

# Buying a Used Car Checklist

Purchasing a used vehicle can have several benefits, including enormous cost savings, quicker pay-off options, and lower insurance premiums. However, the process of purchasing used requires more due diligence compared to buying new.

Follow the steps laid out in this used car buying checklist to ensure your car-buying process is smooth and stress-free.

## 1. Establish a Budget

The first thing you'll want to do is create a budget based on your unique situation. This will ensure that you are not shopping outside your price range and targeting the best options your financial situation allows.

When creating your budget, consider your monthly income, fixed costs like mortgage payments or rent, and other unexpected expenses that may come from purchasing a used vehicle.

## 2. Explore Your Options

Once you've established your budget, you're ready to start looking around for your next car. Compare various makes, models, and years to find a few different options that work best for your situation. There are several websites to help you locate used cars, including AutoTrader, CarMax, or Craigslist.

Some factors to consider when searching for a used car include:

- **Lifestyle:** How many people will be riding in the vehicle? What type of terrain will you be driving on most often? The answers to these questions will help determine the size and type of car you need.
- **Cost of insurance:** Depending on the model of vehicle you choose, your insurance premiums can vary greatly. Sport or more luxurious vehicle models will have higher premiums than cheaper or safer options.
- **Reputation:** The track record of the car can have a significant impact on its long-term cost. Research the average lifespan and pinpoint any known technical issues to avoid vehicles with unnecessary expenses down the line.

Reviewing these details will help guide your research process in the right direction and put you in the driver's seat of the perfect car for you.

## 3. Get Pre-Approved for Financing

Securing pre-approval for an auto loan before the day you purchase will provide great security and negotiation leverage if you're buying from a dealer. Research loans from various lenders to find the option that makes the most sense to you.

When comparing loans, consider:

- **Annual percentage rate (APR):** The APR includes the loan interest rate and fees, reflecting the total cost of borrowing.
- **Loan term:** The loan term will determine how long you're paying your loan and your monthly payment. Longer loan terms will offer lower rates than shorter-term loans.

If you have any questions about used auto loan financing, the team at Jeanne D'Arc Credit Union is here to help every step of the way.

## 4. Read Vehicle History Reports

A great way to determine which cars are suitable for you is to check out their vehicle history reports.

These reports give you a detailed look into an automobile's past. By using the car's vehicle identification number (VIN), you can get information on things like:

- Number of previous owners
- Past accidents (if applicable)
- Maintenance history

With these extensive reports, you can get a good handle on which pre-owned cars would work with your lifestyle.

## 5. Take Test Drives

After you read through some vehicle history reports and narrow down your list of desired options, you'll want to take them on a test drive.

Ensure that you feel comfortable behind the wheel and see yourself driving the car daily. You'll also want to listen for any off sounds or note any smells that may be out of the ordinary.

While on the road, test the car's steering, check to see if the breaks work correctly, and try out any additional features promised to be working properly.

## 6. Finalize the Paperwork

Once you've taken test drives and decided on a car for you, the next step is to go through the buying process. Chances are, the seller most likely has the vehicle listed higher than the average market price. Always attempt to negotiate the price down a little by offering below average market value and slowly making your way back up until you have made a deal.

When everything looks good to go, close the deal, sign any necessary paperwork, and drive off feeling fresh in your new used car.



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