

## Getting Pre Qualified For Auto Loan

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If you are thinking of buying a new car it is always advisable to secure a financing in advance. It is always considered a great way for speeding up the process of buying a new car if you are getting pre qualified for the same. These are the few basic tips which can help you get the best financing deal for your new car.

Being pre-qualified for auto financing is quite simple. After selecting a vehicle we usually approach to the loan company for the financing. In this situation the dealership submits a loan application form through a partner finance company. Now it entirely up to the company either to approve or disapprove the application form, usually they are approved. The reason is the vehicle itself a collateral for the loan. Though, finance company might charge a higher rate considering a bad credit. Thus, it becomes important to secure your own financing.

Loan amount generally correlates with your income and other expense, thus it is advantageous to be aware of the sale price which fits to your budget. Once you are with your pre-qualified amount you can comfortable shop for the car.

Getting pre-qualified in bad credit is not difficult there are several methods for that. You can always begin with a credit union; they offer a better rate than usual. A person with bad credit has to obtain sub-prime lender for pre-qualification. Online is the best way to locate them. Getting pre-qualified and financing is almost similar. However, the first one is based on declared information which does not get checked until you accept the offer.

Once you accept you will get a letter which does not guarantee a loan. You submit an official application, the lender cross check all the information and decides to approve your loan.