

# CONSUMER ADVISORY

May 2013

By Attorney General Tom Miller

---

## Buying a Used Vehicle? Don't Get Taken for a Ride!

Used vehicles are almost always a lot less expensive than buying new ones, but they can also involve some uncertainty. With a used car or truck, it's hard to be completely sure how its previous owner(s) drove it, maintained it or repaired it. But spending a little time on research may save you money and future problems.

### **What is the vehicle worth?**

There are free resources that provide good estimates of a used vehicle's market value. Some websites include Edmunds ([Edmunds.com](http://Edmunds.com)), Kelley Blue Book ([KBB.com](http://KBB.com)) and the National Auto Dealers Association ([NADAguides.com](http://NADAguides.com)). Look at several comparable vehicles. Don't consider only one year, make and model.

### **What about its condition and history?**

Always test-drive a vehicle and have it inspected by a mechanic and a body shop before buying it. Mechanics or body shops may charge a small fee. If the seller says no to a pre-sale inspection, say no to the sale!

With the Vehicle Identification Number (VIN) you can go online to check out a vehicle before ever talking to a salesperson. Online services may show whether a vehicle had been titled as salvage, flood, rebuilt, or had been in a wreck. [VehicleHistory.gov](http://VehicleHistory.gov) provides low-cost vehicle history information through the National Motor Vehicle Title Information System (NMVTIS), which is run by the U.S. Department of Justice. You can also buy reports from companies such as Carfax or Autocheck. But, keep in mind that vehicle history reports do not usually capture entire histories, and are not substitutes for pre-sale inspections.

### **You think you have found the right car or truck. Now what?**

If you need a loan, check with your bank, credit union or other lender about their interest rates and whether you qualify for a loan. If you're buying from a dealer, compare the dealer's rate with the rate from your lending institution. Be sure to understand the loan terms, especially for "special financing offers." Those sometimes require a high down payment and the annual percentage rate (APR) can be high.

### **Hold on—there's more to consider before you sign a purchase agreement!**

The law does not entitle you to a three-day right to cancel. You have the right to cancel the purchase only if the dealer offers such a policy. If that's the case, get it in writing before you buy.

Dealers are required to disclose whether the vehicle is being sold "as is" or with a warranty on a buyer's guide, which must be posted in every vehicle for sale. Selling a car "as is" does not mean the dealer can conceal material mechanical problems, other problems, or not disclose past collision or flood damage.

If there is a warranty, the dealer must disclose exactly what parts and services the dealer will pay for and for how long. *Make sure that any promise the dealer makes is in writing.* Don't trust anything that the salesperson or dealer won't put in a writing for you to keep.

To file a complaint or for more information, contact the Iowa Attorney General's Consumer Protection Division, Hoover Bldg., Des Moines, IA 50319. Call 515-281-5926, or (toll-free) 888-777-4590. The website is: [www.IowaAttorneyGeneral.gov](http://www.IowaAttorneyGeneral.gov).