

New Car BUYING GUIDE



Choosing a Body Style

In today's market, you have many different options when deciding on which vehicle will be right for you. Considering how much room you need and how you plan to use your vehicle are questions you must ask yourself before settling on your next new ride.

SUV/MINIVAN

For busy parents with several children or those who are nominated to oversee the car-pool, an SUV or minivan might be perfect. These larger vehicles typically feature third-row seating, which will comfortably seat seven or eight passengers. There also is plenty of storage room underneath and behind the back seats for backpacks or vacation luggage.

The large cabins also give parents ample room to move around in to tend to younger children. Most models also feature fold-down seats. This means the third-row seat can be neatly stored in the floor if you need extra cargo space.

PASSENGER CARS

Aside from the trunk, don't expect a lot of extra cargo room in a new passenger car. The ride can sometimes be a little cramped, especially if the seats are full of passengers.

If you're looking for ultimate fuel economy and slick handling, this type of vehicle should be considered.

Don't be surprised if you see more features offered in these smaller cars. Manufacturers save money by building from a smaller chassis, enabling them to utilize



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innovative features at more reasonable prices.

PICKUP TRUCKS

If you own a pickup truck, you have already been asked by a friend to help haul something. If you don't own a pick-

up, you're probably that friend.

Trucks are incredibly handy, making hauling and towing large items a breeze. They also give consumers a huge number of options for different trim levels, engine options and even drivetrains.

If you're concerned that a new pickup will not give you enough room in the cabin, don't worry. Consider an extended cab, four-door truck with space comparable to any four-door passenger vehicle on the market.

While the price tag on a truck that features a huge cab and a large bed for hauling may be considerably higher than smaller body styles, that's the price you pay for the ultimate convenience in one package.

Taking a Test Drive

When choosing the vehicle you should buy, there are many sources for conducting research.

Keep in mind that manufacturer or customer reviews tend to be slightly biased and may not be what you are actually looking for. The only way to be sure your new vehicle is the perfect fit is to take a test drive.

MAKE YOUR OWN ROUTE

Before going on a test drive in your new potential vehicle, have a route in mind. This route should be similar to the path you take during daily commutes. This will give you a good idea of what you should expect when you commit to a new vehicle.

It also is important to travel a route that features plenty of stop-and-go traffic yet still gives you a chance to get the vehicle out on the highway to see how it reacts to higher speeds. During your test drive, be sure to take notes of any concerns you have and immediately report them to your salesperson. He might have another vehicle in mind that could suit you better.

ELIMINATE NUANCES

There are probably certain things you dislike about your current vehicle. Some may be minor, but there might be issues that really get under your skin. Buying a new car is



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your chance to get exactly what you want.

Before your test drive, create a list of things you wish you could change on your current vehicle. Here are a few things you might want to consider:

- **Accessibility:** Is the new vehicle easy to get in and out

of? Are the seats comfortable enough for long road trips?

- **How are the features?** Is the stereo's sound sufficient? If you're searching for high-tech features, are they present? Is the navigation system easy to use?

- **Heat and AC:** Are the tem-

perature controls and the amount of hot and cold air produced sufficient? Preferences differ, so be sure your new vehicle is a good fit.

TEST COMPARABLE MODELS

If you have a certain model

of vehicle in mind (SUV, pickup, sedan), do yourself a favor and test drive a few comparable models from different manufacturers. Most manufacturers will have exclusive features. You might find the perfect vehicle from a company you may not have considered before.

Get Pre-Approved

While purchasing a new vehicle can be an exciting time, you might face frustration if you are unable to get the loan for your dream car. Getting pre-approved is a good way to plan a budget and set your expectations for the type of vehicle you might purchase.

Medical bills, drowning in credit-card debt and unforeseen emergencies can all get in the way of your credit score, and potentially gaining a loan. Sit down with your financial institution or dealership before you begin searching for a vehicle.

OBTAIN YOUR CREDIT REPORT

Your credit score is a huge determining factor in being approved for a loan. Obtain a free annual credit report by contacting the Federal Trade Commission. Once you have your report, analyze it for any negative marks or errors for debts that have been resolved. According to the FTC, about 50 percent of Americans whose report contained errors were able to increase their score once the corrections were made.

