

How to Buy and Sell Used Limo Vehicles

Limoforsale.com Exclusive: Here is a practical guide to price, negotiate, navigate and close the deal on sales of all types of chauffeured vehicles.

By Jim A. Luff,
LCT contributing editor

Some say buying used is acquiring someone else's headache. In some cases that may be true, but with a little bit of research and savvy there are many good reasons to buy used. LCT Magazine now has a growing vehicle marketplace online called Limoforsale.com, which makes buying used vehicles so much easier. Many of the steps and advice on buying a used vehicle apply just as much online as they do on an actual sales lot.



The moment a new vehicle leaves the dealer lot, it depreciates as much as 10% in value. That means by the time you hit the first red light your \$70,000 ride is worth \$63,000, according to sources that value cars such as Kelley Blue Book, Edmunds Inc. and National Automobile Dealers Association (NADA). If you purchase a one-year-old vehicle, such as a lease return, you can save an estimated 30% compared to the original list price and may find cost savings in many areas.

COST SAVINGS

- Pay 30% to 50% less than the original sale price.
- Pay less for insurance due to a depreciated value.
- A 4-year-old vehicle can easily deliver 6 more years of service.
- May be covered by factory warranty for up to 7 years.

MAKE/MODEL			
AUDI	1	BLUE BIRD	3
BUICK	1	CADILLAC	31
CHRYSLER	23	DODGE	1
EXCALIBUR	2	FORD	44
GMC	5	GLAVAL BUS	2
IC BUS	2	INTERNATIONAL	4
LEXUS	1	LINCOLN	68
MERCEDES-BENZ	9	MERCURY	2
ROLLS-ROYCE	2	VAN HOOL	2
		BOYERTOWN	1
		CHEVROLET	6
		ELDRADO NATIONAL	1
		FREIGHTLINER	18
		HUMMER	25
		LAND ROVER	2
		MCI	3
		PREVOST	1
		WORKHORSE	1

PREPARING TO SHOP

Your first decision is to pick the vehicle. You may want a specific one such as a Lincoln MKT Town Car or Cadillac XTS sedan. If you are specific, this will narrow your prospects. But if you know you need another luxury sedan in your fleet, you might make a list of acceptable vehicles, such as the Toyota Avalon or Ford Fusion, if those are demanded in your market. Narrowing down your decision range will focus your shopping time.

The next decision is how much you want to spend. The answer can be determined by how much cash you have to work with and whether you plan to finance the purchase. If you plan to finance, you might want to contact your lender for a pre-approval letter stating how much they will finance. This can be a powerful tool when negotiating as the seller knows you have immediate access to that money. And let's face it, they want an immediate sale. Once you have the answers for what you want and how much you are willing to pay for it, you can start shopping.





DO YOUR HOMEWORK

One essential part of shopping is to determine the value of the vehicle you want. Just because the seller has slapped on a price doesn't mean you should pay that. Get details, such as the mileage and VIN, of any vehicle you are seriously considering. Such information helps you learn the history of the vehicle and its current value. Look if the car has a "salvage title," which means that an insurance company has declared the vehicle a total loss. This drastically decreases the value.

You also want to check the mileage of the car today against any previous sales. If the vehicle has been sold several times without substantial mileage in between, it could have some problems. If the mileage on the odometer today reads 25,819 but a history report shows a recorded sale with 32,581 miles, the odometer has been rolled back or disconnected. Mileage tampering on late model vehicles is difficult to do, says Jim Lashley, a senior sales representative with a Ford dealership. Buying "certified pre-owned" (CPO) means the vehicle has been mechanically inspected and usually comes with a warranty, he adds. It also means a higher selling price. Most vehicles under three years old will still be under factory warranty if they have less than 36,000 miles, according to Edmunds Inc.

