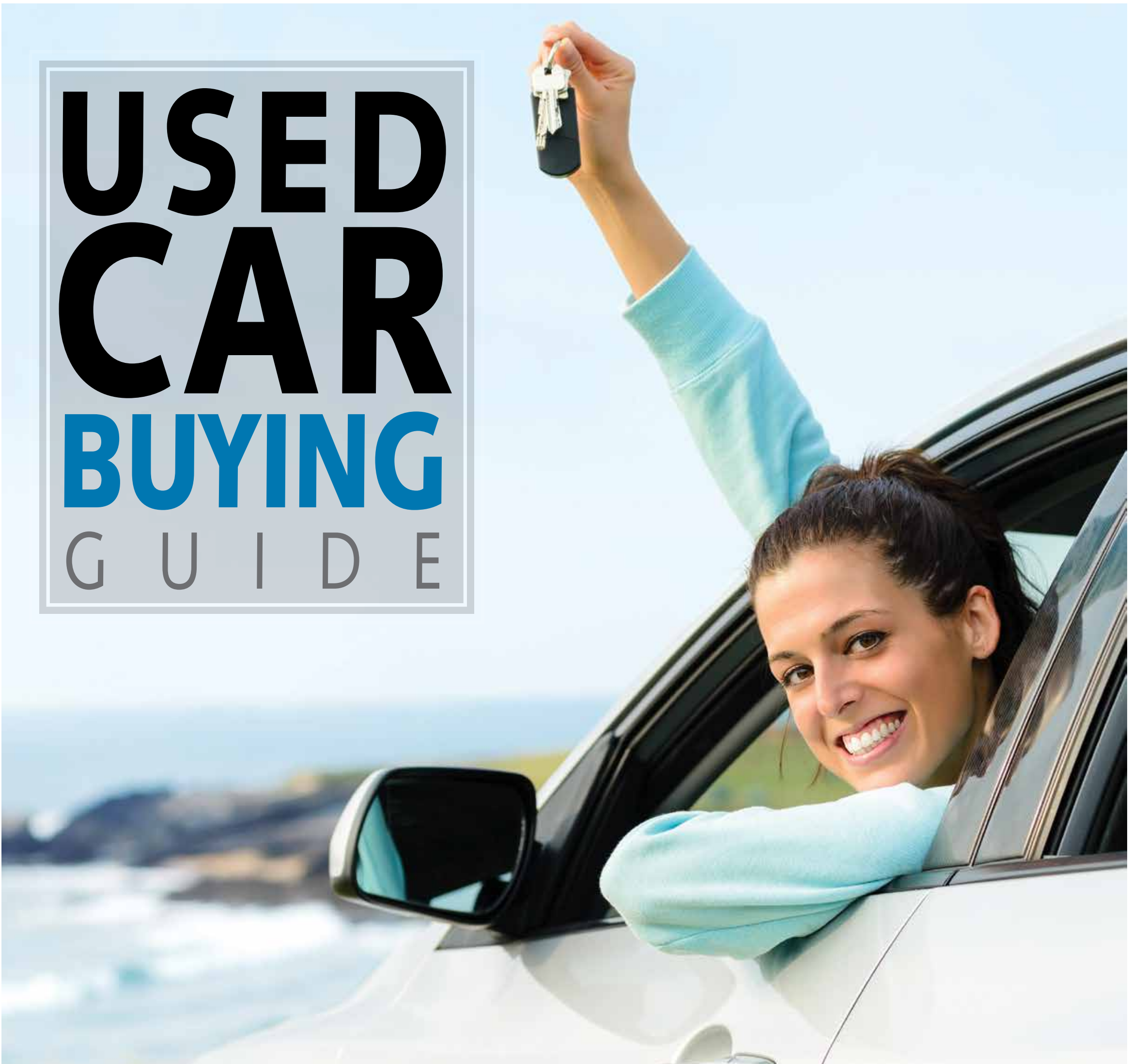


USED CAR BUYING GUIDE



A Good Dealer

When most people start to shop for a used car, they think about one thing: the car itself.

A smarter move, though, is to begin by looking for the right dealer to buy from. You'll be doing yourself a favor in the long run and have a better chance of finding the perfect vehicle.

Here are some things to look for.

REPUTATION

The most important thing to look for in a used-car dealer is their reputation. You want to find a dealership that's known for honesty, integrity and selling quality vehicles at a fair price.

Start by talking to your friends, family members and co-workers about where they bought their cars. Ask about what the sales process was like and how happy they've been with their car.

Like any pre-owned items, used cars aren't perfect and will be affected heavily by how their previous owners treated them, something dealerships can't control. But when problems do arise, the best dealerships will have a reputation for handling them fairly or — even better — weeding out the problem cars in the first place.