Negative marks on one's credit report may take some time to resolve. Once you know what is causing a negative impact on your score, you can begin improving it. The FTC recommends several different ways to help improve your score:

- Pay bills on time.
- Keep balances on any credit cards low. Begin aggressively paying on your highest balances first.
- Consider the amount and



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should start inquiring from lenders in your area about their interest rates and loan terms. It is a good idea to begin your search with a financial institution with which you are already affiliated. With their terms in mind, compare them to other local lenders.

Most lenders require you to meet a minimum monthly pre-tax income and have a certain debt-to-income ratio (DTI.) You can quickly improve your DTI by paying off credit cards or other small debts.

Once the amount of your pre-approved loan has been established, it's time to begin visiting dealers and choosing a vehicle within your budget. Your local dealership likely will offer to provide financing from its wide network of lenders. Even if you're pre-approved, take note. Their terms might surprise you.

types of credit you have. Under some scoring models, the type of financial compa-

nies you do business with can have a negative impact on your score.

GETTING THE LOAN

Now that you are confident in your credit score, you

Safety Features to Consider

Car manufacturers are serious about vehicle safety. While researching your new ride, be sure to take advantage of some of the advanced safety features showing up in affordable vehicles.

Some of these features might not come stock in a base model, so it's best to contact your local dealership to check on additional fees.

ADAPTIVE CRUISE CONTROL

Much like traditional cruise control, ACC maintains the desired speed you set for your vehicle. However, it will automatically adjust speed in order to keep a safe distance from other vehicles on the road. It achieves this by utilizing sensors, a digital signal processor and a longitudinal controller.

Featured on: 2017 Ford Fusion, 2017 Hyundai Santa Fe, 2017 Mazda 3.

AUTOMATED PARALLEL PARKING

Perfect for city drivers who don't always have a parking garage or lot in which to store their vehicle. While you will still oversee the accelerator, brake pedal and shifter, an onboard computer takes over control of your steering wheel. The computer will



even notify you when you should begin applying the brake or are ready to shift the vehicle. This is possible due to sensors on an equipped vehicle's bumpers and the use of cameras.

Featured on: 2017 Chrysler 200, 2017 Chrysler Pacifica, 2017 Ford Escape.

LANE-KEEP ASSIST

We know that looking away from the road can create

potentially hazardous results, but it happens. A vehicle equipped with Lane-Keep Assist will actually sense when your vehicle is swerving into another lane and actively steer the vehicle back into safety.

Featured on: 2017 Hyundai Elantra, 2017 Chevrolet Equinox.

BLIND-SPOT MONITOR

Some vehicles make it

incredibly difficult and dangerous to check your blind spot before changing lanes. A new feature on its way to becoming standard on all new vehicles provides you with a clear view of your blind spot. By simply pressing a button on the dashboard (or even flicking on your turn signal) you can activate a camera that shows live video of your blind spot on the internal media center.

Featured on: 2017 Honda CRV, 2017 Honda Pilot, 2017 Honda Odyssey.

ARE THESE FEATURES WORTH THE EXTRA EXPENSE?

Yes, every penny. Keeping the roads safe is every driver's responsibility. Car manufacturers are making this an easier task with cutting-edge technology that should be taken advantage of.

Service Contract

When you purchase your new vehicle from the dealership, it will likely include a fully loaded warranty that covers important components for a designated amount of years or miles. Did you know that many dealers offer you a way to gain peace of mind once the factory warranty expires?

Ask your salesman about options regarding service contracts. Federal laws do not actually define a service contract as a warranty. Instead, it is like any other contract, a promise to complete repairs on any components that are covered in the terms.

While a service contract is not required, it is a good option if you plan to own your vehicle long after the factory warranty ends.

WHAT DOES IT COVER?

Typically, a dealership will offer different levels of coverage in their service contracts. Usually, problems due to normal wear on components are not covered. This includes common issues such as brake jobs and oil changes.

The service contract is there to cover more expensive mechanical issues, such as engine failure. You will be required to follow the proper maintenance schedule as set by the vehicle manufacturer. This means fluid changes must be performed at recommended intervals to keep a service contract in good standing.

HOW TO MAKE A CLAIM

If you have an issue that requires a repair to your vehicle, immediately get it to the appropriate repair center as specified by the contract. They will get you back on the road



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and process the necessary paperwork to cover the cost of repairs.

There may be a chance that you will initially cover the repair and wait for reimbursement from the service company. Before purchasing a service

contract, inquire about whether an initial payment or deductible is required so you won't be taken by surprise at the time of the repair.

