

# DOLLARS & \$ENSE

*Building Lifelong Relationships One Member at a Time.*

Spring 2016

## The New Rules of Car Shopping



A little advance work can make a big difference. These insider tips on what to do before you visit a dealership, from Mike Austin, editor-in-chief of AutoBlog, will get you revved to hunt, haggle, and drive off into the sunset in your new car.

**Look up the wholesale price.** The actual cost dealers paid for the cars in their showrooms (insiders called it the “factory invoice price”) used to be unattainable information. Now, you can-and-should-Google this stat, so you’re armed when a dealer cries, “I’m losing money on this deal!”

**Get dealers bidding for your business.** Go to TrueCar.com and find the model you’re thinking about. The site gets a bidding war going among local participating dealers (the dealers pay to be part of this service and it’s free for consumers) and will send you up to three offers. Even if you’d rather shop in person, having an offer in your back pocket will give you a better sense of how far you can go in negotiations.

You can get a loan from the dealership, but make a stop at GMFCU first. We can pre-approve your loan before you shop. Coming into a showroom with financing offers is, in a sense, like walking in with cash. That should give you negotiating power-and at the very least it will give you a comparison point for the dealer’s financing offer.



**Smarten up about your trade-in.** Consult more than one source to make sure you have a solid sense of what your soon-to-be-former car is worth. Edmunds.com, a trusted resource for auto info (the company has been around for 50 years) and the Kelley Blue Book (kbb.com) let you easily see the approximate value. For a more specific number, visit a CarMax near you (there are 150 nationwide). At no cost, this used-car retailer will check out the vehicle and give you a hard offer on a trade-in. Then you’ll be ready to get tough if a dealer lowballs you on the worth of your car. While you’re doing trade-in research, investigate cash-back offers on the vehicle you’re planning to purchase. At Edmunds.com you can input the precise make, model, and details of the new car and learn what rebates are available.

**Shop where everything is cheaper.** While the Kelley Blue Book is the standard source of used-car prices, Austin says local listings may be more relevant. Whether you’re planning to purchase from an individual or a dealer, cast your shopping net a bit wider than the immediate area—especially if you live in a large city or a particularly desirable location: just a day trip away, you might be able to get what feels like a steal.

Talk to a Loan Officer before you shop to make sure you get the car you want, at the price you want, and the loan to fit your needs not the dealership’s. For more information call Loan Services: 336.373.2090.

Excerpts from “The New Rules of Car Shopping,” Written by Adam Baer. March 2016 pg.126 REALSIMPLE.COM

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\*For Loans between \$5,000-\$9,999 you’ll receive a \$50 gas card. For loans over \$10,000 you’ll receive a \$100 gas card. Loan must be approved and funded to be eligible for the free gas card. Refinanced loans must be from another financial institution. Refinance of GMFCU loans are not eligible.



# 5 BAD HABITS OF NEW CAR OWNERS THAT RUIN A VEHICLE'S VALUE

*If you've got a brand new car, go easy on the gas . . .*

Car sales are up and people are buying more new vehicles. A number of personal finance gurus advise against buying a brand new car – ever – but drivers are obviously ignoring this advice. Perhaps it's because the cost of financing a new car is so low. A [gobankingrates.com](http://gobankingrates.com) auto loan rate study found the national average for new car loans is just 3.99 percent APR, while some credit unions charge less.

So if you have bucked the frugal option, accepting that a new car's value decreases by 11 percent on average as soon as the odometer rolls to "1," here are a few bad habits you can avoid to mitigate any further depreciation on your new vehicle:



**1. Riding dirty.** You could skip a few car washes to make up for a big car payment, but everything from the elements, to salt on the road, to good old' bird poop will wear away a new car's finish and detract from its overall resale value. Car owners should be mindful of dirt and grime that can build up – both inside and out – and opt for a wash (preferably by hand) every week or two and a full detail at least four times a year.

Jon Dulin of [MoneySmartGuides.com](http://MoneySmartGuides.com) says keeping a clean engine bay can immensely improve your vehicle's resale value. "Don't take a hose to your engine, but take a wet rag and wipe off the dirt from the hoses and plastic coverings under the hood," advises Dulin, adding, "Buyers that see a super clean car and engine bay will pay top dollar for the car."



**2. Driving hard.** Some drivers are more aggressive than others, but the rush of sitting behind the driver's seat of a brand new, powerful car is enough to give anyone a lead foot for the first few thousand miles. The problem is, these first miles are when new car

owners need to be most gentle. While it's rare for most modern cars to come with specific break-in instructions, it's always recommended that drivers go easy on the gas, avoiding red lining or hard braking.

It's also important to change the oil almost immediately. "That 20-mile oil, you would think, would look pretty much like fresh oil right out of the bottle. Wrong. It usually looks more like metal-flake paint, iridescent with tiny particles of metal worn off rubbing surfaces inside the new engines," writes Mike Allen in *Popular Mechanics*. "After a few hours of operation, this completely normal phenomenon slows down as the rings, camshaft, lifters and bearings burnish their respective mating surfaces."



