

An aerial photograph of a parking lot with several cars parked in yellow marked spaces. The cars are of various colors including white, silver, blue, red, and black. The text 'USED CAR Buying Guide' is overlaid on the right side of the image.

USED CAR

Buying Guide

Buying in a Different State

It's not uncommon for someone to find a great deal on a used car cross state lines. Unfortunately, the process may require extra steps than buying locally. Make sure to research your local laws on bringing home an out-of-state vehicle to avoid finding yourself in legal trouble.

The task of acquiring insurance, registration and paying taxes can be different between areas. To make sure everything is performed properly, it's a good idea to only make this type of purchase from a trusted source, like a dealership.

Check out the factors to consider before buying an out-of-state used vehicle.

EMISSIONS

There are many states who enforce strict emission regulations, and there are locations who don't. For instance, California requires the strictest air-quality standards in the nation, set by the California Air Resources Board. Several other states have followed their lead and some automakers manufacture their vehicles so they can be sold anywhere.

If you purchase a non-CARB compliant car and plan to register it in a CARB state, you may run into problems. Take the time to research regulations from each area involved before buying a vehicle that isn't compliant. The Environmental Protection Agency says you can identify the emissions tag of light-duty automobiles, on a label under the hood or in the engine compartment.

TAXES

Some people think they can



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get around paying the higher taxes of their local area by purchasing from another state. However, car buyers pay the sales tax of the state where it is registered, not where it is bought. A perk to

buying from a reputable dealership is they will typically collect the appropriate amount of tax and distribute it to the proper venue. When using a private party, it is your responsibility to make the

correct payment at the Department of Motor Vehicles.

REGISTRATION

If you plan to drive an out-of-state vehicle back home,

it's imperative that it is temporarily registered. Contact the dealership you will be buying from to ensure they are able to provide you with the proper registration after the sale.

A Teen's First Vehicle

When your teenager passes their driving test, you may find yourself tasked with finding a safe and reliable used vehicle. Luckily, in recent years, auto manufacturers have taken great strides in safety features, some even intended for new drivers.

Try not to become overwhelmed or stressed out when searching for an automobile. The experience should be cherished as it celebrates a huge milestone for your child, one they will likely remember forever. With a little research and proper planning, it can be a joyous journey you take together.

SET STANDARDS

Owning a vehicle is a big responsibility, especially for a teenager. Go over the basics of regular maintenance, driving expectations and rules you enforce. Children aren't the only ones required to be responsible. Before buying a used car, make sure it is financially feasible. Set a budget for the vehicle and stick to it, especially if you will be making payments. Don't forget that a new addition to the garage will carry expenses of insurance and registration fees.

NEW VS. USED

While your teenager would surely love to own a vehicle right off the factory line, it probably isn't practical or feasible for many budgets. So, if you think a used vehicle would make a better companion, here are some things to consider during your search.

Research: Take advantage of safety ratings and reviews



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of different models from trusted sources like the Insurance Institute for Highway Safety.

Check its past: If buying from a dealership, ask them for a copy of the vehicle's history report. If purchasing through a private party, you can find a report with the VIN. An inspection from a trusted

mechanic should also be performed.

Warranty: Ask the dealership about available warranties. Usually, certified pre-owned vehicles will offer a guarantee.

SAFETY FEATURES

Safety is first for teenage

drivers. A sobering statistic from the American Academy of Pediatrics states teens make up seven percent of drivers involved in fatal crashes; 13 percent of those were distracted by cell phones at the time.

In addition to features like side airbags, crash avoidance

technology and seat belt reminders, some vehicles use innovations to help parents set boundaries and monitor their teen driver's behavior. Ask your dealership about vehicles with software which allow you to choose a speed limit, mute audio and even receive a driving report card.

Get Your Own Inspection

Obviously, before you invest in a used car, you should have it inspected to ensure it is mechanically sound. An expert can comb through important engine and transmission components and get an idea of how the vehicle was cared for.

