

# Buying a *Car*

A guide to car loans.



Our guide contains our loan process, what documents you'll need, pre-approval, tips and more.

**loans**  
.com.au

# Contents



- 1 Ready for a new car?
- 2 The car buying process explained
- 3 The onTrack app
- 4 Car loan terminology
- 5 Contact us

# 1 Ready for a new car?

**We can help with low rates, and quick approvals.**

Buying a car is an exciting purchase - whether it's buying your first car to learn to drive in, your first new car after having the same vehicle a number of years or upsizing for your family.

We're here to help you when you may need us - Complete an online car loan application and then arrange a call with one of our experienced auto lending specialists to guide you through the next few steps.

## Why choose a [loans.com.au](https://loans.com.au) car loan?



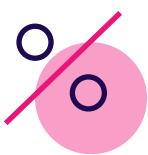
### **Award-winning**

Awarding winning low-rate loans, which means that's a win for you too!



### **Flexible repayments**

Weekly, fortnightly or monthly repayments – to align with when you're paid.



### **Discounted interest rate**

Receive a discounted interest rate~ when you use a [loans.com.au](https://loans.com.au) car loan to buy an eligible electric and hybrid vehicle.



Apply now. To find out how much you can borrow, just use our handy car loans calculator. If you are ready to apply for a loan, you can get started now by filling out one of our easy online applications here. It only takes a few minutes.

## **Applying for an award winning low rate car loan is real easy**

- ✓ Apply online
- ✓ Upload your documents and track the progress of your car loan application using the onTrack app
- ✓ Chat to one of our Australian based car lending specialists
- ✓ Access your account online

## 2 The car buying process explained

Buying a car is an exciting time but it can also be daunting. There are a few different challenges to overcome including finding a car, negotiating a price, and getting the best value car loan.

### 1 Are you going new or used?

- Manual/Automatic
- How many seats
- How often do you drive
- 5 star safety rating

### 2 Shop around and do your research

- New or second hand
- Dealer, private sale or auction
- Green car

### 3 Know your budget

- Find out your borrowing power
- Tell us your income
- Tell us your expenses

4

## Other costs to consider

- Registration
- Insurance
- Maintenance cost
- Depreciation
- Fuel

5

## Car loan pre-approval

- Get pre-approved car finance

6

## Negotiating

- Independent valuation
- Preliminary inspection
- Agree on price
- Independent mechanical inspection
- Background checks
- Settlement

7

## The car loan process to settlement

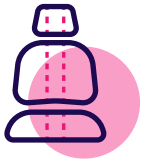
- Apply
- Upload documents
- Speak to a specialist
- Loan documents delivered and returned
- Loan settlement



# 1

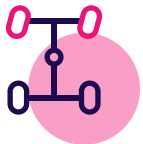
## Are you going new or used?

Before you start searching for a car you need to narrow down your criteria. Here are some practical considerations to keep in mind:



### How many passengers?

This will determine how large the car needs to be. If it is just you and the occasional passenger, you can get by with a small hatchback or even a micro car. If you are driving a family with a couple of kids, you may want a mid-sized hatch or SUV, while six or more and you will need a people mover.



### What type of driving?

Will you mainly be driving on highways, suburban streets, or off-road? For highway driving a powerful two-wheel drive would generally be preferred but for off-road you will need an all-wheel drive or a 4WD depending on conditions.



### Is fuel economy important?

Receive a discounted interest rate~ when you use a [loans.com.au](https://loans.com.au) car loan to buy an eligible electric vehicle.



## What safety features matter?

Safety features in cars get more advanced every year and you can often buy safety packs to enhance it even further. You will need to decide how safe is safe enough. To make it easier, new cars come with an ANCAP Safety Rating.



## Do you need a lot of cargo capacity?

Will you mainly be driving on highways, suburban streets, or off-road? For highway driving a powerful two wheel drive would generally be preferred but for off-road you will need an all-wheel drive or a 4WD depending on conditions.



## Will you be towing?

If you plan on towing a boat, trailer or caravan you will need a powerful engine, probably a V6 or a diesel.



## How much space do you have?

The size of your garage or parking spot will limit the size of the car you can buy.

## 2

## Shop around and do your research

### Green car

We care about the environment and we encourage you to care too. That's why we offer a great discount on our car loans if you choose to buy an electric car, so we can work together to lower the emissions in the environment.

We offer loans of 3 to 7 years+ for new cars on a low fixed rate loan.