SOURCES FOR CHECKING VEHICLE VALUE & HISTORY

- KBB.com - Kelley Blue Book
- Edmunds.com - True Market Value
- AutoCheck.com - Vehicle History
- CarFax.com - Vehicle History
- State DMV Records - (Not available in all states)



TEST DRIVE IT

Always test drive a used vehicle. Here are some things you should be looking for in your test drive:

- Does the seat feel comfortable and not excessively worn? Remember, your chauffeurs will spend a lot of time in this seat.
- Start with a cold engine.
- Make sure the sound system works but then turn it off for the drive.
- How is the acceleration from a dead stop? Powerful? Transmission slipping?
- Any strange engine noises?
- How does the transmission feel upshifting and downshifting?
- Any driveline vibration on stretched limousines?
- Make sure you climb at least one good hill. Watch the temperature gauge.
- How does it brake? Any shuddering? Pads grinding to rotors?
- Let go of the steering wheel on a flat level surface. Is the car aligned?
- Any rattles, squeaks, pings, hissing or other unexplained noise?

If you have any doubt, ask if you can take it to a mechanic for further inspection. If the seller hesitates, walk away from the deal.

Source: Edmunds Inc.

THE ART OF NEGOTIATION



Negotiating the sale of a new car requires preparation and knowledge. Get the value of the car from independent sources such as Kelley or Edmunds. Many private sellers attach emotional value to a vehicle and think they should get more. Nicole Martinez, sales associate for a Ford Dealership, says to remember that dealerships provide regular negotiation training sessions for their sales and offer contests for top salespeople so they are trained far better than the average person in closing the sale. Even so, there are many tricks you can learn to come out ahead. The most important are patience and a give-and-take attitude, Martinez says. Decide the highest price you are willing to pay and throw out a number that is lower than your limit but in the ballpark.

TIPS FOR NEGOTIATING

- Always be the first one to make an offer.
- Select in advance your upper final offer.
- Don't rush! Take up to an hour if you must.
- Don't let things like extended warranties or rebates change the price of the vehicle.
- Never speak to a "closer" or other person joining the conversation. Tell the closer you only feel comfortable talking to your sales rep. Threaten to walk out.
- Walk out and leave your number and tell them to call you if they change their mind on the price.

Source: Nicole Martinez, Jim Burke Ford

WHY SELL INSTEAD OF TRADE-IN



Selling a used vehicle rather than trading it in can generally produce more money, according to a 2013 U.S. News & World Report on money management.

It takes some determination, patience and initiative to sell your own car and a bit of wit to play the negotiation game. If you visit the website, KBB.com (Kelley Blue Book), you will see that two values are provided: private party sale or dealership trade-in. The latter has a lower value than private party and chances are the dealership will try to get you to accept the lowest amount of money for your trade-in. They are in the business of selling new cars and your trade-in becomes junk they need to dispose of quickly.

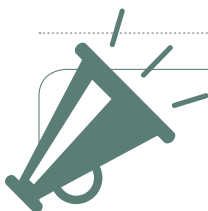
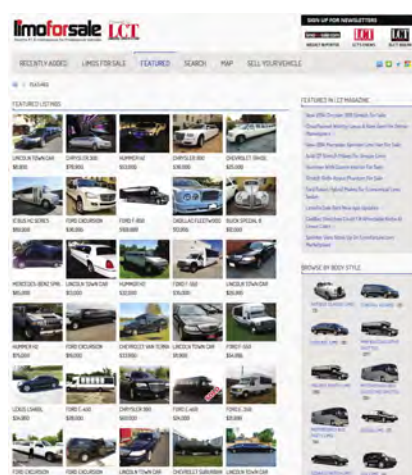
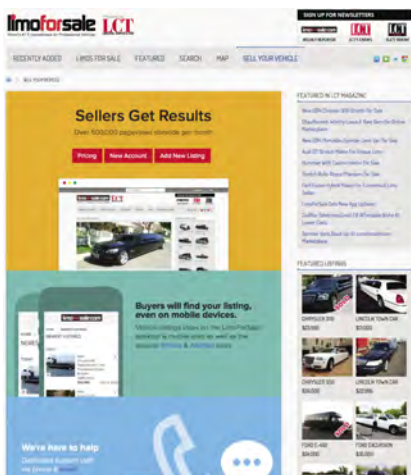
HOW TO PREPARE TO SELL YOUR VEHICLE

