicle expenses:**
  - License, registration, gas, maintenance, and repair
- **Factor in:**
  - Down payment, manufacturer rebates, value of trade-in, and money you can afford to borrow.
- **What monthly car payment can you afford?**

# Get preapproved—first!

- Get preapproved for a loan from your credit union *before* you visit a dealership
- Keep the amount to yourself until negotiations are complete
- Compare dealer offer with credit union rate



# Factors to consider

- Quality, reliability (check *Consumer Reports*)
- New, used, or certified pre-owned (affordability, depreciation)
- Highway vs. city driving (fuel economy, hybrid)
- Size and safety requirements (haul kids)
- How long do you plan to keep it? (lease or buy)
- Do you really need an SUV?
- What's your budget? (operating, maintaining, repairing)

