



Smart Car Purchase Strategies: Expert Tips for Getting the Best Value

Description

If you want to purchase a car, find out the cost to purchase the car you would like to have, determine the payments, insurance, registration, and maintenance costs of that car. Then, take the money that you would use for a down payment, and purchase a passable, but dependable, car for that cash.

Each month, pay into a separate savings account the amount of costs that you would have had, if you had purchased the car you had in mind. If the car you bought requires any excessive maintenance (repairs over \$200), you may take the money from the savings account for those repairs.

If you get an exceptionally large repair estimate, you can use the accumulated savings to buy a new car.

If you only put \$400 per month into the account, you will have almost \$5,000 by the end of the first year. If your POS (lousy) car lasts two years, you should have about \$10,000 available, less any repair costs withdrawn.

When the car dies, spend up to the total amount of cash you have saved on a replacement vehicle. Be sure to update the amounts you are saving to take into account the inflated costs at this point, and continue to place this new amount into your savings account each month.

If you do this properly, in a few years, you will be able to afford almost any car you want for cash. Keep up this habit, and you will save yourself tens of thousands of dollars in interest payments over your lifetime.

If you want to purchase a boat or jet skis or any other non-essential item, do the same thing as with a car, but spend two years saving money towards the purchase. You might change your mind about buying the item, in which case you can apply the money to any other purpose, or you may be able to pay cash or a significant down payment when you are ready to buy.

These are just a few ways that you can save money. Build your emergency fund, plan ahead for a house, pay cash for your cars, and delay your gratification for other major purchases, and you will keep yourself from biting off more than you can chew financially. You may also find that this sort of discipline

pays a benefit to you in that you will be less likely to act on a whim that can spell financial disaster for you and your family.

If something really bad happened, but you were saving money for a car or house, you will be grateful that you had the extra cash on hand. Having extra money can also enable you to take advantage of opportunities as well.

See also:

[PERSONAL SAVINGS: HOW TO START](#)

[BUYING YOUR FIRST HOME](#)

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1. Uncategorized

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