

## Don't Get Taken for a Ride: How to Get the Best Car Loan

Our cars are so much more than just how we get from Point A to Point B. They are symbols of our freedom, our independence, and, yes, often they are status symbols as well. For most of us, automobiles represent the second largest expenditures (after our homes) that we make in our lifetimes, but sometimes we needlessly overpay.

A good starting point to keep in mind is that "your car is not an investment, says *moneyunder30.com*. "Quite the contrary: Cars depreciate like crazy. For this reason alone, it's not smart to pay interest on a car loan. What happens in most cases is that the car depreciates and the value of the car drops faster than you repay the loan, leaving you upside down or underwater (when you owe more on the

loan than the car is worth). That said, many of us need cars to get to our jobs and don't have the cash lying around to buy a reliable ride. So we get a car loan. That's cool, but there's a difference between using a car loan wisely and using it to buy a lot of car you can't afford." Here are three simple three-steps for getting the best car loan possible.

### Step 1: Whip your credit into shape.

Before you start looking at cars at a dealership, a used car lot, or even online you should take a close look at your financial situation. Start by checking your credit report. Your credit score will establish how much you qualify to borrow and the interest rate you are likely to pay. The difference in interest rates between an excellent credit rating and a poor one can mean hundreds, even thousands of dollars in interest. Fixing an error or incorrect information on your credit report can save you meaningful amounts of money. "If your credit is subprime or poor—typically a score of 600 or lower—and if you don't absolutely require a car right away, consider spending six months to a year improving your credit before you apply", advises *nerdwallet.com*. "Making payments on time and paying down credit card balances can help bolster your credit so you can qualify for a better loan."

You can get at least one free copy of your credit report every 12 months from each of the major reporting bureaus (Equifax, Experian and TransUnion).



The difference in interest rates between an excellent credit rating and a poor one can mean hundreds, even thousands of dollars in interest.

In 1961 the rock and roll group The Miracles sang this timeless advice: "My mama told me, you better shop around" which brings us to **Step 2: Shop Around for Lenders.** Consulting with multiple lenders of different types like banks, credit unions, or online lenders before you step onto a car lot will give you an idea of your options. *National Public Radio* reports that "many people don't realize it, but the dealership is allowed to jack up the rate it offers you above what you actually qualify for. With your credit score you might qualify for an interest rate of 6%, but the dealership might not tell you that and offer you a 9% rate. If you take that bad deal, you could pay thousands of dollars more in interest."

Be sure to check with your own bank or credit union. It may give you a preferred rate for being a customer.

"Once you've narrowed your search to a few lenders, it's time to request

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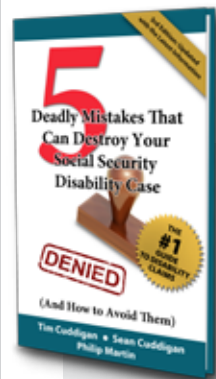
Car Loan ...cont.

interest rate quotes and compare offers," *nerdwallet.com* advises. "Getting lenders to compete for your business gets you the best rate because each one weighs factors in your credit report differently. This means car loan interest rate offers can differ wildly. If you're really ready to buy your car, getting preapproved for an auto loan offers several advantages. It strengthens and simplifies your negotiating power at the dealership by allowing you to only haggle about the price of the car, not the monthly payment."

Finally, **Step 3: Put money down and pay for extras with cash.** To avoid being upside down, owing more on the loan than your car is worth, make a meaningful down payment of at least 20%. Most car dealerships don't require buyers with good credit to make any down payment. However, *moneyunder30.com* points out "driving off in your new car without putting a penny down is tempting, but it's risky. If you find yourself suddenly needing to sell your new car, you may not be able to if you owe more on the loan than the car is worth. A larger down payment ensures this doesn't happen."

Another, often overlooked, way you can get upside down is with the taxes, fees and other auto extras that can get rolled into your loan. Those costs increase the amount of your car loan, but do not increase the value of your car. Don't

finance taxes, fees, and extras; pay for them with cash.



**"5 Deadly Mistakes That Can Destroy Your Social Security Disability Case" is the #1 guide to improving the odds of winning a disability case.**

**For a FREE copy for you or someone you care about call Cuddigan Law at 402.933.5318 or email us at [lawteam@cuddiganlaw.com](mailto:lawteam@cuddiganlaw.com)**

**Question of the Month:  
Can You Be Awarded VA  
Disability for Obesity?**

To the VA obesity is not a disability that qualifies for compensation. To qualify for disability, the VA says, a veteran must prove that there was an event during their time in service that caused their impairment. Obesity occurs over time, they say, and is the result of many factors including poor eating habits and a lack of physical activity.

