

Trade In Your Car Versus Private Sale

With Sandra Kelly

There are two choices to be made in regards to the change over to your new vehicle, will you trade in or will you sell it privately? Not every one is in the position to be able to sell their car privately before they purchase their new car. What do you do for transport when you sell your old car? Be aware if you choose this option, as you could then be forced into purchasing the first vehicle that comes along, which may not be a wise decision.



When it comes to your trade-in's valuation, there are a few things you can do to maximise what you receive here.

Make sure it is clean and tidy inside and out. If your log book isn't up to date or you haven't been servicing your car regularly be prepared to take less for your car as this has a serious impact on its value.

Don't have an over inflated idea of what you think the car is worth, check it out first. Try online at www.redbook.com.au. this site is a guide only, and is the national average, not gospel, but it will give you a general idea. At the end of the day the **Redbook doesn't write cheques.**

There are also a range of prices to consider. You have a retail price; this is what a car would usually sell for in a motor dealership, this is the maximum amount the car is worth, and you probably won't get any where near this. If you want to come close, try selling it privately yourself, but be prepared to reduce your price accordingly. The market is really about who will pay what on the given day. (See our website for a FREE how to sell your car guide)

Then there is a wholesale price; this is the price the dealership will give you. (or trade in price) Depending on the trade, they will either keep it to sell on themselves or just get rid of it out the back door to a wholesaler to be sold at a cheaper car yard.

There is also the price made up by the general public, which you may see in the paper. This is really interesting and if you use this as a guide you will be in for a serious surprise when you can't sell your car for this amount. Often people will read the 'cars for sale' in the paper and online to price their cars. What could happen is you will get an unrealistic idea of what your vehicle is worth this way. It does not really make much difference to the selling price if you paid for rust proofing and tint 3 years ago or put in a \$1000 stereo, especially if your car has high kilometres on it.

If you do decide to trade it in, the lesson here is to look at the whole picture carefully, what are you being offered? As well as what is the new purchase price? Sometimes it is better to cut a small loss now as apposed to your car rapidly devaluing even more as it ages over time, then risk losing even more in depreciation later.

For further help, guidance and options contact SunCoast Auto Brokers
On 1300 365352 or log on to their website www.sunauto.com.au