



Presents

10 Tricks on How to Save Cost And Time While Buying A New Car

By One 80 Financial Services



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Introduction

The smooth run of a new engine, a shiny chassis, and seats that have never experienced wear and tear -- a brand new car is your dream come true. With so much of excitement about your second-largest investment -- just after getting a new home -- you would certainly be tempted to rush into the big purchase. But don't simply jump into it.

If you ask me, I would recommend you to do the correct homework first. With the right research, you can easily learn how to save and time cost while buying a new car. Learn to bypass dealer tricks and acquire the skills to negotiate. Trust me, these simple tricks can help you save several dollars. How so?

Read this guide on 10 tricks on how to save and time cost while buying a new car. So here we go.



10 tricks on how to save and time cost while buying a new car

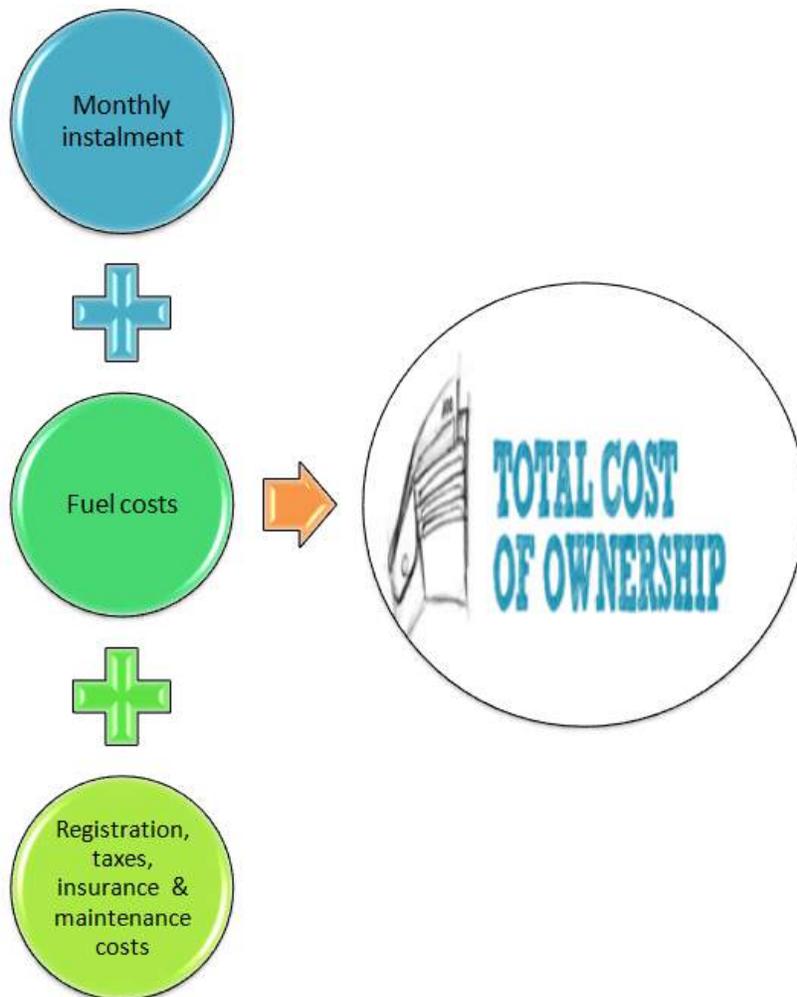
1. Do your homework

Shortlist the year of make and model that is most suitable for you. Here is a checklist of some basic considerations that I compiled for aiding you in making your decision:

- Scan through various manufacturers' websites
- Read buyer guides in reputed automobile magazines and papers
- Be sure to read reviews about that particular make and model
- Check results and analysis of reliability surveys
- Scan through ratings given by Australasian New Car Assessment Program ([ANCAP](#))
- Check for Reversing Visibility Index and Car Security Scores on the [National Roads and Motorists' Association Limited \(NRMA\) website](#)

2. Do the actual math of total cost of ownership

Your total cost of ownership will be a summation of the below cost factors:



You can calculate this figure with the help of the following table:

Purchase price	
Monthly repayment amount	B
Upfront deposit	D
Actual cost (E)	B + D
Fuel cost	
Petrol cost per litre	F
Mileage	G
Total kilometres run in 5 years	H
Total fuel cost (L)	$F/G \times H$
Registration taxes for 5 years	I
Total maintenance cost for 5 years	J
Total insurance cost for 5 years	K
Total cost of ownership for 5 years	$E + L + I + J + K$

The loan you take should be inclusive of factors such as availing the [best interest rate](#) and settling for a tenure and monthly repayment amount that matches your requirements. Pay a deposit as this will lock in the purchase and might get you a reduction in price.

3. Choose an ideal lender

Securing car finances can go about in three ways:



Under ordinary circumstances, you can go for a broker to mediate the loan approval process with the bank. But my recommendation would be to also look for sales and free extras that dealers are offering at that time. However, when opting for a used car, buy privately or through auctions as you can avoid the extra costs or dealer's charge.

One word of advice: Don't be fooled by the 0% or low interest rates on buying new cars. These special rates are factored into the new car price; hence you are paying for the special rate.

