



Buying a used car can be a good deal or a costly mistake. Make sure you are getting a car that is in good condition and fits within your budget. Otherwise, you may be stuck paying for a broken down car. This shows what to do at each step in the car buying process.

PRIVATE SALES VS. DEALERSHIP

When you shop for a used car, don't limit yourself to used car lots. Look in the want ads of newspapers and local magazines and search online. A private seller may give you a better price than a used car dealer. However, the private seller may not be required to follow some of the laws that apply to dealers. So if a private seller makes a promise, make sure to get it in writing.

If you choose to go to a dealership, pick a reputable dealership. Ask friends about dealerships they have used and call the Better Business Bureau (www.bbb.org) at (404) 766-0875 for information.

PAYING FOR THE CAR

Before looking at cars, figure out how much, with all your other expenses, you can pay for the car. There are two options for paying for a used car. You may pay for the car in full or finance the car. You are better off paying for the car in full. Financing the car allows you to pay for the car over a period of time, instead of all at once. If you finance, the total cost of the car increases.

People often shop at used car lots because the dealers offer financing. However, dealers usually charge high interest rates, so you should consider other ways of financing. Find out if your employer has a credit union. The

interest rates at a credit union are usually less than at a car dealer. Also visit the loan department of your bank. It may have lower interest rates and better terms of repayment.

Most financing agreements contain provisions for late fees and missed payments. Know that if you pay late you will probably be charged a fee. **WATCH OUT.** If you miss a payment, the lender usually has the right to repossess the car and sue you for ALL the remaining payments.

SMART SHOPPING

Do not buy a car on the first day you look. The following are important steps you should take before making a deal.

- Find out a fair price. Both the NADA Official Used Car Guide and the Kelley Blue Book list market prices for all kinds of cars. You can find these guides at the public library or online at www.kbb.com or www.nada.com
- Test-drive the car. Check the brakes and steering; listen for odd noises; turn on the lights, the heater and the wipers. After the drive, look for leaks and signs of overheating.
- Have the car **INSPECTED** by an independent mechanic. Pay to have the car inspected (for \$100 or less), or have a friend who knows about cars look it over. Ask the seller if you can take the car for half a day in order for a mechanic to inspect the car, or have a mechanic do an inspection where the car is located.

BEWARE. IF THE SELLER WON'T LET YOUR MECHANIC INSPECT THE CAR, THERE IS PROBABLY SOMETHING WRONG THAT THE SELLER IS HIDING!

- Learn about the car's history. Has this car been in a wreck? If so, the car may have

serious problems. Ask the seller for the vehicle identification number (VIN) on the car. Use that VIN to do a vehicle history search to learn what this car has been through. You can do the search with Carfax, at www.carfax.com.

- Look at the actual title. Do not buy a car if the seller does not have the title. You will not be able to properly register the car if the title is not transferred to your name.
- Check the mileage on the car. Compare the mileage on the title to the mileage on the car; the numbers should match. Very high mileage affects the condition and price of the car.

NEGOTIATE THE PRICE

Always negotiate. Usually the asking price on the car is much more than the car is worth. Once you have done all your research, you should make the dealer an offer. You may want to make an offer below the prices listed in NADA (www.nadaguides.com) or Kelley Blue Book (www.kbb.com) so that you leave room to move your offer up during the negotiation. If the dealer finances the car, negotiate the finance charge as well. The dealer may make a counter offer. You can keep going back and forth until the deal is at a price that you think the car is worth. If you do not get the deal you want, walk away and go somewhere else.

BEFORE YOU SIGN ANYTHING

Read the entire contract before you sign anything. Make sure you know exactly how much you will be paying for the car. If there are any charges that you do not understand or that you do not agree with, do not sign the contract.

If you financed the car, make sure you

understand:

- 1) The total sales price (this is how much you will pay total over the whole time you are making payments);
- 2) The interest rate;
- 3) The finance charge (the dollar amount the credit will cost you);
- 4) The payment plan, including the amount of the monthly payments.

Check every charge listed on the contract.

Understand what will happen if you miss a payment. Most financing agreements, allow the seller to repossess the car if you miss a payment. If the car is repossessed, the seller can still sue you for the ENTIRE amount still owed on the car.

GET ALL PROMISES IN WRITING

Make sure everything that the seller has promised is in the contract. Oral agreements are **VERY DIFFICULT** to enforce. If the seller makes promises to you that are not in writing, they probably mean nothing.

DON'T LEAVE THE DEALERSHIP WITHOUT:

- Copy of your Contract
- Copy of the Financing Agreement
- Copy of the Buyer's Guide. The law requires used car dealers to put a "buyer's guide" sticker on all cars. The sticker should state either that: 1) the car comes with a warranty (and if so what it covers), or 2) the car is being sold "as is."
- Emissions Certificate. If a car is more than 3 years old and you plan to register it in Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding or Rockdale county, a dealer may not sell it to you unless it has passed a Georgia Emissions Standards inspection within the last 12 months. As the dealer for a valid,

unexpired emissions inspection certificate to prove that the car has passed emissions within the past twelve months.

- **Completing a Tag and Title Application.** When you purchase a car, the dealer must transfer title into your name. If you are financing the car, the lender may keep the title in their possession until you have made all the payments.
- **Odometer Disclosure.** A dealer must provide you with an odometer disclosure form. Make sure that the mileage on the disclosure matches the mileage on the car and the title to the car.

BUYING A CAR "AS IS"

"As is" means that you are buying the car exactly as it is on that day. The dealer will not be responsible for any problem with the car. If the car breaks down, you will still have to make the payments. Generally, you will not be able to return a car to the dealer for a refund or free repair if is purchased "as-is." There is no 3-day return rule unless the contract specifically says so. When you buy a car "as is," you are taking a big risk. It is better to buy a car with a good warranty. If the dealer offers you a warranty have a mechanic or a friend check what is covered by the warranty.

CAR TROUBLES

After you've bought your car, if you do have problems, your legal rights depend on what the contract says. Try working things out with the seller first. If this does not work, you should talk with a lawyer about your rights and responsibilities.

CALL FOR ADVICE & HELP

If someone you know has been a victim of a

car sale scam, call a private lawyer. If you cannot afford a lawyer, contact The Atlanta Legal Aid Society office or the Georgia Legal Services Program office in your county.

If you would like to make a complaint about a used car dealer, contact one of the following agencies:

Better Business Bureau (404) 766-0875

Governors Office of Consumer Affairs (404) 656-3790

Georgia State Board of Registration of Used Motor Vehicle Dealers and Used Motor Vehicle Parts Dealers (478) 207-2440

Federal Trade Commission (404) FTC-HELP or (404) 382-4357

Contact Us

DeKalb County
246 Sycamore Street
Suite 120
Decatur, GA 30030
(404) 377-0701

Clayton County Pro Bono Project
1000 Main Street
Forest Park, GA 30050
(404) 366-0586

Cobb County
30 S. Park Square
Marietta, GA 30090
(770) 528-2565

Fulton County
151 Spring Street, N.W.
Atlanta, GA 30303
(404) 524-5811

South Fulton &
Clayton Counties
1514 East Cleveland Avenue
Suite 100
East Point, GA 30344
(404) 669-0233
(Wagon Works Building)

Gwinnett County
180 Camden Hill Road
Suite A
Lawrenceville, GA 30045
(678)376-4545

For TTD/TTY users, call the Georgia Relay Center at (800) 255-0135.

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