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MONEY SAVING TIPS FOR NEW CAR BUYERS

Money Saving Tips For New Car Buyers

Getting a good deal on a new car takes a little patience, a bit of research and some luck. If you're in the market for a new car, check out the following tips:

Finding the right car

Visit some dealerships and search for the car of your dreams. Also, most car companies offer Internet sites for you to visit. You can flip through electronic brochures full of facts and figures, photos and prices in the comfort of your own home. Once you've selected some candidates, take a test drive.

A little research goes a long way!

Once you're down to two or three vehicles, research their actual cost (as opposed to the dealer's or manufacturer's Suggested Retail Price). In other words, try to find out the cost that the manufacturer charges the dealer.

Obtaining this information isn't as hard as you think. In fact, some online sites (search Kelley Blue Books for New Car Prices) offer free, comprehensive reports showing vehicle options, dealer invoice and suggested retail price information. Also, most automobile clubs (as well as some popular consumer magazines) offer this information (some charge a nominal fee). Ask for a breakdown of the various options to determine if a package of options is better than selecting them individually.

Making your move!

Some people say that the best time to make a deal on a new car is the last day of the month or year. Sales people often have monthly and yearly quotas and incentives to meet. They may be more willing to give in on price if they think they can make up their loss in other ways.

When you meet with the sales person and discuss the car (and options you want), the price quoted by the sales person may be very close to the Dealer List Price on your printout! You can then reveal your printout and tell the sales person what you are prepared to offer: the actual cost of the car plus what you think is a fair percentage for commission. (This commission percentage is a personal choice and only you and the dealer can determine what's fair)

A note about trade-ins

Again, knowledge is power. During your research phase, ask your local Auto Club (or check the Net) for the value of your old car. You should receive (for free) the average trade-in price as well as the price you could expect if you try to sell it on your own. The price to sell independently will be higher, but it will also require time and effort you may not want to expend.

After you negotiate the price for your new car, ask the dealer to offer a trade-in value. By waiting, you won't mess up your new car negotiations with other confusing variables...keep it all separate. Knowing the price of an average used car (and the current condition of your trade-in) will give you some leverage when negotiating a fair trade-in agreement.

Some final thoughts

Some negotiations go better than others. There are many abstract variables that can come into play. Did you wait for the best possible time to make an offer? If it is a slow sales month, your dealer may be motivated to move some cars. If you are unable to reach an agreement with your first dealer, shop around. The best consumer is an educated consumer! Good luck and have fun dealing!

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