

Title:

Don't Buy a Car From a Tote The Note Dealership

Word Count:

651

Summary:

Simply buying a car from a tote the note dealership is a terrible waist of money, it is always overpriced and does nothing but damage your credit report. The reality is that there are ways to get a car with the same qualifications that a tote the note lot wants you to have. The difference is it will be reported to all the major credit bureaus and usually has a warrantee to give you a piece of mind.

Keywords:

loan credit, bad credit auto loan, bad credit auto financing, auto used car

Article Body:

I have been all around the car business for years and I hate to see people make mistakes that hurt them in the end. Simply buying a car from a tote the note dealership is a terrible waist of money, it is always overpriced and does nothing but damage your credit report. The reality is that there are ways to get a car with the same qualifications that a tote the note lot wants you to have. The difference is it will be reported to all the major credit bureaus and usually has a warrantee to give you a piece of mind.

This is how a tote the note lot works, they shop used car auctions and buy cars that major dealers don't want, usually for under \$3000. Most of the time they don't even give them if the seller (another used dealer) says that it is good. Then they put it on their lot for \$5999, yes that much profit. The reason is simple your down payment is usually about half or all of what they have spent on the car. Then your payments for the next 4-5 years are mostly, or all profit for them, but does nothing for you. In the next four or five years if you have a car problem you are just stuck in a bind. If you call the lot they say it is not their problem, or they say they will have their shady-tree mechanic fix it. Then extend your note so they can make some more money from you. If you can't afford to fix it you still have to pay or they will repo it, and most times report it onto your credit report. That's the problem they only report if you default on your credit report. They don't report all the payments on time you made. They don't want your credit to get any better so that you and others have to come back and buy cars from them. Then they take that same car and sell it

to somebody else, and guess what, this time it is all profit. There is a better way.

There are some major dealerships (Dodge Chevy Ford) that have special finance programs that work especially with people with poor credit, or even no credit and even without a cosigner. The way this works is a car is traded in, and the dealership has their service station inspect it. They load the info like miles, condition, make and model into a program and the special finance lender determines the price. That way you can't get overcharged. The reason is that the lender does not want to repo the car and have to resale it. That's why they will usually give you a 2-3 year payment around 250 mo so that you can pay it off quick. Usually they like to cover it with a warrantee for special finance customers. Just incase your car breaks down you will be able to have it fixed and continue your payments.

Here is the best part, a special finance company will report to the bureaus every month of your on time payments, that will start to raise your credit score. All you need is six months to a year of on time payments on your report, and then a regular lender will give you a shot. A major dealership wants your credit to get better so you can comeback and buy again.

"But I went to a major dealership and they embarrassed me about my credit." you say, not all major dealerships deal with special finance. There is an even easier way; you can apply for your financing online, with special finance lenders. Then you never have to worry about the public rejection of the dealership, and they never see your credit. Most companies will approve you instantly or in 24 hours. You can print your approval out and go and shop like everybody else.