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Ilyce Glink: Financing a car

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Reporter

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Car sales are up, but not quite up enough, and that leaves plenty of room for you to negotiate a great deal. But do you know how to get the dealer to give you what you want?

With car manufacturers offering rebates as high as \$5,000, and interest rates still fairly low, now is the time to use your negotiating powers to cut yourself one heck of a deal.

"You will never get a vehicle with a zero dollar profit for the dealer," says Mary Butler, www.cars.com

But that doesn't mean you can't get a good deal.

"Although vehicle buying is a very emotional purchase, there are a lot of rational decisions you can make outside the showroom before you fall in love with the car," Butler says.

Start by figuring out what kind of car you want to buy and how long you plan to keep it.

"I actually bought a car that I figured if I needed to drive it 10 years, I could," says Christian Fregin, new car buyer.

Use the internet to help you compare car features and pricing, arrange financing, and find the right dealer.

"We pretty much used the internet exclusively and made some calls to dealers," says Pam Munoz, a new car buyer.

"You can look up what the invoice is on the internet. As far as trading in a vehicle, you can go to kbb.com, kelly blue book," says Brian Weinberg, general manager at Grossinger Toyota.

Time your purchase so that you make the most of any incentives, or low or zero interest rate financing the dealer is offering.

"I went in on the last Saturday of the month, and actually worked out that the dealership I went to had the exact car I wanted on the lot," Fregin says.

"If a vehicle is a super-hot model, you'll have less negotiation room," Butler says.

What's a fair price?

"\$100 to \$200 over invoice, depending on the car, we take those deals all the time," Weinberg says.

It's important to know what you want to spend before you walk into the showroom.

"When we sat down to negotiate, I had a price point in mind and never really budged. Eventually, if you don't budget, you get what you want," Fregin says.

Just don't shop based on the monthly payment.

"You could buy a Ferrari for \$350 a month. You might be paying for it for a long time, but yes you can do it," Butler says.

And then there are the extras.

When you buy a new car, you're going to have to pay tax, title, license and maybe a document fee of \$50. But watch out for those other fees the dealer might try to slip in.

According to a new book, "Strategies For Smart Car Buyers," you should question appearance or protection packages, dealer flooring charges, fabric protection, rustproofing, pin-striping, and teflon coating. And then there is that pesky extended warranty question.

"If you're not going to keep the vehicle for 7 years, why would you need the extended warranty?" Butler says.

And if price is paramount, be sure to consider purchasing a used car with a manufacturer's warranty.

A dealer I spoke with said they will match or beat a car buyer's financing deal so if you want to get the best deal, line up your financing ahead of time.

RESOURCES

www.edmunds.com

www.kelly.com

www.cars.com

www.capitaloneauto.com

www.realu.org

Real U Guide To Buying Your First Car

Real U Guide To Road Safety and Car Care

"Strategies For Smart Car Buyers" by the editors at www.edmunds.com

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