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BEFORE YOU BUY

- BUY (not lease) a new car.
- Find My Right First Car “I’ll Get A Fancier One Later” – Honda Civic, Accord, or HR-V, Toyota Corolla or Camry, Subaru Impreza.
- Go look at my new car on Sunday night at the dealership.
- Spend \$27 and have my trade-in cleaned.
- Put in my figures and print these reports to take to the dealership:
a.) Car Payment b.) Trade-In Value c.) Auto Loan Rates d.) Manufacturer Special Offers for the Month

WALKING INTO THE DEALERSHIP

- Buy my car on the last day of the month.
- Meet salesperson.
- Salesperson gets my person information (give fake cell phone number).
- Walk around and test drive.
- Silent walk-around and appraising my trade-in.

NEGOTIATING

- Four Square worksheet
- Selling price, trade-in value, money down, monthly payment. *One at a time.*
- Offer 92% of sticker price. This price must include the Doc Fee. Any rebates are in addition to my offer.
- Get what my trade-in is worth.
- Money down and monthly payment:
a.) \$500 down after second set of figures (\$0 is also acceptable).
b.) Take the shortest term I can afford, 48 or 60 months.
c.) Make sure my monthly payment includes all taxes, fees, and plates.

IN THE FINANCE OFFICE

- Buying a service contract, GAP, paint sealant, maintenance plan, etc...”NO!”
- I show them the incentive rate from the manufacturer and tell the finance manager this is the rate I want. I may have to give up the rebate.

AFTER I BUY

- CSI. I use this if the deal is wrong or the car isn’t perfect after it’s been detailed.
- Radio, spare tire, clock. I have them set everything up and show me where the tire and jack is located.
- NEVER, EVER will I come back to the dealership and resign any part of the contract if it’s not in my favor. I’ll tell them I’ll stick with the contract I’ve signed and I’ll get a lawyer if necessary.

Even *MORE* New Car Buying Secrets!

CARS ON THE SHOWROOM FLOOR – Unless it's a one-of-a-kind \$100k car, the cars on the showroom floor are always the oldest cars on the lot. **They're the cars they can't sell.**

Customers think that Honda, Toyota, etc. give the dealers the cars for free and when a customer buys it they send the manufacturer the invoice money and keep everything after that. The way it really works is they give the dealership the cars for free up to 90 days then charge them a *per diem* each day they have the car after that. Depending on the dealer's *floor plan* (money they borrow from a lender to "float" the dealership until they make their profit) this may cost the dealership anywhere from \$3.50 to \$5.00 per day per car over 90 days.

Consider this: if a car has been on the ground (at the dealership) for one year, that's 365 days – 90 days free = 266 per diem days. If the per diem is \$4.00 per day x 266 days that is **\$1,064 it's costing the dealer to have that car there.** Trust me...they want to get rid of it!

Extra Special Secret – Sometimes they put their oldest cars outside in their own row right in front of the showroom window. You can tell these cars because they may have a **smiley face** drawn on them or a **"star" sticker** on the front windshield. Offer them 10-11% of sticker also subtracting the doc fee from this and demand the incentive rate from the factory. You probably will also get the rebate as well. **The manager is losing money on this vehicle** so they'll probably do it. That sticker or smiley face also tells the salesperson this is a "spiff" vehicle which means **they will make \$500 for selling it no matter how much it makes or loses.**

THE MANAGER'S DEMO – This is the car the Owner, General Manager, or Sales Manager has been driving. I personally would never buy one as I've seen up close how owners and managers drive these cars. If you are leaning towards one make sure of one thing: Does the warranty start the day you buy it with the miles on it? Example: if the manager started driving it January 1 and put 5,300 miles on it and you buy it August 1, does the warranty start on August 1 and go up to \$41,300 miles (36k factory warranty after the 5,300 miles)? If they put this car into service (or sometimes they reported it as sold – very shady) you could be getting a car driven by someone who may have beat on it and only 2.5 years or 30,700 miles of warranty whichever comes first. **My advice?...Don't buy the demo.**

NO HAGGLE PRICING DEALERSHIPS – Every dealership is no haggle. IF you come in and pay sticker price for their car, take \$1,500 less than what your trade-in is worth, put \$5,000 down and pay the payment at 16% they've quoted you with all the add-ons in the Finance Department. Done deal – no haggle! All "No Haggle" stores take \$500 off of the price of their car, give you a print-out (that the dealership creates) showing you what your trade is "worth" and then give you a high estimate on your payment. Sure, that customer didn't have to do what you're going to do and will get out of the dealership 48 minutes quicker than you because they didn't want to negotiate with the dealer **but 48 extra minutes of negotiating to save \$5,000 - \$6,000 total charges?** That's 48 minutes well spent.

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