

How to Get the Most Money For Your Car Trade Without Getting Ripped Off!

The first and most important thing you must always remember when it comes to trading your car is to **ALWAYS keep the car trade out of the negotiating process** until **AFTER** you have negotiated a firm selling price on the car you're buying! Get the selling price in writing and make sure it's signed by the manager!

Until you get to this point in a deal **Don't Bring Your Car Trade Into the Picture!** If you do, at the very least the deal will become very confusing, and at the worst you're going to get **"Ripped-Off" Big Time!**

One of the first things the salesperson is going to ask you is **"Are you trading your car?"**

Now, I don't want you to lie, so find some way around that question, because the answer you give will either cost you **MONEY** or make you **MONEY!** You could simply tell the salesperson that all you're interested in is negotiating a fair price on the vehicle you want to purchase, and that's what you want to focus on. **Keep the Car Trade Out of the Negotiation Process!**

Let the salesperson and the Sales Manager wonder! It will keep them off balance! This is a Good thing!

Secondly . . . **Never negotiate a car deal based on "Price Difference,"** meaning that you agree to buy their vehicle for so much money difference plus your car trade.

If you do, you will end up spending Thousands too much!

Third . . . **Never Negotiate a car deal based on payment amount!** In other words, they might ask you how much you can afford a month, and then say to you, "Will you buy this vehicle today if we can get it for you for \$350 a month?"

If you negotiate in this manner you will spend Thousands of Dollars Too Much!

You've Been Warned.

Following these suggestions above is the only way you can keep from getting **"ripped-off"** on your car trade!

Now understand this...**No dealership is going to give you more than WHOLESALE VALUE for your trade. Got That? Wholesale is the "MAX" they're going to give you!**

We must remember, a car dealer is in business for one reason, and one reason only. Just like any other business person! To Make a Profit! We can't fault them for that!

Now, in order for the dealer to earn a profit he must be able to buy his merchandise at wholesale just like the local hardware store owner, the furniture store owner or the local grocer.

Then, he must mark up his merchandise enough to cover his overhead which may include things like commissions, rent or mortgage, insurance, utilities, salaries, advertising, office supplies, maintenance, taxes and on and on and on it goes!

After paying all that stuff he still must make enough to earn a profit or he's out of business in no time at all!

When you trade your car in, the dealer is, in essence, buying your vehicle from you for resale. Now think about it for a minute; How can the dealer possibly give you every last penny that your vehicle is worth, then turn around and sell it for enough to help cover the overhead and expenses and still have a profit left over?

Would the furniture store owner pay retail price for his inventory then turn around and sell it at retail and not make any profit? What would be the point?

Does the grocery store owner sell his groceries at cost? If he did, you would be looking for a new place to buy groceries, because he wouldn't be there any more!

In order to give you top dollar for your car trade the dealer would have to sell your trade for thousands over its retail value!

And guess what?

No one's going to pay that much for it! And even if the dealer found someone willing to pay thousands over its value the banks would never loan that much on it anyway!

In spite of all of this, most customers get highly insulted if the salesperson tells them that all the dealership can give them for their car trade is wholesale value!

It's a Crazy System, for sure!

All the dealers know that when you bring your car in to trade it that you are expecting an unrealistic amount for it. And if you don't get it, then you feel like the dealer is "**ripping**" you off!

Knowing this, **the dealers have devised various ways to trick you into believing that you're getting more for your car trade than they're really giving you!**

If you allow the salesperson to subtract your trade-in allowance from the sticker price on the vehicle you're buying, or off the retail if your buying used, he can inflate the trade value. . . **On Paper**. . . by adding some of the mark-up from the vehicle you're buying to the trade allowance.

This is money the dealership was prepared to give up anyway, had you come in without a trade and negotiated them down on price!

Another trick they use is adding the rebate, if any, to the trade allowance. Watch them on this.

Now, are you starting to see why it's so important to negotiate the price of the vehicle you're buying first? Then subtract the rebate from that. . . then talk trade? If you do it the dealer's way you'll never have any clue as to how much you're really getting for your trade, and you won't know how much you're really paying, because all the numbers will be inflated!

By using the above techniques you will back the dealership into a corner and keep them honest, thereby **Saving yourself Thousands of Dollars. This is a Good thing!**

Another thing you must keep in mind is the fact that if you owe money on your car trade, the loan must be paid off out of the trade-in allowance you agree to. In other words if you owe \$10,000 on your trade, and the dealer is willing to give you \$11,000 the actual amount you get to subtract from the selling price is only \$1,000!

If you owe more on your vehicle than you can get on trade, then you must add the difference left over to the new or used vehicle you're purchasing!

Do you understand why you must add your "pay off" to the bottom line? Some people get confused on this, and expect the dealer to cover the "pay off!"

The "pay off" is the amount remaining on YOUR loan! This is money that YOU owe! Not the dealer! When you trade in your car, that balance must be paid off or the bank will not release the title to the dealer you're trading your vehicle to!

No Title - No Deal!

One last point to remember is that before you take your car trade into a dealership, invest in a professional detail job. It will be money well spent.

If after all this you still won't settle for anything less than top retail dollar for your vehicle **DON'T TRADE IT!** That's right! Sell it yourself by placing a small classified ad in your local newspaper and ask what ever you want for it.