

Bad Credit Auto Loan Refinancing Tips

Lots of people know that it's quite possible to refinance their homes, but did you happen to know that it's also possible to refinance your car? Indeed, for most people who have high interest sub prime auto loans, bad credit car finance may be a wise decision. How would you know if refinancing car with bad credit is a good idea? And once you decide to refinance, how would you go about doing it to actually improve you loan situation?

Just like when you refinance your home loan, when you refinance your car loan the old loan is paid in full and it's replaced by a new loan. Auto loan refinance for people with no credit, such as if you when you bought your vehicle and you credit score was below 610, the rates on your car loan could very well be much higher than the rate you would qualify for today. By financing your car loan with poor credit, or even an auto loan with bankruptcy, your monthly payments could go down quite a bit. Additionally, over the span of the loan you could save thousands of dollars in interest payments.

You could be a candidate for car loan finance if:

Your auto loan has been deemed 'season'; which is, if you have had it for at least one year?

You make your payments in a timely manner.

Your vehicles value is more than the actual amount that you owe on it.

If all of the above statements happen to be true, then it could be time to look into finding the lowest rates finance available for people with bad credit.

First, be sure that you're fully aware of what your credit rating currently is. These are easily attainable online. You are entitled to one free credit report each year. Your current credit score would also be available for a small fee.

Secondly, find out the value of your vehicle. Having your automobile appraised isn't a requirement for refinancing your car with bad credit but you should know the value. Most car loan refinance companies demand that your loan should be at least \$7,000 so your car value has to be at least that amount. Check your local bookstore and online for there are many resources available out there for estimating your vehicles worth. Two of the most used sources are more than likely the Edmunds Buyer Guides and Kelley Blue Book. Be certain to have a realistic view when looking at your cars condition because you can be sure that your lender will.

Third, research available lenders, It could be that your current lender would be open to automotive finance for people with bad credit or auto loan refinance for people with no credit, and even car loans with bankruptcy. However, you should always shop around for the best place that will give you the lowest rates and will allow you to refinance the smallest amount as possible. When the two conditions are met you will also then get the lowest monthly payment available.

Fourth, just like any other loan, make sure that all of the offers given to you are in writing. Take the time you need to read all of the fine print and compare each of the proposals. This is an important decision and all of your options need to be weighed carefully.

Finding a lender to help you get a car loan with bad credit may take a bit of time and effort. The savings to your check book and over the course of the loan, however, can more than easily make the time and effort very worthwhile.

About the Author

Online Auto Loans Company specializes in [bad credit auto loans](#) and [car refinancing](#) at lowest interest rates on new or used car purchase regardless of your credit history. **Fill out an online auto loan application form** to get instant quote and you can qualify for your [car loan](#) in less than 2 minutes through a secure server.

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