**3. Customizing your vehicle.**

Adding a body kit or an exhaust system can personalize your vehicle, but will consequently reduce the pool of buyers interested in purchasing. Even worse, aftermarket modifications and accessories can interfere with a car's warranty. Above all, car owners concerned with retaining value should steer clear of add-ons that alter powertrain or safety equipment.



**4. Failing to keep records.**

The Car Connection recommends holding on to all service records for your car, which can be very valuable if you end up selling your car to a private buyer. By showing your car's paperwork, it will prove the vehicle's tires, oil and battery are in good

condition. You will then have a better chance at selling the car and getting a good price.



**5. Seeking service from a stranger.**

Bret Bodas, automotive expert and director of the automotive professional group at [repairpal.com](http://repairpal.com), says having unqualified technicians work on your car often ends up being an enormous drain on your wallet. "Though you may think you're paying a little less, this often backfires," Bodas says. "Untrained professionals make your vehicles issues a matter of trial and error, guessing which parts need to be replaced to fix that funny noise, which could potentially cause new problems."

Rather than taking the chance, dedicate the same amount of time and research you did in choosing your new car when finding the professional mechanic who will help repair and maintain it.

*Casey Bond writes for [GoBankingRates.com](http://GoBankingRates.com), a source for auto loan rates, CD rates, savings account rates, personal finance news and more.*

Excerpts from: Casey Bond, writer, Sept. 5, 2013 | 1:29 p.m. EDT + More *US NEWS – MONEY*

**You are Invited!**  
**79th Annual Membership Meeting**

April 28, 2016

Greensboro Public Library  
219 N. Church Street  
Greensboro, NC

Refreshments 6 PM  
Business Meeting 6:30 PM

Free Parking available in the parking garage next door.



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\*Exclusively for GMFCU members.



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## A Brief History of License Plates?



License plates are required for every car in the US, but when automobiles first started to appear on the road, there was no such thing as license plates. Who created license plates? What did the first one look like?

### The Very First License Plate

Although New York was the first state to require automobiles to have license plates (1901), these plates were made by the owners (with the owner's initials) rather than state-issued plates.

### What Did These First License Plates Look Like?

The first state-issued license plates were issued in Massachusetts, beginning in 1903. The very first plate, featuring the number "1," was issued to Frederick Tudor. (One of his relatives still holds an active registration on the plate.)



These early Massachusetts license plates were made of iron and covered in a porcelain enamel. The backgrounds were colored a cobalt blue and the number was in white. Along the top of the plate, also in white, were the words: "MASS. AUTOMOBILE REGISTER." The size of the plate grew wider as the plate number reached into the tens, hundreds, and now millions.

Massachusetts was the first to issue license plates, but other states soon followed. As automobiles began to crowd the roads, it was necessary for all states to find ways to begin regulating cars, drivers, and traffic.

*Jennifer Rosenberg, 20<sup>th</sup> century history expert, About.com, Updated March 2016*



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## LOAN & DEPOSIT RATES

Rates subject to change without notice.

	APR
<b>New &amp; Used Cars, Trucks, Vans &amp; Motorcycles (up to 100% financing)</b>	
up to 36 months	as low as 2.95%
37 to 48 months	as low as 3.20%
49 to 60 months	as low as 3.45%
61 to 72 months (>\$15,000)	as low as 3.95%
73 to 84 months (>\$30,000)	as low as 4.70%
<b>New &amp; Used Boats, and RVs (up to 100% financing)</b>	
up to 48 months	as low as 6.25%
49 to 72 months (>\$10,000)	as low as 6.75%
73 to 120 months (>\$20,000)	as low as 7.25%
Home Equity Line of Credit - (Up to 100% Equity Loans Available) Variable Rate (Floor of 4.00%)	4.00%
Share/Certificate Secured up to 72 months	3.00%
Single Payment Share/Certificate-up to 12 month	3.00%
MasterCard®	11.90%
MasterCard® Rate with GMFCU Checking	10.90%
Line of Credit/Overdraft/Personal Loans	as low as 9.75%

Declared dividend rates and yields as of February 2016 - Dividend Computation: Dividends are calculated by the average daily balance in your account and are paid monthly on the last day of each month. Dividend rates are reviewed monthly and declared by the Board of Directors based on the profitability of the credit union and are subject to change without notice. Accounts which are closed during the month will not earn dividends for that month. Call for CD Rates and Yields.

Share Savings	Dividend Rate	APY
\$25 to \$999.99	.25%	.25%
\$1,000 to \$9,999.99	.25%	.25%
\$10,000 to \$49,999.99	.30%	.30%
\$50,000 to \$99,999.99	.35%	.35%
\$100,000 and above	.40%	.40%
IRA Savings	.75%	.75%
Checking (Share Draft)	.25%	.25%
Christmas Club	.25%	.25%

This information is intended to represent services, fees and interest rates at the time of printing. Rules, regulations, interest rates and fee schedules are subject to change without notice. Fees and other conditions could reduce earnings.

## Upcoming Holidays - Closed Good Friday, March 25, 2016

Please plan your financial needs with these holidays in mind, and remember, if you need cash over a holiday or long weekend, your GMFCU ATM/Master Money Debit card gives you complete access to your credit union accounts anytime.

# SAVE TO WIN

For more information call Member Services: (336) 373-2090