A dealership that has been in place for a long time, preferably under the same ownership, can be a good sign.



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Dealers that treat their customers well and sell the best vehicles usually stay in business for many years.

SELECTION

Some used-car dealers spe-

cialize in certain types of vehicles, and it's good to find one that carries lots of cars that you're shopping for.

One factor is the price range. Many new-car dealers have lots with late-model pre-owned vehicles, which

can be a great option for people who want a nice, nearly-new car.

Some dealerships have a bigger inventory of more affordable cars that are older and have higher mileage. And still others have inventories

packed with one type of vehicle — trucks, SUVs, sporty cars or luxury cars.

Look for a dealer that offers a good match for your budget and your shopping category. They'll be more likely to have the car you're looking for.

Service Records

No matter how well designed and engineered a car is when it's new, it will quickly deteriorate and become unreliable if the right maintenance isn't performed on it.

And oil changes are just the beginning.

From timing belts to tires, and everything in between, vehicles need regular service to keep them on the road reliably. When you're shopping for a used car, it's your job to look for evidence that the car has been kept up in the past.

SERVICE INTERVALS

Once you've narrowed down your search to a particular vehicle, search online to find the recommended maintenance intervals for that particular car.

At certain ages and mileage levels, major maintenance needs to be performed. You should go into the purchase with your eyes wide open to the car's specific needs — both in the past and in the future.

If the car with 57,000 miles has another major service recommended at 60,000 miles, you should talk to a mechanic about how much that's going to cost.

RECEIPTS

To find out what maintenance has been performed in the past, see if the seller has any records on paper.

Ideally, you'll want to find receipts that prove that the car has been maintained meticulously, including fluid changes and services that follow the car's recommended schedule.

If records don't exist, a good mechanic should be able to provide some insight about whether or not the important maintenance steps have been done.