- Compare your car to similar cars with similar mileage on websites to see what they are selling for. (ie Autotrader.com, limoforsale.com, Craigslist.com).
- Determine your "asking price" and the "bottom line price" before you try to sell.
- Don't set your price too high or your ad will be dismissed and no one will call.
- Don't set the price too low even if you are in a hurry as people will wonder what is wrong with the vehicle.
- Make a list of the features of your car a buyer might want.
- Create a one-sheet flyer with photos, options on the car, price and phone number to give to perspective buyers.
- Spend the money to place the vehicle in tip-top shape. This will include a tune up, replacing brake pads if needed and get a good wash, wax and detail, including the engine compartment. You'll get more money by investing in these minor things.
- Remove all regulatory numbers, company names, logos etc.
- Have all maintenance and repair records available for inspection and transfer.



limoforsale

LimoForSale.com was upgraded in November 2013 to make it even easier to search for the widest range of limousines and chauffeured vehicles for sale nationwide. The new look was prompted by a growing increase in the amount of traffic and postings on the site. Users can search by coachbuilder, location, vehicle makes and models, and year to find the exact fleet vehicle. The site, owned and operated by Bobit Business Media, parent company of LCT Magazine, brings together all types of vehicles, such as stretches, mini-buses, motorcoaches, party buses, sedans, vans, SUVs and custom conversions. With its new geo-location feature, you can browse for vehicles in your area. Pro-rated rates for multiple listing buys are available.



ADVERTISE

Make sure you provide high-quality photos of the front, back, sides, interior, odometer and tires. Plenty of great photos can generate enough interest for someone to pick up the phone and call you. Provide a number where you can be reached 24/7. Limoforsale.com is a great place where you will find shoppers looking for a vehicle like yours. Fill out all the online forms and provide your phone, email and any contact information. Since Limoforsale.com is 24/7, you never know when someone will be shopping.



FILE A RELEASE OF LIABILITY

The most important thing you need to do after the sale is to file a Release of Liability. This document is your statement to the Department/Division of Motor Vehicles that you have divested yourself from the vehicle. In this same document, you will provide the DMV with information about who bought the vehicle. This does not register the purchaser as the registered or legal owner of the vehicle. It simply informs the DMV that you no longer possess or control the vehicle. The new owners will still have to appear at the DMV to register the car and pay a title transfer fee, at which time they will become the official titleholder of the vehicle. They may be required to pay sales taxes based on the selling price of the car, pass a smog test and pay other fees. Although this may not happen right away, if the vehicle is involved in any incident where liability arises, you will be in the clear once this document is filed.



HUMMER H2
\$53,000



FORD F-550
\$54,995



FORD EXCURSION
\$19,000



LINCOLN TOWN CAR
\$17,000



FORD F-650
\$169,999

Visitors to Limoforsale.com can do a quick search of vehicles for sale by inputting various filters such as make/model, year built, body style, coach builder, price range, condition, and mileage. Sellers can upload up to eight photos per vehicle.

PERMIT
 LICENSE NO. A113 PERMIT NO. 007
 EXP. DATE **06.2014**

FEB *California* 2014
SUNNY 1

REGULATORY AGENCIES NOTIFIED

As a permitted operator, make sure to notify airport authorities, PUC, DOT and other agencies that track or permit your vehicles by license plate or VIN. Remove all decals, ID numbers and company insignia before the transfer to the new owner.

GUIDE TO FINALIZING PRIVATE PARTY SALES

If you elect to buy or sell a vehicle from a private party, you can complete the transaction by following this step-by-step guide:

- 1) Agree on a selling price exclusive of any sales tax or other fees.
- 2) Create a Bill of Sale that includes the following:
 - Seller's name and address
 - Buyer's name and address
 - Selling price
 - Payment method
 - Vehicle description (make, model, year)
 - Vehicle identification number (VIN)
 - Date of sale
 (* You can visit Rocketlawyer.com and buy a Bill of Sale for \$1)
- 3) Each party receives a copy of the signed Bill of Sale.
- 4) Issue a receipt to the buyer acknowledging receipt of payment in full.
- 5) Buyer and seller complete a transfer of title application together.
- 6) Buyer files above document with DMV.
- 7) Seller files a Release of Liability with DMV.
- 8) Seller cancels any insurance policy on vehicle providing a copy of the Bill of Sale to insurance carrier.
- 9) Remember to notify PUC or other regulatory authorities of your sale.
- 10) Keep copies of all sale documents with other important documents such as insurance policies, vehicle titles, operating permits etc. **LCT**



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