

EIGHT THINGS TO DO WHEN BUYING CARS

<p>1. Leave yourself time for the process</p> <p>2. Investigate the car's history</p> <p>3. If used, investigate the car's current mechanical condition</p> <p>4. Research the reasonable price for the car</p>	<p>5. Shop the credit terms if you finance</p> <p>6. Read all the contract documents</p> <p>7. Check that numbers and promises are accurate and in writing</p> <p>8. Be sure that title is signed over to you by the seller</p>
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Leave yourself time for the process: If at all possible, give yourself at least several days for the car buying process, if not a few weeks. You can only do all of the following steps if you have sufficient time. Above all, don't be pressured to sign a contract at the end of the day. At minimum, always plan on two trips to the dealer.

Investigate the car's history: Any seller has to have a title (used car) or Certificate of Origin to a car to sell it. For used cars, ask to see the title to see if it identifies previous owners, and how long the current seller has had the car. Because the federal odometer disclosure must be on the title of a used car being sold, a seller has to eventually show this to you. Use the National Motor Vehicle Title Information System (www.nmvtis.gov) even though it is not yet complete, to check on the history of the car. Also, some states run their own websites with information and that can also be checked.

If used, investigate the car's current mechanical condition: Have a mechanic check the car over, ask to see repair orders from the seller, ask the seller about the car's history, ask for the title and try to contact prior owners if the dealer does not know its history.

Research the reasonable price for the car: Ask friends or neighbors what they would pay for the car or something similar; books like Consumer Reports, a NADA book, or other materials are available. Call some dealers and ask for their lowest price for a similar car. Also, check the classified ads or www.cars.com, or www.autotrader.com, or www.edmunds.com.

Shop the credit terms if you finance: First, avoid using the dealer as the lender. Before you sign any credit contract, ask for a written copy of Truth In Lending Act disclosures and take it home to review. Then go to a second lender (bank, credit union, etc.) and obtain a similar disclosure about the terms for a loan from them to buy the car. Then, compare all the APR and payment numbers to see which is the better deal for you. Although not always followed, federal law requires that you be given a copy of these disclosures before you sign. The purpose of that law is for you to take the copy home and compare terms. Do not sign any credit contract unless it is a final deal that will not be taken back. If the deal is conditional, then ask them to call you when the condition is lifted.

Read all the contract documents: Most important, do not sign anything, and do not give a down payment or give possession of your trade-in until you know all the terms of the deal. Carefully review for anything marked as an option, and only get it if you want it. Remember, buy cars from car dealers and buy insurance from insurance agents.

Check that all numbers and promises are accurate and in writing: Any promise that is not in writing is extremely difficult to enforce. Also, all terms and numbers must be accurate. Especially if you are financing the transaction, every document must be true with no false numbers. Always leave with the contract unsigned to review it elsewhere prior to signing.

Be sure that title is signed over to you by the seller: The only way to buy the car is to have the title (used car), or Certificate of Origin (new car) held by the seller signed over to you. The federal Odometer Disclosure must be on the document assigning title. Whether or not you finance the sale, you must still see the actual title held by the seller and the seller must sign it over to you. Never buy a car from someone if they do not have the title or Certificate of Origin to the car they are selling; just come back when they have it.