However, the VA has recognized obesity as an intermediate step in establishing service-connection for a secondary condition. The agency has established a three-part test for obesity as an intermediate step and it goes like this: Did a service connected disability cause a veteran's obesity? If so, then was the obesity a substantial factor in the veteran developing a secondary non-service connected disability? If the answer is yes, the final test is: Would the veteran's non-service connected disability have occurred on its own, if there was no substantial weight gain?

The bottom line is that if you served in the military you can get indirect VA disability benefits for obesity, but the path to benefits is difficult to navigate. For more information see our video on this subject at [cuddiganlaw.com/video](http://cuddiganlaw.com/video).



**Comfort Food**

From the kitchen of  
**Janet Cuddigan**  
**Taco Soup**

Change up your "Taco Tuesday" with this easy-to-make soup with a south of the border flavor.

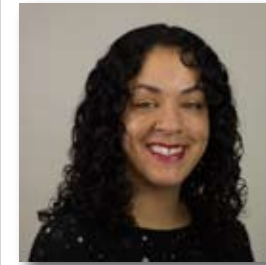
- 1 pound lean ground beef
- 1 medium onion, chopped
- 1 jalapeno pepper, seeded and minced
- 2 (15 ounce) cans crushed tomatoes
- 2 (15 ounce) cans pinto beans, drain
- 2 1/2 cups water
- 1 (15 ounce) can whole kernel corn, drain
- 1 (15 ounce) can black beans, drain, rinse
- 1 (10 ounce) can diced tomatoes and green chiles (such as ROTEL®)
- 1 (3.8 ounce) can sliced black olives, drain
- 2 tablespoons ranch dressing mix (such as Hidden Valley Ranch®)
- 1 (1 ounce) envelope taco seasoning mix

Combine ground beef, onion, and jalapeno in a 4-quart soup pot and cook over medium-high heat until beef is cooked through and no longer pink, about 5 minutes. Add crushed tomatoes, pinto beans, water, corn, black beans, diced tomatoes and green chiles, black olives, ranch dressing, and taco seasoning. Mix to combine. Bring soup to a boil, reduce heat, and simmer for 30 minutes.

Adapted from [allrecipes.com](http://allrecipes.com)

**Meet Blair Redmond**

A spotlight on one of the professional team members who work for you at Cuddigan Law



Helping people is just second nature for Cuddigan Law Case Manager, Blair Redmond. She moved to Nebraska a few years ago to help her mother who is a disabled veteran. She extends that same caring attitude to the firm's clients. "I assist with disability claims working at various levels with the Social Security Administration," she explains, "and most recently I've taken over responsibility for Federal Court Claims; acting as a liaison during the filing process. I provide our clients not only with customer service, but moral support along the way, as well."

As I see it, a big part of my job is to build rapport with clients during what can be a very stressful time in their life. I take great satisfaction knowing that the service we provide is helping people for years to come."

When she's not helping clients, Ms. Redmond leads a very active life that, not surprisingly, starts with spending time with friends and family, but also includes writing, dancing, working out, crafting, cooking, being in nature, watching sports (Go Pac! & Go GBR!), playing board games, and listening to music in all forms (especially live). Her free time activities fit hand and glove with her personal philosophy. "I'm passionate about self-development and self-improvement in my personal life", she says. "I'm always looking to challenge myself and learn new things." When asked if there is a quote that best sums her outlook on life, she has simple and direct answer: "Thou hast done it." And she does it every day for Cuddigan Law clients.



**Sudoku  
(Medium)**

For the solution go to [cuddiganlaw.com/library/newsletter](http://cuddiganlaw.com/library/newsletter)

6	8					3		
						1	6	
	9		4	6	5			
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**Are you a veteran whose service-connected disability prevents you from working?**

**Then this FREE book—packed with information and insider tips—is for you: "The Road Map to a 100 percent VA Rating—What Veterans Need to Know About TDIU"**

**You can download this book at [cuddiganlaw.com](http://cuddiganlaw.com). Or call Cuddigan Law at 402.933.5318 and we'll email you a copy.**

**We're in your corner.**

We value the confidence and trust you have placed with us in the past.

If you or a family member or a friend could use our help now or in the future, please pass along our name.

Disability law is all we do.



Sean Cuddigan    Kim Schram  
Tim Cuddigan

Subscribe to the Cuddigan Law YouTube channel to view our free library of videos about Social Security and VA disability. You will find a full range of information about qualifying medical disorders, how-to tips on navigating the system, and insider advice on winning your claim.