4. Strike a deal during the best times of the year

The perfect time to invest in a new car is either month-end, December-end, or end of a financial year. Festive seasons often come up with dozens of new launches, along with amazing offers and discount bonanzas.

Wait a few days is what I am saying. Don't jump into your purchase just because you cannot contain your excitement!



5. Check for fuel consumption rates

According to a survey of motor vehicle use in Australia for 12 months that ended on June 30, 2016, the following were the major results:

As you can see, the huge consumption rate of fuel plays an important part in your total car cost. Therefore, before considering your purchase, check the car's fuel consumption information -- in litres per 100 km -- on a yellow label that's displayed on the windscreen of new cars. Lower numbers are definitely better for long-term saving on fuel prices.

You can also go through the [Green Vehicle Guide](#) to make an informed decision.

6. Look for long-term resale value

Generally a fuel-efficient car with premium safety features will perform well in the resale market. I would also recommend the [RedBook](#) for a detailed guide when considering re-selling your car. Here is an example of how you can quickly calculate the current value of your current car on this site according to the year, make, and model:

	<p>2016 Alfa Romeo Giulia Quadrifoglio Auto</p> <ul style="list-style-type: none">• Sedan, 4 door• 6 cyl, 2.9TT Petrol - Premium ULP• 8 spd, Sports Automatic• Rear Wheel Drive <p>Released: Nov 2016</p>	<p>\$143,900*</p> <p>Price Guide (EGC)</p> <p>more details</p>
	<p>2016 Alfa Romeo Giulia Veloce Auto</p> <ul style="list-style-type: none">• Sedan, 4 door• 4 cyl, 2.0T Petrol - Premium ULP• 8 spd, Sports Automatic• Rear Wheel Drive <p>Released: Nov 2016</p>	<p>\$71,895*</p> <p>Price Guide (EGC)</p> <p>more details</p>
	<p>2016 Alfa Romeo Giulia Auto</p> <ul style="list-style-type: none">• Sedan, 4 door• 4 cyl, 2.0T Petrol - Premium ULP• 8 spd, Sports Automatic• Rear Wheel Drive <p>Released: Nov 2016</p>	<p>\$59,895*</p> <p>Price Guide (EGC)</p> <p>more details</p>

7. Check for warranty

Always check the clauses for warranty that arrive with the car you're thinking of purchasing. Some new cars even offer roadside assistance and set-price servicing.

When you buy from a dealer, he might also provide you with an extended warranty. This warranty extends beyond the period covered by the original manufacturer, but usually at an additional cost. As a buyer, you can either choose or deny such offers.

8. Get the correct idea about the model cycle

Manufacturers produce cars with varied life cycles -- which might differ from each other. Reputed automakers introduce updates every two years. Major updates are usually added every four or five years.

Therefore, if you go for a model that is soon to be superseded by an updated vehicle, you will be at a position of advantage. Since its resale value will suffer with the arrival of a new model, the dealer might offer you a discounted price.

9. Decide between trade-in or private sale

If you are planning to fund some part of your new-car purchase by selling your current car, you need to decide whether to trade it in or sell it privately. Here are some points to consider when thinking of which path to take:

Trade-in vs. private-party sale

	Trade-in	Direct sale
Return from sale	<ul style="list-style-type: none">• Lower compared to private-party sale• Affected by dealer profit margin	Profit margin up to seller
Time to sell	Sale to dealer can be concluded within one week	Can take weeks or months
Preparing vehicle for sale	To be done by seller and dealer	To be done by seller
Advertising: Cost and responsibility	Borne by dealer	Borne by seller
Managing enquiries	Handled by dealer	Handled by seller
Post-sale liabilities (if any)	Borne by dealer	Borne by seller
Suitable for individuals who...	<ul style="list-style-type: none">• want to quickly dispose and immediately purchase a new vehicle.• do not have time to manage enquiries and arrange for car-viewing and test-drive for potential buyers.	<ul style="list-style-type: none">• want to negotiate for higher selling price.• have time to manage enquiries and arrange for car-viewing and test-drive for potential buyers.• do not need a new car to replace the one to be sold.• want to decide who gets to be the new owner of the car.

Go through all the pros and cons, scrutinise your situation, and consider your limitations before arriving at a decision.

10. Some other considerations

Don't get pressured into buying all the after-care products. They are usually expensive and add no real value to the long-term sale price of the car.

Think about your immediate requirements about extras. Do you really need floor mats, tinted windows, leather seats, fabric protection, rust proofing, or paint protection? I would recommend you to be patient and buy them later. A supermarket would be a much more economical destination.

Also, never hesitate to ask for a discount. A bit of negotiation can land you a great deal!

Conclusion

My personal advice would be to check out various dealerships for quotes. Never ever be sucked in by 'The deal is only good for today' line. Yes, resist this temptation and wait till you are really ready to buy.

Get your finances ready. Approach a broker as I had already mentioned. A pre-approved loan also gives you a more solid bargaining position.

And the final word. Don't sign the final documents until you are completely reassured. Yes, that's all. Best of luck on getting that spanking new model soon!



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Ranging from any kind of business to organization, we take time to understand your venture and connect you with the correct lender. Having wide exposure to the industry, we have the expertise to answer all your questions about finance. So email us at info@180financial.com.au or call 1300 699 636 for your next loan.

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