

05/05

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## **NEW YEAR RESOLUTIONS FOR CAR BUYERS**

Half of car owners trading in their current vehicle are doing so in order to buy a better model, while 17 per cent will be doing so to accommodate an expanding family, a survey<sup>1</sup> by Black Horse Motor Finance has revealed. A further six per cent of car owners will be looking to cut their expenditure by downsizing to a cheaper model.

Phil Stones, managing director of Black Horse Motor Finance, explains: “Whether trading up, trading down or even just unhappy because the boot is too small, Britons are very precise about what they want from their car. However, when it comes to actually buying the car of their dreams many will not have given much thought to how they can get the best possible value for money. But this is an important part of the decision-making process as it can literally put pounds back into your pocket or give you a bigger bang for your buck.”

For those looking to change car during 2005, Black Horse Motor Finance offers the following advice:

- Always try to visit reputable and approved car dealers so that you can feel confident of who you are dealing with.
- If you are looking to make a private sale or purchase, seek advice from your bank beforehand on how you can protect yourself from potential fraud or loss of your money.
- Think carefully about affordability beforehand – are you going to pay for the car from your savings, a mix of savings and finance or purely finance? How much can you comfortably afford for monthly repayments?

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- Always be prepared to negotiate – and not just on price. ‘Extras’ such as free warranties or CD players can be valuable, but do make sure they are of use to you.
- If comparing deals between cars make sure you compare the price of both on a like-for-like basis, factoring in the value of any ‘extras’.
- If trading-in your old car and buying a new one, the real figure to look for is the ‘price to exchange’. This is the combination of the price you will receive and the price you will pay. A higher part exchange price doesn’t automatically mean that the overall deal is good value.
- When buying from a dealer, discuss the full range of finance options available. The dealer might be able to squeeze more value out of your monthly repayments.

To protect customers, Black Horse Motor Finance is only offered through approved motor dealers.

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### **Notes to editors:**

<sup>1</sup>Figures are based on the answers given by Black Horse customers during December 2004.

Black Horse Motor Finance is part of the Asset Finance Division of Lloyds TSB. Black Horse has been a specialist in car finance for over 50 years, currently having almost one million customers and £6 billion of lending on its books. Black Horse accounts for nearly 20 per cent of the motor finance market.

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### **For more information:**

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