

10 Tips for Buying a Used Car



- 1. Know the market value.** Check resources at your local library or websites like kbb.com, nadaguides.com, or edmunds.com to find out the market value of the year, make, and model you want to buy before you visit the dealership.
- 2. Research the dealership.** Check out the dealership with the Attorney General's Office at 1-877-5-NO-SCAM or your local Better Business Bureau before you go. Read reviews on websites like Google and Yelp.
- 3. Get pre-approved.** Get pre-approved for a loan before you head to the dealership. That way, you'll have a better idea of what kinds of cars you can afford and what interest rate you can qualify for. Be aware that dealerships may profit by charging you a higher interest rate than what you actually qualify for.
- 4. Price first, then the rest.** Negotiate the price of the car before discussing the monthly payments or your trade-in's value, otherwise you can be tricked into paying far more for the vehicle than it is worth.
- 5. Front-end add-ons like paint treatment, fabric finish, undercoating, appearance packages are very expensive and add little value to the car.** If you agree to pay for them, make sure you get them.
- 6. Back-end add-ons like GAP insurance and service contracts may provide little coverage.** Be sure you understand what is covered and what isn't before you decide to buy.
- 7. Most used cars are sold "as-is."** This means that if the vehicle breaks down days after you buy it, there is usually very little that you can do. So, be sure to test drive the vehicle, inspect the car thoroughly, and consider taking the car to a mechanic and body shop that you trust before you buy.
- 8. Find out the car's history.** Ask the dealership whether the car has ever been in an accident and get the answer in writing. Get a Carfax or AutoCheck vehicle history report. Review the vehicle history disclosure statement. This document is required by law and shows if the car has been involved in a major accident or has been salvaged or flooded.
- 9. Always read contracts carefully before you sign them.** Make sure all written documents match what you've been promised. Never sign a document that you don't understand or that has blanks to be filled in later.
- 10. Get a copy of all purchase and financing documents before you leave the dealership.** Keep them in a safe place, not in the car's glove compartment, just in case the car is repossessed.