



Take The Wheel

Get the Best Car Deal



What Is The Best Car Deal?

- Getting the vehicle right
- Getting the price right
- Getting the loan right
- Using the right seller
- Using the right amount of time
- Feeling right years later



How to Get Your Best Car Deal

Research



The right vehicle that you can afford, and the right place to buy it.

Preapproval



Gives you certainty and puts you in control of the process.

Shopping



Working with the dealer or seller to have success.

Additional



Other items of importance



What To Research?



The right vehicle for your use

- Central Oregon drivability
- Quality, reliability
- Features you want
- **Fuel Economy**
- Size, safety requirements
- Choose make, model, options & color- **Availability**



What To Research?



What can you afford?

- What will fit your budget?
- Is your credit (report) clean?
- How much down payment?
- Ask financial partner.
- **Remember other expenses.**



How To Research?



Go online

- Vehicle choices
- Vehicle options
- Prices and value information
- Dealer inventory
- Private seller vehicles

Visit dealers

- Later in process
- Use caution!



Pricing Research



Dealer Invoice/Cost

- What dealer pays, less discounts
- Buyer rebates not included
- Regional variations
- Exact comparison
- Edmunds.com



“True Market Value”

- What others are paying for the vehicle
- Edmunds.com
- KBB.com
- Can research vehicles by your area



Trade In-Value

- Get more selling it yourself
- Can use websites for idea of value
- Mid Oregon can help with this
- Dealers factor in their profit



What To Research?



Where is the right place to buy?

- Dealers for new and used
- Private sellers
- Online (Including dealers)
- AutoSMART (Mid Oregon resource)
- Costco or other buying services



Get Preapproved For A Loan

- Verifies you can afford the car you want.
- Compare other offers.
- Reduces pressure while buying.
- Lender will have more of your interest in mind.
- Choose better loan terms.
- Learn about additional insurance or service coverage at better cost.
- Get trade-in valuation information.





Key Loan Considerations

- Better credit score = better interest rate and terms.
- Check your credit report in advance, understand any issues.
- Variable vs. Fixed rate
- Shorter term means higher payments, but less overall cost.
- LTV=Loan to value.
- Debt to Income=Total monthly debts/Gross monthly income.





Questions?



Shopping



Dealers

New and used purchases. Can include online or buying services.



Online

Extension of research. Dealers and auto buying websites. Classifieds.



Private Seller

Start online, printed publications, or sign on vehicle.



Dealing with Dealers

- Be prepared: vehicle, pricing, preapproval
- Have the right mindset
- Understand dealers and salespeople
- Bring a “real” friend with you
- Negotiate the right way
- Be willing to walk



The Intangibles

- The Right Mindset
 - Remove emotion as much as possible
 - Serious, but not committed
 - Have patience
 - You're buying the steak, not the sizzle
- Understand Dealers & Salespeople
 - You represent you; they represent...
 - They are experts, and you aren't
 - Will they educate and inform, or just sell?
 - If you have to, "fire" your salesperson
 - Be aware of their "process"





Visiting Dealers

- What to do:
 - Negotiate in the right order
 - Talk purchase price, not payments
 - Take a test drive
 - Take the time a major purchase deserves
- What not to do:
 - Say you'll pay cash. Say you aren't sure about financing
 - Shop at only one dealer
 - Take the car home until all the paperwork is done
 - Sign paperwork you didn't agree with
 - Forget it's just a business transaction





Pricing Considerations

- Know the dealer invoice and true market value
- Know of any rebates
- Compare to the Window Sticker pricing
- Review other pricing
 - Optional equipment
 - Destination charge
 - Market adjustment
- MSRP plus “other pricing” equals sticker price
- Don’t pay for what you don’t want, unless....





Dealer Financing

- You *might* qualify for better financing through dealer, but be careful
- Dealers can mark-up rate from lenders
- Most low interest offers only for best credit
- Opportunity for dealer to add on things you may not need or can get cheaper elsewhere
 - Extended warranties & Gap Insurance
 - Fabric protection
 - Rustproofing





Other Dealer Tips

- Be aware of typical dealer methods
 - Need the manager's approval
 - Focusing on payments
 - Trying to get information about financing, down payment and trade-in before you are ready
 - Make things more complicated & confusing
- Negotiate up from dealer cost and TMV
- Add-ons and financing are where dealers make a lot of their profits
- Don't wait around for decisions
- Make sure you have the time, with no distractions