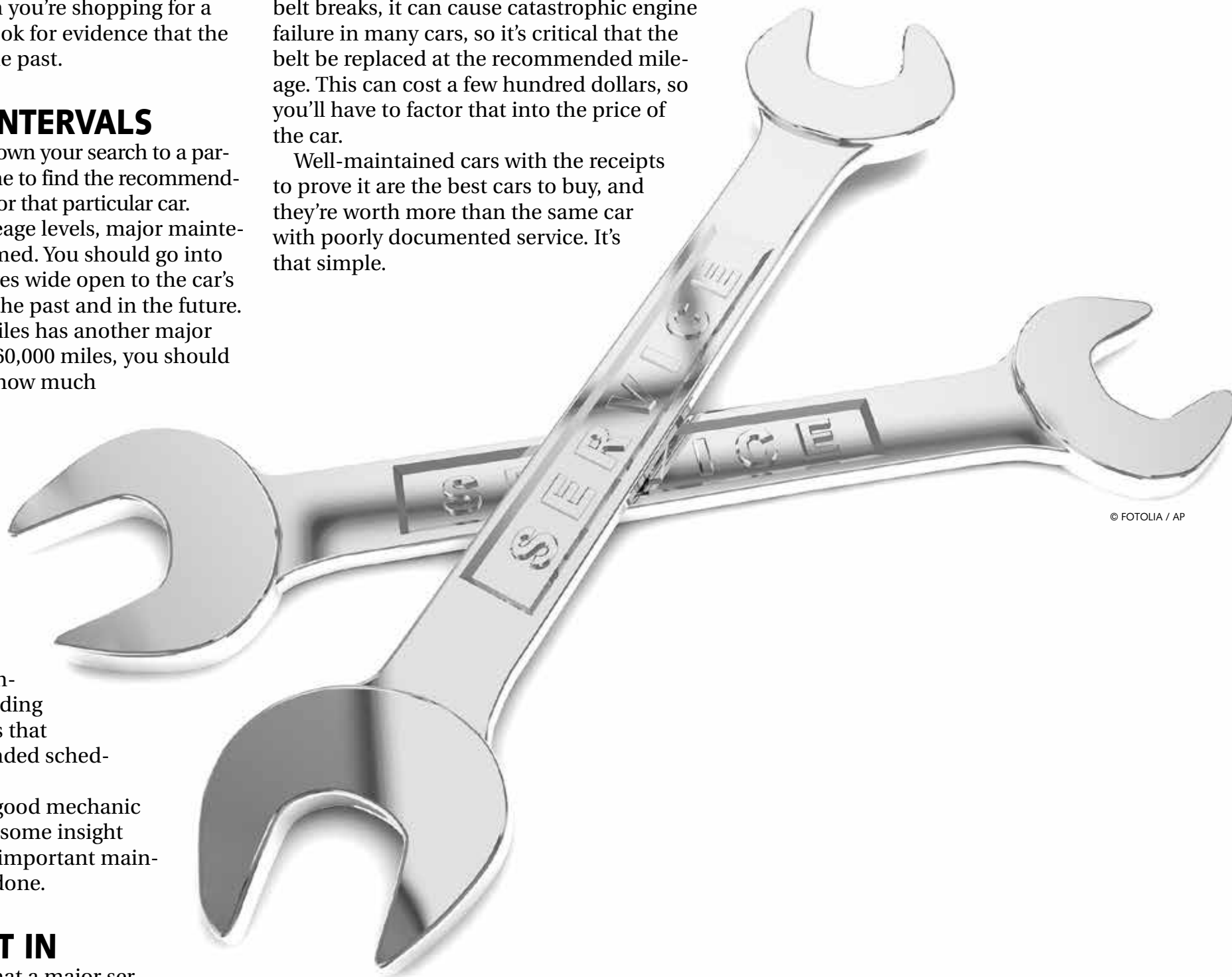
FACTOR IT IN

If you can't find proof that a major ser-

vice has been done, you need to assume you'll be paying for it.

A timing belt is the perfect example. If a timing belt breaks, it can cause catastrophic engine failure in many cars, so it's critical that the belt be replaced at the recommended mileage. This can cost a few hundred dollars, so you'll have to factor that into the price of the car.

Well-maintained cars with the receipts to prove it are the best cars to buy, and they're worth more than the same car with poorly documented service. It's that simple.



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A Full Inspection

Unless you're a professional mechanic, one of the most important steps in buying a new car is getting it checked out by someone who knows what they're doing.

And that doesn't mean bringing one of your "car guy" buddies to the dealership.

It's better to find a certified mechanic to give your car a thorough inspection before you buy it. Not only will they be able to tell you about any obvious problems on the vehicle, but a full-time, experienced mechanic can usually give you some insight about future problems to watch out for on that particular car.

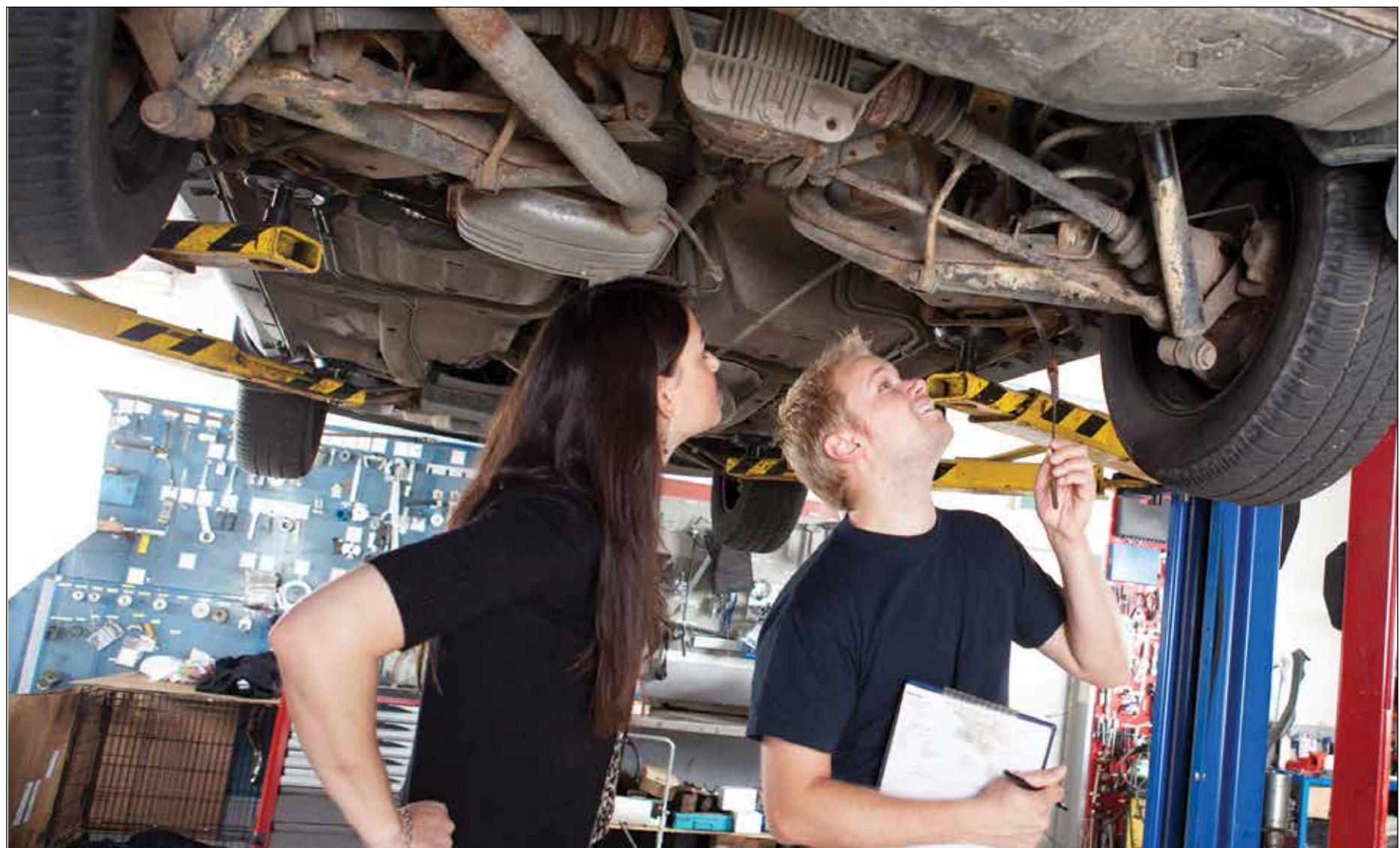
After all, if they deal with vehicles all day long to earn a paycheck, they should be able to spot the problem cars that end up in the shop all too often. And that advice can be very valuable as you make a buying decision.

