

(From *Chapter Three: How To Buy Or Lease A New Car After Bankruptcy*)

Tips For Getting The Best Deal

Do your homework!

Whether you are leasing or buying, do research and figure out which cars hold their resale value and which ones don't. An excellent resource for this information is Edmund's Car Values, available online at <http://www.edmunds.com>. You can also check the Kelly Blue Book, available at libraries or online at <http://www.kbb.com>.

Take steps to rebuild your credit *before* you try to finance a car.

Most lenders and dealers will want to see at least three new, good credit references on your report. *Suggestions:* Take out and pay back a couple of small bank loans (co-signed, if necessary). Get a credit card and pay your bill early every month. Set up a savings account and make monthly deposits. And get a home phone in your name, even if it means paying for an additional phone line.

Make sure the manufacturer's warranty covers the entire term of the loan or lease.

You don't want to get stuck with costly repair bills in addition to your monthly payment!

Don't just concentrate on getting an affordable monthly payment.

Pay attention to the total price of the car and the interest rate/money factor as well. Doing so will save you a lot of money in the long run.

Make the largest down payment that you possibly can.

A large down payment will increase your chances of being financed, and it will save you money by reducing the amount that you have to finance and pay interest on. Large down payments can also help improve your credit rating.

Whether you're buying or leasing, don't finance for more than 36 months.

Financing for more than 36 months won't reduce your payment significantly, plus you'll pay much more in interest. Also, most manufacturers' warranties only last for 36 months.