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Used cars in Tennessee by [Ron Smith](#)

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This article features information about improving your credit rating, in order to purchase cars or receive car loans. People often find themselves in sticky situations in life, whether they did anything to bring it upon themselves, or if it happened beyond their control. The issue boils down to the fact that there is still hope, even with bad credit, to be able to purchase a used car in Tennessee (or wherever you are). Memphis, TN is the home of several used car dealerships that specialize in helping people receive the credit scores they need in order to purchase a car. There is usually an outlet to turn to if you are in need of improved credit.

Something important to remember when taking out a car loan is that the principle amount of the loan will have an interest rate with it. You will have to pay for the entire amount you borrowed, plus, say, a 5% interest rate that will be added to the principle amount. If you borrow 10,000 dollars to finance your used car in Tennessee, you will have to pay $10,000 \times .05$, or \$500, plus the initial 10,000, making your total investment 10,500 dollars. This is something to always be aware of when taking out loans. Paying back your lender becomes a little trickier and is always more troubling when the time to pay actually arrives!

Many people assume that when you buy a used car in Memphis, TN, for example, that the finance company lends you the money and the car is yours. However, in reality, the lender technically purchases the car in full, and lets you use it, as you make payments to it. The car's title is to the lender as well, and won't be transferred to you until you finish paying the installments on your loan. If you miss loan payments, the lender can repossess the car and not allow you to use it. This is why many companies are more willing to give car loans, because if you can't pay, they still have the car and all of its value.

Certain used car dealerships will help you improve your credit score, which can decrease the amount of interest that the lender will require of you. If you have a long credit history with consistent payments being made on time and in full, you will be seen as reliable and will have a lower interest rate. Younger people or people with sketchy credit histories will either not be able to take out a loan, or their interest rate will be quite high. You can speak with certain used car dealerships in Tennessee to help you lower your credit score, which will allow you to more easily finance a new or used car.

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