

State Department Federal Credit Union Topics of Interest

Tips For Buying A Used Car.

Buying a used car can make smart money sense if you follow these easy tips:

1. Always have a mechanic check out the used car before you buy it. Even if you are buying from a friend or relative. Use an independent shop or diagnostic center.
2. Budget any needed repairs as part of your purchase price. So, if a seller wants \$7,000, but the vehicle needs \$1,000 in repairs, be sure to budget \$8,000. Or, better yet, negotiate the selling price down to include the cost of repairs.
3. Forget about a used vehicle's asking price. Smart used buyers never negotiate down from the asking price; they negotiate up from the "loan value." Loan value is what most lending institutions will actually lend on a particular vehicle.
4. Talk warranty after you're settled on the price. On any vehicle, fight for at least a 30-day drive-train warranty. If you're also thinking about buying an extended service agreement, remember that the price of a service agreement is usually negotiable as well.