Car Buying Checklist

A checklist for buying a car from start to finish.

Set your budget

- [ ] Decide a maximum total budget and a comfortable monthly payment.
- [ ] Include insurance, fuel or charging, maintenance and taxes.
  The purchase price is only part of the total cost of ownership.
- [ ] Determine your down payment or trade-in value.
- [ ] Check your credit score before seeking financing.
- [ ] Avoid stretching the budget to a longer loan term.
- [ ] Leave room for registration, fees and an emergency fund.

Research the right car

- [ ] List your needs — size, seats, cargo, fuel type and use case.
- [ ] Compare models on reliability, safety ratings and reviews.
- [ ] Research typical pricing for the models you want.
- [ ] Check fuel economy or range and expected running costs.
- [ ] Look into insurance costs for shortlisted models.
- [ ] Read about common problems and recalls for each model.

Arrange financing

- [ ] Get pre-approved by a bank or credit union for a benchmark rate.
  Pre-approval gives you leverage to compare against dealer financing.
- [ ] Compare the APR, loan length and total interest of each offer.
- [ ] Avoid focusing only on the monthly payment.
- [ ] Confirm there is no prepayment penalty.
- [ ] Decide on a cash, loan or lease approach.
- [ ] Have your trade-in valued independently before negotiating.

Visit and test drive

- [ ] Inspect the car's condition in daylight before driving.
- [ ] Test drive on varied roads, including highway speeds.
- [ ] Check comfort, visibility, controls and tech.
- [ ] Listen for noises and feel for vibration or pulling.
- [ ] Verify the features and trim match what is advertised.
- [ ] Test the parking, mirrors and driver-assistance systems.

Negotiate the deal

- [ ] Negotiate the out-the-door price, not the monthly payment.
- [ ] Get quotes from multiple sellers to compare.
- [ ] Negotiate the trade-in separately from the purchase price.

- [ ] Question and decline unwanted add-ons and dealer fees.
  Some dealer add-ons carry high margins and little value — ask about each.
- [ ] Be prepared to walk away if the terms are not right.
- [ ] Get every agreed figure in writing before proceeding.

Close the purchase

- [ ] Review the contract line by line, including all fees.
- [ ] Confirm the price, financing and any included items match the deal.
- [ ] Verify the VIN, mileage and vehicle details on the paperwork.
- [ ] Arrange insurance to be active before you drive away.
- [ ] Complete the title transfer and registration.
- [ ] Collect all keys, manuals, receipts and a copy of every document.