If you choose a fixed green car loan, you'll have the option to reduce regular repayments by adding a balloon payment to your loan.

### How can we afford it?

This big discount is possible because of our partnership with the Federal Government's Clean Energy Finance Corporation which supports green technology, like low-pollution vehicles.

### How to get a Green Car Loan?

Green car loans are available for new and demonstration vehicles. To find out if the car you want is on the approved list, just call 13 10 90 and speak with one of our car lending experts.

### 3

## Pre-approved car finance

Depending on where you are in your car buying journey, you can do any or all of the following:

### Calculate your repayments

Find out how much you can afford to pay for a car using our car loan calculator. It only takes a minute to get an estimate.

### Get car loan pre-approval

Complete an online car loan application and then arrange a call with one of our car lending specialists. A credit check will be run during the online car loan application process. Once an assessment has been made, we will provide a pre-approval.



## 4

## Other costs to consider

As well as loan repayments, there are many other costs of running a car that can really add up. These include;

### Registration

To drive a car on public roads it must be registered. The cost of registering a motor vehicle will depend on a variety of factors. Your car's registration must be paid every year.

### Insurance

Car insurance is a type of financial protection that covers the cost of damages or injuries that result from car accidents, theft, or other auto incidents. At a minimum you need to have compulsory third party insurance.

The types of insurance what is covered are outlined below. In general, the more coverage you get, the more it costs.



Type	Damage to your car	Damage to other people's property (their cars)	Theft of your car	Injuries or death to other people in an accident
Compulsory third party	×	×	×	✓
Third party property	×	✓	×	×
Third party property, fire and theft	×	✓	✓	×
Comprehensive	✓	✓	✓	×

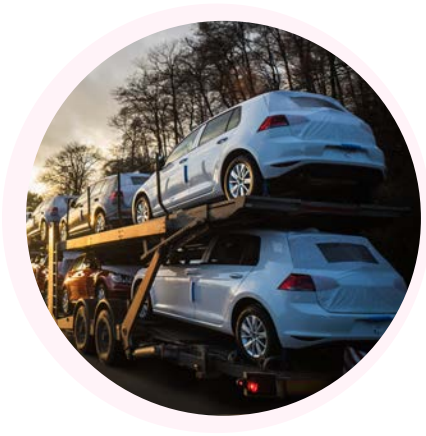




## Maintenance costs

One of the major hidden costs of owning a car is the mechanical cost of running it:

- Maintenance - oil changes, tune-ups, tyres, brakes, exhaust
- Repairs - heating, air conditioning, cooling system, engine, transmission



## Depreciation

All cars depreciate over time which means they decrease in value, due to wear and tear. This is the biggest cost of car ownership and can account for up to 50% of the entire cost. While this isn't a direct out of pocket cost it is an important factor to consider as some cars depreciate faster than others.



## Fuel

Petrol is one of the main costs of running a car. The cost will depend upon the size of the engine, its fuel efficiency, and how much you use the vehicle.

5

## Car loan application

### Apply online

Get pre-approval so you can shop with confidence. Find out in under 2 minutes if you qualify for one of our low rate car loans.



## 6 Negotiating

Once you have found a car you want you will need to negotiate with the seller to buy it. The key here is to make sure you're done your carwork.



### **Independent valuation**

The most useful tool you can have is an independent estimate of what the car is worth. These are available from a few difference sources, including Redbook and Cars.com.au. In both cases you enter key information about the car – its model, age, mileage and condition, and they will tell you the average price that similar cars have sold for recently.



### **Preliminary inspection**

Thoroughly inspect the vehicle yourself, checking for any external or internal damage. Check that the radio and other accessories work. Take the car on a test drive and listen for any obvious mechanical issues.



## **Agree on a price**

Most experts agree that once you know the price you are willing pay, you should drive the negotiation rather than asking the seller to name their price. Offer a fair price and stick to it. Be prepared to walk away if they don't agree as there are plenty of cars on the market. If you have prequalified for a loan it will help you because you will be confident that you can pay what you offer.



## **Independent mechanical inspection**

If you agree on a price, you will usually give them a small deposit of a few hundreds dollars and agree to buy the vehicle subject to an independent inspection by a qualified mechanic. In return for the deposit, they agree not to accept any offers from other buyers. There are many companies which offer onsite presale inspections of motor vehicles. If the inspection reveals significant problems you can use this to negotiate the price down further, or walk away. Many people buying from a car dealer will skip the independent mechanical inspection, although the dealer should allow it if you request it.



