

How To Be A WISE CAR BUYER

When you buy from a private party, you have little chance of recourse should you have a problem. Licensed dealers are regulated by the TxDMV Motor Vehicle Division and are required to maintain certain standards in dealing with the public.

* **Truthful Advertising.**

You should be able to buy the vehicle for the price that was advertised (except tax, title and licensing fees). You shouldn't have to buy something to get a "free" gift.

* **Keep the advertisement.** that prompted you to visit the dealership. This is evidence if you later have a claim.

* **Accurate Window Labels.** New cars should have the "MSRP" sticker or label on the window of any new, executive or demonstrator car. A used vehicle should have a Buyers Guide which will tell you whether the vehicle is sold with remaining manufacturer's warranty, a dealer warranty, or "as is."

* **Be Suspicious.** Selling cars on the side of the road or from a strip center parking lot is called "curbstoning." Many such sales are by unlicensed dealers selling under the guise of an individual. A licensed dealer may not sell from anywhere but his licensed lot. Unethical dealers may try to unload their "undesirable" inventory in such a manner.

* **Watch what you sign.** Scrutinize carefully all documents, especially those which changed the terms of your final deal. Watch for additional fees or those higher than first quoted, and add-on fees for equipment you did not want. Carefully examine sales prices, interest rates and trade-in values that appear too high. Be sure and obtain and keep copies of *all* paperwork that you sign.

* **A Deal is a Deal.** Once you have signed a retail installment loan contract and taken possession of the vehicle, you should not have to renegotiate the contract. If a consumer is truthful on the credit application, there should be no reason for a higher interest rate, more money down, or a new contract to be signed. Once you sign this contract, the dealer can't raise the price or sell the car to anyone else. You can't cancel the contract without a penalty. Many

consumers believe the law allows them 3 days in which they can change their mind and cancel the contract. This is wrong.

* **"Conditional" Contracts.** Some dealers have consumers sign "conditional" or "bailment" contracts. These are contracts that basically say that if the dealer cannot get financing, the original deal can be canceled. These contracts should also give the consumer the right to back out of the deal and get their trade in vehicle back. If it doesn't contain this language, don't sign it. If a consumer signs a "conditional" contract, they should not also sign a retail installment loan contract.

* **Don't be Pressured!!** If you are told the same deal will not be available later in the day or tomorrow, it probably is not the best deal for you.

* **Beware of vehicles** which seem to have really low mileage for the age of the car; the odometer could have been rolled back. A soiled or smudged area on the title over the mileage statement may mean the title has been altered.

* **Get a Title.** Understand that a dealer must apply for a new title within twenty working days from the date of sale of the vehicle. You

should also be prepared to show the dealer proof of insurance.

* **New Car Warranty.** All new cars carry a factory warranty. You may purchase extended warranties from the dealer or other independent companies. Tires, batteries and dealer-installed options may have separate warranties that differ in time and mileage. Be sure and read your warranty and know who will cover the warranty, where you need to take the car for warranty work and what you have to do to keep the warranty in effect.

* **Texas Lemon Law.** If you have a serious problem with your new vehicle and the dealer has not been able to repair the vehicle within a reasonable number of times, you may have a Lemon Law complaint that would entitle you to a repurchase or replacement. Save your repair orders and call the Consumer Affairs Section on the Texas Lemon Law Hotline at 800-622-8682 for more information.

* **Used Car Warranty.** If you buy a used vehicle, the car should have a "Buyers' Guide" on the window which tells whether there is any warranty on the vehicle or whether the vehicle is sold "As-Is." "As-Is" means there is

no warranty on the car and the seller is not responsible for repairs the car needs later. If the vehicle does have a warranty, the buyer's guide must list exactly what is covered and for how long.

QUICK TIPS:

- Always test drive the vehicle, new or used.
- Have an expert check a used vehicle for defects.
- Contact the previous owner to inquire about condition, mileage, and used of vehicle. Don't be afraid to ask a salesperson for information regarding a name and address.
- Ask the dealer or owner to show you the title, odometer statement, and any warranties before you purchase the vehicle.
- Make sure you know the exact trade-in allowance before you trade your vehicle.
- Never sign anything until you are ready to buy and get copies of all items you do sign.
- Do not sign a contract which has blank spaces in it.
- Don't rely on oral promises. **Get it in writing!**

FOR INFORMATION OR HELP

The DMV Motor Vehicle Division licenses and regulates dealers and helps resolve disputes about vehicle sales and warranties under the Lemon Law.

SPEAKERS AVAILABLE

Call the above numbers to reserve a speaker for your class or meeting. Topics include:

Buying a car
Dealer Law
Lemon Law
Advertising Rules for Dealers

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A CONSUMER'S GUIDE TO CAR BUYING



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