

Hold Down Costs When Purchasing a Vehicle

Whether you're buying a new or used car, careful research and planning will help you get the right vehicle without the one option nobody wants: onerous monthly payments.

Here are some ways to save money:

- * Check on reliability--Nothing can torpedo a budget like unexpected repair costs. The annual Consumer Reports survey of mechanical problems with different models, available in the magazine's April issue each year, cites both overall ratings and specific problems. If you're a paid subscriber to the magazine or online service, go to www.consumerreports.org.
- * Look at continuing costs--Although insurance and gasoline costs are continuous, new-car depreciation--the value it loses each year--is a major factor. Edmunds.com summarizes these variables in a feature called True Cost to Own (click the Ownership tab on the home page, then True Cost to Own). A vehicle that costs less to buy now than a competitor may in fact cost more to own over a five-year period.
- * Negotiate hard--Reduce your purchase price by looking for the dealer cost or "invoice price" on sites like Edmunds.com and Kelley Blue Book (kbb.com). Then aim for a selling price before any rebate of no more than 2% over the invoice price. Better yet, talk to us at Hopewell Federal Credit Union about pre-approving your auto loan before you even start to shop for a car.