## Background checks

Check the Personal Property Security Register online or by phoning 1300 007 777 to determine if there is any money owing on the vehicle or if it is listed as stolen or written off. The search certificate will also provide information about the vehicle's features that should be confirmed to ensure it's the correct vehicle. If there is money owing on the vehicle, make sure the amount you are giving for the car covers the owing amount as you will not get clear title to the vehicle and it could be repossessed.



## Settlement

If you are satisfied with the condition of the vehicle, proceed to finalise your car loan and settle the purchase. Insure the car before you drive away. Compulsory Third Party insurance (CTP) is part of your car's registration in most states, but you'll need more protection. CTP insurance only covers personal injuries sustained by passengers in your vehicle, not at fault drivers and other users. CTP Insurance does not cover damage caused to or by your vehicle. You should have Comprehensive Motor Vehicle Insurance or Third Party Property insurance as well.

7

## Our car loan process to settlement

Now you have made an offer and had it accepted through a car dealer or private sale, this is what happened from application through to settlements with [loans.com.au](https://loans.com.au)

1



### Application

Simply fill out your car loan application online by entering some of your details, or chat to one of our Australian based car lending specialists over the phone and they can complete your application for you.

2



### The onTrack app

Once you've applied, you can fast track your loan via our secure onTrack app and upload documents such as payslips and bank statements. You'll have 24/7 control of your application and receive updates straight to your phone.

3



### Let's chat

You will then speak to with your car loan lending specialist and obtain pre-approval if you qualify for one of our low-rate car loans. They will then guide you through the remaining steps to the settlement of your car loan.

4



### Sign and accept our offer

Check onTrack to receive your final and loan agreement. You must sign these and return them in to onTrack to progress to settlement.

5



### On to settlement

Your loan will settle and you'll start saving with your new low rate, and get your keys to your first car!

6



### Access your account

Once settlement is complete, we will send your login credentials to start managing your payments in the Smart Money app.

## 2 The onTrack app

onTrack enables you to process your car loan application entirely through an online portal accessible by phone or computer. It provides real time updates as your application progresses from application through to settlement.

### Key benefits of onTrack include:



#### Easy application

Begin your application online, or chat to one of our Australian based car lending team.



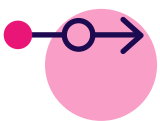
#### Download documents

Download all required forms and documents



#### Let's chat

Arrange a call with one of our car lending specialists at a time that works for you.



#### Track your progress

Track the status of your application and receive real time updates as it progresses through to settlement.



## Upload documents

Upload your documents into one app. It's safe, secure and real easy.



## Access at your fingertips.

You now have access and complete clarity of your loan application on-the-go with our onTrack app.



Login to Smart Money to manage your accounts online and onTrack to fast track your loan application.

- ✓ Gain 24/7 control of your application
- ✓ Get alerts straight to your phone
- ✓ Easy to download mobile app
- ✓ Secure online portal

## Download onTrack



## We're award winning, which means that's a win for you too!

As a loans.com.au customer, you'll love the benefits of our award-winning home loans.



# 3 Car loan terminology

## ANCAP

The Australasian New Car Assessment Program (ANCAP) is a car safety performance assessment program. It awards vehicles an ANCAP safety rating of between one and five stars indicating the level of safety they provide in a crash.

---

## Docusign

Our e-signature system which lets you electronically sign your documents on any device.

---

## Green Car

A car with very low pollution emissions for a vehicle of its size.

---

## The onTrack app

Our online portal which allows you to complete a car loan application entirely on your mobile device or computer from initial contact through to settlement and registration for online services.

---

## Settlement

Settlement is when you pay the rest of the sale price (after the deposit) and become the legal owner of the car.

---

## Smart Money

Our online services portal where you can manage your loan.

---



# 9 Contact us



Call us on 13 10 90

7am - 7pm, Monday to Friday. AEST Alternatively  
(+61 7 3017 8899)



Email [customercare@loans.com.au](mailto:customercare@loans.com.au)



Chat online right now



Visit [loans.com.au](https://loans.com.au)

Connect with us



# loans.com.au

This is a guide only and details are subject to change at any time. Information in this handbook is general only, does not take into account your particular circumstances or objectives, and is not a substitute for professional advice in relation. Any advice does not take into account your personal needs and financial circumstances and you should consider whether it is appropriate for you and read the Terms and Conditions, Product Disclosure Statement and Financial Services Guide before acquiring any product.