Now is the Best Time to Get a Bad Credit Car Loan by Alan Hendricks

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None Should Be Discriminated When Getting a Car

America is fascinated by cars and owning one gives a great amount of pleasure. To buy a car today, car loans are a pre-requirement. But, for a bad credit borrower, a car loan seems a distant dream. Do you have a poor credit score? Is getting an auto loan difficult for you? Are lenders constantly rejecting your vehicle loan application?

Well, if the answer is yes to all the questions, this article can help you get an auto loan even with bad credit. In fact, after reading this piece of writing, you will understand why this is the best time to acquire a bad credit car loan to buy your dream car.

Hereâ€™s Why Getting a Bad Credit Auto Loan Is Easier than You Think

Upswing In Vehicle Sales

7.3million- Thatâ€™s the total number of vehicles sold in the first half year of 2012! There has been a 14.8 percent rise in car sales since last year. This sale can be attributed to many factors like car manufacturers are pushing for car sales. Even European auto makers consider the American market profitable. They are vying for higher sales in America because of problems in their economy. With this new development, you can get newer car models and better incentive programs. Also, easy flow of credit has played a major role.

Lowest Delinquency Rates

The delinquency rate is the percentage of auto loans that have not been paid by the borrowers. TransUnion in its first quarterly report of 2012 mentioned that auto loan delinquencies are down to 0.36 percent which is very less compared to 0.46 percent - the fourth quarter result of 2011. These figures have proved that borrowers are more serious and diligent in making regular payments.

TransUnion also mentioned that there is a rise in lending as well as leasing in the non-prime risk segment. With low delinquency rates, lenders are able to put more trust in the equation. They have now understood that people will definitely make payments. When the overall mood is positive, getting a bad credit auto loan becomes easier.

Investorsâ€™ Trust

Investors are buying securities made up of car loans as they are comparatively safe and profitable. They fare better than home loans because cars are major requirement for us. We may give our home but a car is necessary for our employment. This makes them a safe bet. The recent example of this is how companies like GM Financial, Santander Consumer USA and other lenders have issued $ 10 billion of sub-prime car loan related ABS. This is a 20% jump from last year.

This deal proves that auto lenders will now be offering more poor credit car financing options because it has become a lucrative option for them. They can easily bundle-up your loan as securities and earn from it. So, auto financing companies are now taking risks in offering sub-prime credit auto loans.

All these factors lead to one conclusion that lenders are now interested in providing you bad credit

car financing. It is no longer difficult to secure a loan. It is not difficult to buy your dream car anymore!

Are You READY For A Bad Credit Auto Loan?

Before getting a car loan for people with bad credit, you must consider these important points so that you do not doubt your decision later.

1. Itâ€™s important that you choose an inexpensive yet efficient automobile. A used car is the most affordable option with you. It is a perfect choice because its depreciation rate is lower than new cars. While choosing a car, donâ€™t forget to check its title. Get it inspected from your trusted mechanic.

2. If this is your first loan after your score nosedived, you must be ready to pay a higher interest rate.

3. Choose a shorter auto loan term so that you donâ€™t increase any chance of an upside down auto loan.

4. Regular payments are extremely necessary to improve your credit score and to avoid it from further deterioration. If you make on-time payments, you will get better interest rates next time.

5. Most lenders have lock-in period during which you cannot refinance or trade-in your car. This is usually the first six months or the first year of the loan term. So, donâ€™t choose any car loan that makes you uncomfortable because you will be stuck with it for some time. Take time to analyze and select a bad credit auto loan quote.

These significant cues are very crucial in reaching a good decision. You must understand that bad credit auto loans are easily available but you can make them more comfortable by remembering these points.

Now that you know how easy it is to get a bad credit car loan, do not wait anymore. Once you consider all the points mentioned in the above paragraph, you must embark on the journey of regaining your old good credit.

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With so many changes taking place in the economy, one thing remains the same. EZautofinance.net always offered and will continue to offer a bad credit auto financing options to individuals with affordable rates. Apply now and hear from our huge network of sub-prime car lenders and a bad credit auto dealers. Contact us and get ready to improve your credit score.

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