Additional Buying Tips for Used Cars

- Carefully check the condition of the vehicle
 - Ask for maintenance records
 - Hire a mechanic to inspect
 - Talk to previous mechanics & owners
 - Make sure you test drive
- Test heater and air conditioner
- Rules are different than for new cars
- Private party “rules” are different
- Use the Inspection List
- FTC Used Car Rule- Buyer’s Guide





Private Party Buying

- Generally better price- cut out the middleman
- Used car rule doesn't apply
- Sales are "As Is", but...
- Seller must live up to promises in contract
- Some warranty/service contracts aren't transferable
- Get a vehicle's history report-Ex: CarFax
- Carefully check the condition of the vehicle
 - Ask for maintenance records
 - Hire a mechanic to inspect
 - Talk to previous mechanics & owners
 - Make sure you test drive
- Watch out for scams!





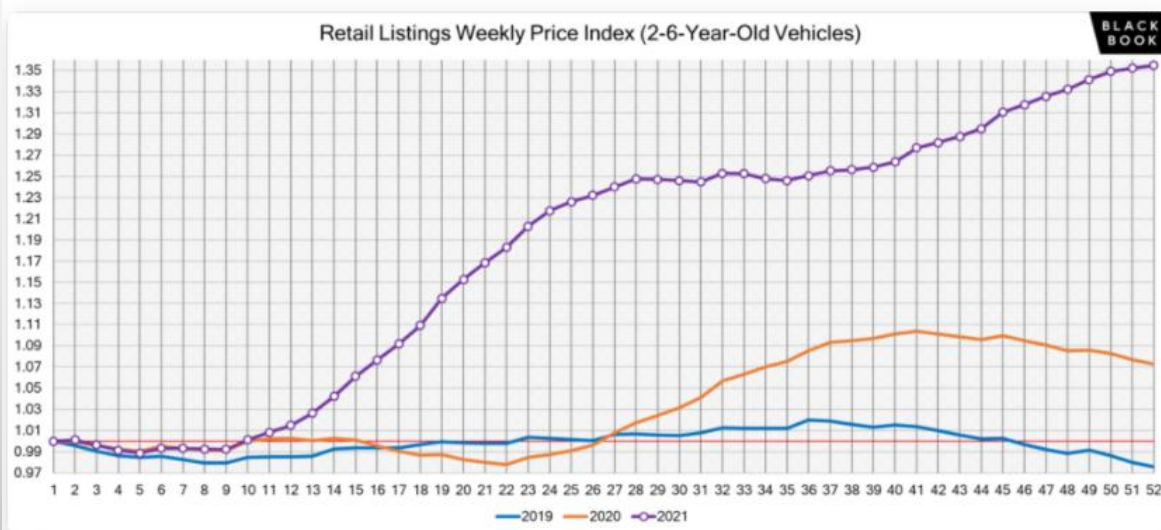
SUCCESS

Additional

- Insurance- plan ahead
- GAP Insurance- upside down loan
- Service Contract (Extended warranty)
- Consider all vehicle ownership costs
- Best times to buy your vehicle
- Be a responsible purchaser
- Current Buying Conditions- Rates, Supply & Price



Current Buying Conditions-Used



Black Book shows a 35% increase in retail used car prices for 2021 (the purple line). For comparison, the orange line shows a 7% appreciation for used car prices in 2020, and the blue line shows a 3% depreciation of used car values for 2019.

- Used car prices are at all-time highs-increased from 32-36% in 2021.
- Average used car price in Oregon in January 2022: \$33,071. +30% year over year.



Current Buying Conditions-New

Hatchback Compare

2022 Chevrolet Spark



\$15,695 Starting Price

[See cars for sale](#)

3.5 ★ Expert 4.2 ★ Consumer

33 MPG Combined Fuel Economy

The 2022 Chevrolet Spark subcompact hatchback is one of the most affordable new cars. Yet it has Apple CarPlay/Android Auto as standard.

Sedan Compare

2022 Nissan Versa



\$16,105 Starting Price

[See cars for sale](#)

4.2 ★ Expert 3.9 ★ Consumer

30 MPG Combined Fuel Economy

The 2022 Nissan Versa subcompact sedan is one of the most affordable new cars, as well as one of the better choices in the class.

Hatchback Compare

2022 Mitsubishi Mirage



\$16,125 Starting Price

[See cars for sale](#)

4.5 ★ Consumer

36 MPG Combined Fuel Economy

- Buyers paid 12.2% more in Jan. '22 than Jan. '21.
- In Jan., 82% of buyers paid over sticker price compared to 3% in Jan. '21.



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Know what you want, the best times to buy and do it right!



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Thank you for attending!