

CAR SHOPPING 101

STEPS:

1. Know what you are willing/able to spend:

First you need to determine your budget. Know how much you can afford to spend on a car. Don't forget to include costs such as insurance, gas, maintenance, and unforeseen repairs.

2. Buy or Lease:

There are pros and cons to both buying and leasing. Leasing usually provides for lower monthly payments, and some leases allow you to trade-in for a new car every couple of years. However, if you plan on driving a lot of miles or you want to own your car, buying is probably the route for you.

For more information see: <http://www.youngmoney.com/wheels/new-car>

3. New or Used:

There are benefits to buying both new and used cars. One benefit of buying new is that you know exactly what you are getting. However, one of the cons of buying new is the value of the car diminishes by approximately 25% once the car is driven off the lot. When buying used there is less security in your purchase, but used cars tend to have smaller price tags attached.

For more information see: <http://www.youngmoney.com/wheels/new-car>

4. Research:

The Internet provides an amazing resource for car buyers. You no longer need to rely solely on family, friends, or the local car dealer for your information. Here are some helpful sites to help you conduct your research.

To compare cars, look-up prices, and/or read reviews go to:

<http://www.autobytel.com/>

<http://www.edmunds.com/>

<http://nada.com>

<http://www.findcars.com>

Other helpful sites:

<http://www.kbb.com/>

<http://consumerreports.org/> (autos link)

5. Buying the Car:

When buying the car, one thing to remember is the sticker price is not the purchase price. A very helpful resource in learning to negotiate with car dealers is found at <http://www.consumerreports.org/>, click on the autos link and scroll to the bottom. Under pricing there is a link to an article entitled: 5 Steps to the Best Price.

Link for car financing: <http://auto.howstuffworks.com/car-financing3.htm>

Link for car insurance: <http://www.youngmoney.com/wheels/new-car>