THINGS TO CONSIDER

Before purchasing a service

contract, be sure to find out if the service is only covered at the dealership from which you are purchasing. Your salesman should be able to inform you about other authorized repair centers. This will be an important factor if your vehicle hap-

pens to have issues while on vacation or if you plan on moving.

In order to keep your contract current, you will need to keep receipts and records in regards to vehicle maintenance that is performed.

Benefits of Buying New

The virtues of buying a used or new vehicle has been debated for years. Many years ago, there may have been a reason to buy used. These days, manufacturers are creating ultra-safe, economical and eye-catching vehicles that are road ready from the factory. The days of “working out the kinks” are long gone.

A new vehicle comes stocked with incredible features such as warranties, state-of-the-art safety features and cutting-edge technology. Timing your new vehicle purchase can save you big bucks, too, as prices for current models are usually slashed as the new models make their way to the showroom.

WARRANTIES

Today’s new vehicles sometimes come with a hefty price tag. When determining your budget, keep in mind that most vehicle repairs will be totally covered by the manufacturer warranty.

Consider the money you will be saving in garage visits when deciding on your new vehicle.

Here are a couple of the impressive coverages that manufacturers are providing for their new vehicles:

- **Hyundai:** This company covers bumper-to-bumper repairs for five years or 60,000 miles. This includes rust, the expensive hybrid battery (if it applies) and a five-year roadside assistance program. Also included is the 10-year or 100,000-mile powertrain warranty.

- **General Motors:** GM is not far behind Hyundai in premiere warranties. It offers a bumper-to-bumper warranty for four years or 50,000 miles.



Their powertrain warranty is in effect for six years or 70,000 miles.

NEW TECHNOLOGY

Much like the smartphone industry, vehicle manufacturers are trying to outdo themselves each year. Many vehicles are coming stocked with Internet connectivity,

voice-texting technology and attractive media centers.

The new technology also provides incredible safety features such as collision avoidance, parking assistance and blind-spot mirrors.

NO PRIOR HISTORY

When you purchase a brand-new vehicle, you know exactly

how the vehicle was cared for and serviced, and the driving conditions to which it has been subjected. Used car reports can be helpful, but you never really know the history of a vehicle unless you buy new.

FUEL ECONOMY

The Environmental Protection Agency has stated

that by 2025, American passenger vehicles must average 54.5 miles per gallon. While 2025 is still far away, manufacturers will begin using new advances to ultimately reach that number.

For you, this means a new car is going to be more fuel efficient than a used model from previous years.

Avoid Common Mistakes

Buying a new vehicle can be a very exciting process, but it's important not to let your excitement get the best of you and rush into making a purchase. There are several mistakes Americans commonly make when looking for a vehicle. Here is how to avoid them.

DON'T FOCUS ON ONE MODEL

Going into the dealership with one vehicle in mind might make you settle for paying more when a similar model is available for less. Instead, go into the dealership with an open mind and tell your salesperson exactly what you are looking for. They will give you several options; you might find one that better suits your needs.

ALWAYS TAKE A TEST DRIVE

Be sure to take a few different vehicles out for test drives. This is your chance to see how well the vehicle performs and fits your needs. A test drive should last at least 30 minutes. That is enough time to get a good feel for your new investment.

NEGOTIATIONS

While sticker prices are usually fair, dealers expect a good negotiation with consumers, so they likely will leave a little wiggle room in what they will accept. Take the time to research models of interest and compare other local prices. This will give you an edge when it comes time for negotiations.

KNOW THE VALUE OF YOUR TRADE-IN

If you are planning to trade

in your current vehicle, it is crucial to know its value. You should know the used-car retail and wholesale prices.

You obviously will make a larger profit if you sell the vehicle yourself. This extra effort can sometimes be a hassle, and

the vehicle may take up space in your driveway until the sale is made. Trading it in will be more convenient, and you might be able to get your dealer to meet you in the middle of the two prices you have researched.

LOOK AT MORE THAN THE MONTHLY PAYMENT

If you are planning to finance, it is crucial to know how much you can afford per month. That shouldn't be the first priority, however. Instead, insist on negotiating the final

price, trade-in price and leasing terms separately.

Most dealerships have handy website tools to give you an average monthly payment for specific vehicles. You can use these to find the price point at which you are comfortable.