Remember, when buying used, it is sometimes sold without a guarantee, so you will be left to foot the bill. It's important to find repairs that are required to negotiate the asking price or even save yourself from an expensive fix down the road.

Here are some things to test on the dealership lot or before buying from a private seller.

POWER WINDOWS AND LOCKS

Get in the cabin and operate each window from all switches. If you notice they are sluggish, a repair may be imminent. Power windows rely on a motor, regulator and switch to perform. Replacing these components can be labor intensive on many vehicles.

You will also need to test the power locks from inside and the exterior using the key fob. If the problem lies in the remote, negotiate picking up a spare as purchasing a replacement can be expensive.

WORKING LIGHTS

Have a friend or your salesperson get in the vehicle and test the function of each light. Repairs may not be as simple as replacing a bulb. Other components include wiring sockets, pricey ballasts on HID lights and can even



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reveal an electronic issue with the computer. Don't forget to check the hazards, too.

HEATING AND A/C

When buying during the spring, it can be easy to over-

look the heating and air system as outdoor temperatures are typically mild. However, on your test drive, make sure to test the function of each.

If the air doesn't feel cool enough, it could be as simple

as the vehicle being low on refrigerant or could lead to a complex problem with expensive components. When heat is lacking or not operating correctly, there may be issues with several actuators

depended on to direct the air's path or another problem with the heater core.

Don't find yourself without quality heat or air when the seasons change, and you need it most.

Buying a Retired Fleet Vehicle

For many, destinations to buy a used vehicle include the dealership, an independent lot or through a private party. One often overlooked avenue, is retired fleet vehicles. There are plenty of advantages of making this type of purchase.

Fleet vehicles aren't always heavy-duty options used for commercial purposes. In this department, you can also find well-maintained passenger vehicles where their previous occupant used it as a daily driver. If you are in the market for a used vehicle, don't forget to add these hidden jewels to your shopping list. Here are a few types of cars you may come across.

USED RENTAL CARS

This may be the most common fleet vehicle you will come across in sales' ads. While they are typically held to the highest maintenance standard of other options in this class, an issue with high mileage is typically preva-

lent. There is also the question of how well previous drivers treated the vehicle while it was in their possession.

Make sure to inspect the interior and exterior for signs of damage and any warning lights on the dashboard. Ask the salesperson about a warranty; many rental companies offer guarantees on its inventory.

COMPANY CARS

Usually, businesses will give vehicles to those who are required to travel for work. The previous owner could have been an outside sales rep or a traveling executive. Retired company vehicles are also well-maintained and typically treated as more of a personal car than a rental.

OTHER CARS

You may also find great deals at public auctions when municipalities refresh their government fleets or as dealerships move the vehicles they kept as loaners for customers or demo models.

MAKING THE PURCHASE

Buying a retired fleet vehicle is similar to buying a used car from a dealership. You should have financing covered before making an offer, do your research on the model and get an inspection from a trusted mechanic.

It is also crucial to investigate the vehicle's history to make sure it was well cared for.

Avoid the Upside Down

Owing more than your car is worth can cripple your financial stability if something goes wrong. When setting a budget for a used vehicle, it's important to be honest with what you can afford. Don't allow yourself to make a bad decision based on features or the luxury of a model on the lot.

Here are some tips to keep yourself out of negative equity from America's Debt Help Organization.

USING A TRADE IN

If you are already making payments on your vehicle, using it as a trade-in can throw you into an undesirable situation. Many auto dealers make claims they will pay off a loan and get you in the car of your dreams. Sounds enticing, right?

Most of the time, this promotion means a dealer will pay the difference of what is owed versus the value of a vehicle. The price they pay will roll over into a new loan, possibly with a higher interest rate. While some circumstances may lower your monthly payment, adding negative equity onto another loan will put you in deeper debt.

If you are in a situation where a purchase is a necessity, you should consider selling the vehicle to a private party rather than trading. Keep in mind, if there is still a balance on your obligations, you must be prepared to make up the difference out of pocket.

