



5 Steps to Savvy Car Buying

We've helped thousands of members buy cars, and the right loan is only part of how we help.

In this guide, we share ways to get the car you want at the best price.

Decide

when

to

Before doing anything, think about how you use your car today and into the future.



THINGS TO CONSIDER

How many passengers do you carry?

What type of driving do you mostly do: freeway, surface streets, off-road?

How important is fuel economy?

What safety features are important to you?

Do you need a lot of cargo room?

Will you be using children's car seats?

Will you be towing anything?

How much garage or parking space do you have?

Research before you start shopping

Don't set foot in a dealership until you've done your homework.



Use sites such as Edmunds.com, TrueCar.com, ConsumerReports.org, KelleyBlueBook.com, or Cars.com to read reviews, compare vehicles, and especially to get pricing information. This information will help when you begin talking price.

Be aware of the special “trim package”

High-end packages can be very expensive. Study what options are available on each model, and decide which you need. The cost of certain options may change your mind. Once you have chosen the options, don't let a salesperson talk you into buying anything you don't want or more than you need. And stick to the cars you want to see, not what the salespeople want to show you.

Plan before talking prices

Determine your budget beforehand

Use online pricing and MarinCU.org calculators to determine how much you are willing to spend. Stick to it.



TALK TO US FIRST

Applying for preapproval before you shop gives you several advantages.

- Helps you set a realistic budget so you know about how much car you can afford.
- Gives you the advantage when negotiating the lowest price.
- Avoids annoying dealings with the dealership's finance people.

LET THE SALESPERSON MAKE THE FIRST OFFER

Don't let them control the high ground. If they ask you how much you'd be willing to pay, counter by asking how much they'd be willing to knock off the list price.

WHEN YOU SHOP MATTERS

Dealers are scrambling to reach sales goals, so they're more motivated to sell at the end of the month. In addition, the end of the day, when the salesperson is eager to go home, can be a good time to negotiate. Some experts recommend negotiating by email to remove the salesperson's home field advantage. Discussing the price by email also gives you a written record of your negotiations.

TAKE A COMPREHENSIVE TEST DRIVE

How the vehicle handles is only part of the story.

- Bring a baby seat and/or pet carrier to see how they fit.
- Check the sightlines; are the rear side windows large enough to allow good vision when backing up? Do the side pillars block your vision?
- If you have elderly or disabled relatives, is the vehicle easy for them to get in to?
- Take a test drive at night if possible to see if you're comfortable with the headlight coverage.

TALK ABOUT YOUR TRADE-IN ONLY AFTER YOU SETTLE ON PRICE

If you have a trade-in, negotiate its value separately from the sale price of the vehicle you're buying.

DON'T TALK ABOUT PAYMENTS

A salesperson may ask something like "Can you afford \$___ a month?" This distracts you from the actual sales price. It's not about the payments; it's about the total amount you're borrowing.

ASK ABOUT SALES INCENTIVES

The manufacturer may offer unadvertised incentives for dealers that are designed to encourage sales of certain models. Always ask if any incentives are available for your car.

TAKE THEIR REBATE, NOT THEIR FINANCING

Many cars come with rebates or discounted financing. It's always best to take their rebate to lower the cost of the car and take the credit union's low-rate loan. You'll end up paying less for the car and less for the loan.

WILLING TO DRIVE A FEW MILES?

Dealers in popular shopping areas have higher overhead costs. If you're willing to drive a few miles, you may be able to save a substantial amount of money. Remember, you don't have to take your vehicle to the dealer you bought it from for maintenance.



BE FLEXIBLE

It pays to be flexible on colors and options, as dealers may be willing to discount less popular cars.

SHOULD YOU MAKE A DOWN PAYMENT?

Compare your payments at 80% financing and 100% financing. It may be worth it to make a down payment, or delay your purchase until you save enough to put something down.

ASK ALL YOUR QUESTIONS

Don't let a salesperson control the conversation. Get documentation for everything, and don't sign any contracts until you understand and agree with all parts of it.

Know the actual costs

Consider the ongoing costs besides the sales price

INSURANCE Talk to your insurance company to determine what your premiums will be on the vehicle you want.

FUEL How much will it cost to fill up a larger car? Does an electric or hybrid vehicle fit your budget and driving habits better? Check FuelEconomy.gov.

MAINTENANCE What do online reviews say about maintaining the vehicle? Is it in the shop more than other cars? Are parts expensive? A few things to consider:

- 8- or 6-cylinder engines are more expensive to maintain than 4-cylinder engines.
- Fancier models require more expensive tires.
- Repairs on four-wheel drive vehicles can be much more than regular cars.
- High-performance engines require premium fuel and more frequent spark plug replacements.
- High-end brakes are more expensive to replace.

WARRANTIES The manufacturer's warranty may be enough if you plan to get another car in a couple of years. If you tend to keep your car longer and want extra protection, remember our Mechanical Breakdown Insurance and Guaranteed Auto Protection offer the same coverage at a fraction of the cost of what the dealer will try to sell you.



Take your time

DO NOT be pressured into making a rushed decision.

The dealer may say there are other people looking at “your” car. That’s okay; if it’s sold, the dealer can order another one.

Plan your purchase carefully and don’t make any decisions until you know what you want.

Stick to your plan, and remember if you think the dealer isn’t negotiating in good faith, you should walk away and visit another dealer.



Call us at
415/ 499-9780
to speak with our
loan experts.

A photograph of a person driving a car, viewed from the driver's perspective. The driver's hand is on the steering wheel. The background shows a bright, hazy landscape with a yellow field under a clear sky. Two large, diagonal yellow bars are overlaid on the image: one in the top-left corner and one in the bottom-left corner.

Marin County

Federal Credit Union

Call us at 415/499-9780
to speak with our loan
experts.