



Shopping for a Vehicle?

Before you purchase a vehicle, which is one of the most costly purchases you can make, you should prepare and educate yourself.

Here are some tips to remember:

- Know how much you want to borrow and shop around for an acceptable Annual Percentage Rate (APR). Be aware of any hidden fees or restrictions on a loan.
- If you have been researching new vehicles, you've no doubt seen advertisements on television and in the newspapers promising rates as low as 0%. Not everyone qualifies for these rates. In truth, very few people do. For a new car, the 0% APR loans apply only to very few people with perfect credit and for loans with 12 to 36 month duration. The monthly payments on a 12-month loan are typically much higher than what most of us can afford.
- Many dealerships offer a low APR and a rebate. Keep in mind that you can't get both- you either get the low APR or the rebate.
- Visit www.phfcu.com and use our loan calculator to determine what kind of loan would be suitable for your budget. We all would love to have a \$40,000 vehicle, but how many of us can afford \$1,200/month payments? If you can only afford \$200/month payments, based on a 4.75% APR, how much does that qualify you for?
- Get a pre-approved for your car loan before shopping. This way, you know how much you can spend.
- Don't assume you have a low credit score or you don't qualify for a loan because you have been denied before. Many factors contribute to your credit score and it can change regularly.
- On occasion, some banks and credit unions may approve your loan or give you a lower APR if you agree to have payments made via automatic drafts from your bank account.

- Visit a PHFCU Loan Service Representative and they can tell you what APR you do qualify for based on your credit score and help you workout a payment plan that fits your needs- without hours of negotiating and miles of red tape.
- Remember shopping for a vehicle or applying for a loan shouldn't be a nightmare. PHFCU is here to help you.