

Financing a car



DIAN COHEN

A reader wrote to ask the best way to finance a car purchase.

I am a senior who doesn't like debt. I need to buy a new car. I have \$10,000 to put down on a car, and I would take a bank loan for the balance. The salespeople tell me I don't need to put down any cash because their loan rates are so low. What's the best thing for me to do?

The salespeople are correct: keep your money. This year, because of the pandemic, what's on dealers' lots is different – inventory is down as much as 50 per cent on some lots. There may not be as many 2021 models coming in and they have fewer 2020 cars. If you're

lucky, they may have some unsold 2019 models. With demand outpacing supply, prices for both new and used cars have skyrocketed.

Dealers may hold the line on price because of the shortage of inventory, but they love it when you finance a car. Their financing costs will be lower than the banks, so your best bet is to get the lowest rate you can find – many dealers are offering 0 per cent financing. You can get pre-qualified before you start visiting dealerships to find out firsthand what rate and deals you're eligible for. Canada Drives <https://www.canadadrives.ca/> can help you figure out what kind of financing you qualify for and can even get you pre-qualified online. With a pre-qualification in your pocket, you'll know exactly how much you can afford. It also gives you something to compare to the dealership's offer. Make sure you bring your calculator with you.

Although dealers may hold the line on price, they want your business. That means you can demand some perks: winter tires on their own rims, maybe carpets for the front and the back, maybe some oil changes for free. But to be successful in your negotiations, you need some ammunition before you even go to a dealership.

Do your homework. Educate yourself so you can go into negotiations well-prepared to get the best deal as possible. Edmunds.com, Consumer Reports, and Kelley Blue Book (KBB) are great places to start researching cars in your price range. And think about a zero-emission vehicle. The Government of Canada offers point-of-sale incentives of \$2,500 to \$5,000 for consumers who buy or lease an electric vehicle (EV). In addition to federal incentives, Quebecers are eligible for rebates of up to \$8,000 on EVs under \$60,000.

Always negotiate based on the purchase price of the car, and not the monthly payment. Also make sure you know the "full" purchase price of any car you buy, including taxes, car preparation, delivery fees and other hidden costs you won't know about unless you ask.

As an older buyer you might want to think about how your lifestyle and health might affect the kind of vehicle you need. Are you going into retirement? Can you bend and lift as easily as you used to? Will you need cargo space for a walker? Are you a grandparent who plans to install a child's car seat? Do you need a car with a door that opens wide, making it easier to get into the vehicle? Does an SUV make more

sense than a sedan?

Pay attention to the interior control panels and labels. The larger, clearer and more legible they are, the better. As you age, your range of motion can become more limited. Some vehicle features, like a backup camera or blind spot detection, can compensate so that you don't need to turn your upper body to look for obstacles.

Don't mention your trade-in until the end of the buying process. That way, it won't blur the dealer's rock bottom price.

Buying a new car is a major purchase. If your best interest rate is more than 0 per cent, it's still a good deal. Be sure you know how much more you're paying for a 72 or 84 month contract. Shorter than that is usually better. Keep add-ons for accessories to a minimum. Rust-proofing, for example, is not necessary despite what the salesperson might tell you. A dealership maintenance plan and extended car warranties are expensive. Even worse, the coverage is often very limited.

Always test drive the car to ensure that it's comfortable for you.

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Signing up volunteers in the Memphremagog West MRC



THE SCOOP

MABLE HASTINGS

The Missisquoi North Volunteer Centre (CABMN) located at 314B Principale in Mansonville recently took its Volunteer Coordination efforts on the road for two Fridays in June. Friday, June 18 CABMN Volunteer Services Coordinator Debra Harding

and volunteer services team member, Krysten Vanier spent the morning in the municipality of Bolton-Est and the afternoon in Saint-Etienne-de Bolton where they set up a table to welcome visitors. The two gave out information about the services of the CABMN and encouraged those who stopped to sign up as volunteers in their area to be available when future volunteer needs present themselves. On Friday, June 25 Harding was joined by recently elected CABMN Board of Directors member, Robert Gagnon at a table set up in the AM in Eastman and in the afternoon in Stukely for the same purpose.

The CABMN serves the MRC Memphremagog West that encompasses the municipalities of Potton, Bolton-Est, Saint-Etienne-de-Bolton, Eastman and Stukely-Sud. This is a wide area of approximately 530 sq/km serving a population of some 6000 persons. To serve these areas and participate in community events the CAB certainly relies on volunteer involvement and support; in fact, this is vital to bettering the communities it serves.

With 229 registered volunteers the CABMN is able, when an organization, municipality or event is being held in a specific area, to match up the volunteers registered in the area making the pairing easier for the person or group making the request and assuring that there is follow up and support to the volunteers done by the CABMN during and after the event. To date, the service has been working well and the CABMN volunteer coordination team has been happy with the results.

"It is imperative that we inform the population," said Harding. "Once



COURTESY

people understand how the service works, I believe they will be more inclined to register with us knowing that their volunteer time will be spent in their own Municipality."

Getting this message out has taken some time as many could not grasp why they would sign up with a service located in Potton if they are living in Eastman? The fact is, because the CABMN serves these areas, when needs arise those who need help are calling the CABMN in search of volunteers appreciating that the CAB coordinates this service making it easy for volunteers in the MRC Memphremagog west to be banked in one area through one organization.

"We had hoped that by going to each Municipality to recruit new volunteers

would be more fruitful than it was," explained Harding. "We did not get as many as we had hoped but we did stimulate interest and many took the information home to ponder."

Spending time in the other municipalities served by the CABMN was a bonus for Krysten Vanier who is part of the Coordination team.

"We may solicit more interest by attending an event in each municipality in the future," she suggested. "This however was not a waste of time because we got to be seen by the citizens living in the area and hopefully this helped them to realize that our CAB is their CAB too."

To become a CABMN volunteer contact Debra or Krysten at 450-292-3114.

