

Automotive Answers

3-in-1 Credit Report Is Car Buyer's New Best Friend

(NAPSA)—You've researched the perfect car to buy and the perfect time to buy it. But have you checked your credit report and credit score? A quick review of your credit report online before you visit dealerships can save you both time and money when you are ready to make your deal.

1. Give that credit report a tune-up.

Check your credit report early in the process to avoid embarrassing or costly episodes at the loan desk.

- Get the facts first. Having your 3-in-1 credit report from TransUnion's TrueCredit.com before you shop for a vehicle allows you to compare and review your financial information from each of the three credit bureaus: TransUnion, Equifax and Experian.

- Check the accuracy of your 3-in-1 report. If you find any mistakes, report them immediately.

- Are your credit card balances high? Reducing these or paying off small debts can sometimes boost your credit score and save you money on a loan.

- A few months of prompt bill payments can improve the way lenders view you.

2. Don't overextend yourself.

Brand new sports car vs. used and practical? Before you decide which car is right for you, it's a good idea to see how much you can really afford.

- After all your other bills are paid each month, how much do you have left to put toward a vehicle?

- Do you have a trade-in or down payment? These can help you negotiate a better rate with lenders and can be especially important if you have problem credit.



- Calculate your debt-to-income ratio by dividing all your monthly payments by your gross monthly income. Make sure to add in your expected new car payment. A ratio greater than 30 percent may be a red flag to lenders.

3. Do your financing homework.

Applying for an auto loan doesn't have to be stressful if you arrive prepared. Consider the following:

- Be ready to discuss your income, occupation, home loan and credit history.

- To negotiate the best loan, check the rates banks and credit unions will offer you before visiting a showroom to make your final deal.

With these tips and your credit report from TransUnion's TrueCredit.com in hand, you should be well-equipped to negotiate a better deal on your next car. Now, go get 'em!

To learn more about managing your own credit health, visit www.truecredit.com.