

Your personal buyer's worksheet:

Selecting a vehicle on the internet and doing your homework

1. Narrow down the vehicles you're looking for and be careful to know what options you would like and what options you can't live without. The priced based websites do not take into consideration many options that are huge when purchasing like radar cruise control or rain sense wipers. Also great colors like white with black interior are going to cost more than a green with black interior or a great looking wheel and tire package as opposed to factory steel wheels.
2. Once you have narrowed it down try to stay within a comfortable radius of where you live or work so if there is a problem with your new vehicle it's not too far away. If you need to travel a couple hours you really need to do some homework before you head to the dealer.
3. The price indicated on the internet is usually the lowest price available today so don't think there will be thousands of dollars to negotiate like in the old days. Also the dealer new scam is to have hidden fees you'll find out about when you arrive so need to question this upfront. Sometimes they can be over \$1000.
4. Take into consideration if the dealer gives an upfront warranty that would give you peace of mind if it has a major problem and asked for this via email before you get there so you can review on your own time. This warranty is paid for by the dealership so keep that in mind when it comes to the price being a little higher. If the "Lifetime warranty" on the powertrain is a selling point which it should be make sure it's real. What I mean by this most dealer warranties you must service your vehicle at their facility and if it breaks you must tow it back to them for the work. I hate this because if you're on the road you'll have a huge tow bill ruin a vacation, and If I don't like there service shop you will be stuck with their overpriced oil change and parts.
5. The Carfax or Auto check is a great tool to get from the dealer. Unfortunately there is scary information on there that shouldn't be scary.

So seek advice or research the internet on what each item means. Many vehicles have been in accidents and auctions often report what they call “prior frame damage” from a transporter tying down a vehicle to tight, a heavy duty hitch installed or a lift kit on a truck. If this is the case plan on some extra time to have an independent body shop or repair facility of your choice look at the vehicle. If the report says minor collision and nothing about air bag deployment it’s probably nothing too serious to worry about. It will typically be priced a little better due to the report.

6. If you are financing your new vehicle get credit score so you know what range you should qualify for which is going to determine your payment. I have provided a link that you can get your score and a preapproval from me at no charge without a hard mark on your credit bureau. This is a soft pull which means it won’t affect your score. I’ll give a chart in the finance section.
7. Trade this is another new dealer scam. They will tell you whatever you want to hear until you get there and then they will lightly let you down. You can go to a 3rd party site like Kelly blue book or nada to get a rough idea. I have bought 100’s of vehicles every month for the past 20 years and I can’t put an accurate number on vehicle till I touch feel smell and drive your trade. You can ask the dealer to see what they say but it’s usually just another way to frustrate the situation in advance.

Now you have made it to the dealership

1. Obviously the 1st thing is to see the new vehicle. Look around extremely well. As a dealer we have clean and buffed this to a new shiny penny condition so you’ll have to really look for what the previous owner was like. Most vehicles do not have service records anymore so I look at the little stuff. The buttons on the dash, what kind of tires are on it, the trunk and jams. Check the widths of the jams. If they are all misaligned the vehicle might have been in a bad accident and might need further investigation. Get an overall opinion if this could be your new ride.
2. The test drive. Chances are your salesperson will be riding with you. Hopefully he doesn’t talk your ear off so you can concentrate on the

vehicle. Don't just go around the block. Take it 10 of 15 miles on the highway and in town.

Brakes and tires smooth

30mph _____ 60mph _____ 80mph _____

Windows working _____

Steering tight of bumps _____

Transmission shift _____

Sunroof _____

Heated Seats _____

Mirrors _____

Power Seats _____

Tire Depth _____

Paint Dents Scratches _____

Windshield _____

Carpets and Mats _____

3. I left some area for notes because when you get done with the test drive if you want anything done this is the time to have the salesperson/dealer put it in writing. This is probably your last time to get anything you want thrown in you want.

Trade In Time

1. This should be an easy step. If you have done your homework you should have a really good idea of what your vehicle is worth. If you go to kbb and get average trade and clean trade it should get you a good idea. Knowledge is power when it comes to trade and the dealer praying you haven't not only done any research but also not read this

Financing

1. This is where the dealer makes the most of their money so it's crucial to pay attention here. The number that I'm going to show you next is what is none as your "base payment".

Sample Deal Selling Price \$19988

Doc Fee + \$199

Total \$20187

Trade - \$4000

\$16187 = use your payment calculator on your phone

\$16187 = 6% at 60 months is \$312.94 is your base payment

2. Now you know your base payment it will be time to look at other products you may need and what they cost. The cost should be provided to you. Your payment never includes these items unless you're dealing with someone giving our industry a dirty name. The bank never requires you buy anything else it's up to you. You very well might need these items but know what you're getting.
3. Gap Insurance. Highly recommended unless you're putting a large sum of money down, 15 to 25% down in equity from trade or cash), you probably need this. It ranges from \$600 to \$900 for the length of your loan. This is going to cover the difference your insurance will pay off and what you owe in the event of an accident. This doesn't matter if it's your fault or the other party the insurance companies use a book value and that's that. If you're lucky enough to have an extra \$5000 to \$10000 readily available in your checking account you might not need this but either way it's a lot of money if you're early into a loan.
4. Extended Service Policy. This is a big one! It's almost a necessity anymore with the crazy cost of repairs anymore. If you the fortunate one I spoke about under gap then you might not need it. But with the rising cost in repairs and with everything so computerized they usually pay for

themselves over the term. Once again look at the fine print. I could write a whole article on just warranties and the companies that back them. Many warranty companies have closed their doors through the years leaving hard working people high and dry. Not a scare tactic but know what you're getting, what they cover and for how long. For a new now complex vehicle cost should be as low as \$1200 for a 60 month and 75000 miles and could be as much as \$4000 for a high millage vehicle that is more complex. This is from the time of purchase so your manufactures warranty if still in affect will apply and this will start after but not in time. So if you buy a vehicle on January 1st and there is 6 month factory coverage you'll only have 54 months left when you warranty goes into effect and the 75000 miles starts day one. Oh yah be aware of warranties sold over the phone. The "Gotcha Warranty Company" is as expected. Be wary of anyone using bumper to bumper coverage. This term is seriously misrepresented.

5. Rates as of 1/2020 to be expected...

Vehicles 2014 to 2020

730+ 3.49% to 5.24%

729-690 3.99% to 5.99%

689-650 4.74% to 7.99%

649-620 7.74% to 10.99%

619-590 11.99% to 14.99%

589- 14.99% to 24.99%