AVOIDING THE SITUATION

The best way to avoid becoming upside down is by purchasing a used vehicle that makes sense financially.



According to the ADHO, these are the most common ways people find themselves in trouble with their loans.

Inadequate research: Make sure to find out the cost of sim-

ilar models of the vehicle you are considering. You may find an option without extravagant features for a smaller price.

No down payment: Vehicles depreciate at a staggering

pace; about 50 percent by its third year. You should prepare to have a significant down payment ready so the payments can keep pace with the devaluation.

Unneeded options: The sunroof or convertible top may seem like a necessary option for your used car, but features can significantly impact a vehicle's asking price.

Check Reliability Ratings

When you're creating a used-car checklist, don't forget to add reliability to the must-have section. You can take advantage of many resources to ensure the next vehicle you add to your garage won't let you down.

Once you have a few different models in mind, check out their ratings from trusted sources like Consumer Reports and the Insurance Institute for Highway Safety. Both do a good job reporting and testing for safety, performance and features. If you find a certain generation of vehicle is more apt to mechanical problems or recalls, you can avoid a financial disaster by crossing it off your list.

When looking for reliability and the function of vehicle, pay special attention to these factors.

ELECTRONIC PROBLEMS

Modern vehicles require a complex system of electronics to relay important information from drivetrain elements to the computer. With all the innovative features and safety warnings comes the opportunity for these expensive parts to fail.

In a time where nearly every component is connected to the electrical system, diagnosing problems and correcting the issue can be labor intensive. Keep in mind, these repairs may also require knowledge from specialized mechanics at dealerships as an independent shop may not have the training for the complex solution.

ENGINE AND TRANSMISSION

Once you buy a vehicle out-



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ranty, expensive drivetrain components become your responsibility. Here are a few ways Consumer Reports rates engine and transmission reliability when declaring a vehicle's performance.

Minor engine: Tests for computer performance, mounts, leaks or knocking tendencies.

Major engine: Includes rebuilds or replacement, cylinder

head integrity and timing chains or belts.

Minor transmission: Looks at gear selectors and linkage issues, leaks, sensors and slipping.

Major transmission: Analyzes rebuilds or replacement and the torque converter performance.

When researching reliability issues, be sure to determine

when these problems begin to show themselves. If a used vehicle is approaching the mileage that issues are common, it's best to consider a different model.

RECALLS

According to the National Highway Traffic Safety Administration, a recall is issued when the group or a

manufacturer determines that a vehicle, equipment, car seat or tire creates an unreasonable safety risk of fails to meet minimum safety standards.

Before investing in a used vehicle, research the recalls it has been involved in and be sure problems have been resolved. Enter a VIN into a tool at safercar.gov to get a breakdown on a car's history.



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Finding the Best Dealership

Buying used doesn't tie you down to a particular dealership as lots will have options from numerous manufacturers. The car-buying experience can be greatly enhanced by doing business with a dealer who makes you feel comfortable, works with your budget and ensures you make a good decision in your vehicle purchase.

Don't rush to the first dealership you come across, instead do your research on their business practices before visiting the lot.

REPUTATION

It's easy to find out a dealership's reputation by using online resources. Check out their online reviews or ask friends who may have bought

from them in the past.

Of course, great feedback is important to see when you are researching experiences customers have left behind. Additionally, a good indicator to how seriously they take consumer satisfaction is analyzing how they react to negative criticism. Dealers with great customer service tendencies will

reach out to those with issues and invite them to discuss options to alleviate them.

MEET THE STAFF

Make the time to visit the lot even if you don't have an intention of making a purchase that day. You can get a good idea of how comfortable you feel with the sales' staff and

their reaction when you inform them you are only looking.

If they become uninterested or pushy to change your mind, your experience will likely be more fruitful at a different location. On the other hand, if they are eager to show you around the used lot with enthusiasm, they could be the perfect fit.