CERTIFICATION

An increasing number of pre-owned car dealers are offering a certification program for their best vehicles.

Cars that are chosen as "certified" not only meet certain mileage and age requirements, but they've also been thoroughly inspected prior to being placed on the car lot.

Be aware that different certification programs have differing levels of inspections and benefits. Some are handled by the manufacturer while others are done directly



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by the dealer. Some offer better extended warranties, too, while others don't offer any extra warranty coverage.

When looking at certified used cars, it's important to know what you're getting as part of that certification process. The best programs will

give you peace of mind when buying a used car.

HISTORY REPORTS

Finally, it's a good idea to run a vehicle history report to find out any records about the vehicle's past. Carfax is the largest

provider of these reports nationwide, but other companies offer similar services, too.

These reports can uncover evidence of a less-than-ideal past for the car. If the vehicle has been totaled in an accident or had water damage, for example, the history reports

can typically show whether those things have been noted on the car's title in the past.

They also can uncover mileage discrepancies, letting you know whether the mileage on the odometer is showing the vehicle's actual mileage or not.

A Clean Test Drive

No matter how good it looks or how beautifully it's described in the ad, every used car has to pass one test: Does it feel right when you drive it?

Getting behind the wheel of a used car is one of the best ways of judging whether it's the right one for you, and that's an answer that's going to be different for every driver.

Some drivers want a car that feels crisp, firm, sporty and precise. Others want a car that floats comfortably and smoothly down the road, soaking up the bumps.

Aside from getting an overall feeling for the vehicle, though, here are some things to think about when doing your test drive.

FIRST IMPRESSIONS

Before putting the car into gear, sit in the driver's seat and play with all the switches and buttons you see. Do the power windows and locks work? Are the A/C and heater doing their jobs? Does the CD player work properly?

You should also pay attention to any smells in the car, especially if they might be covered up by a cleverly installed air freshener. Let the car air out for a few minutes, then come back to see if it smells smoky or moldy. Pungent smells can be difficult to remove after you buy the car.

ON THE ROAD

For the test drive itself, you'll want to make sure you drive in a wide variety of conditions and speeds.

Make sure you get a sense for how the vehicle drives at highway speeds, so plan on driving it somewhere with a speed limit of 60 mph or higher. Pay close attention to

any front-end problems that will reveal themselves on the highway, like shakes, shimmies and vibrations.

Note any strange feelings in the steering. If the steering wheel is vibrating at any speed, that's a sign that the car has a problem — perhaps very minor, or perhaps major, depending on the cause.

You should accelerate from a standstill and take note of any issues. Listen for any unusual sounds, and notice whether the car steers to one side or the other under acceleration. Pay attention to how the transmission shifts.

Check the brakes on the car to make sure the pedal feels firm, the car stops in a controlled way and doesn't pull to one side or the other. A slight vibration at the brake pedal or squealing sound could be a sign that it will need a brake job soon.

AFTER THE DRIVE

Take a break after the test drive to evaluate your feelings and see anything that you might have missed after your first walk around the car.

It's a good idea to leave the car running while you walk around and listen for any unusual noises outside the vehicle. Check for unusual exhaust gases, puddles under the car and leaks in the engine bay.

If you haven't done so already, open all the doors and sit in the back seats to see how they fit. You'll notice different aspects of the car while sitting in back, and it might help you choose one vehicle over another.



Finding a Perfect Fit

Finding the perfect vehicle isn't just about meeting your needs and matching your sense of style. It's also about finding a car that fits your life and your budget over time.

Whether you're buying a tiny sports car or a huge pickup truck, you've got to think about how the vehicle is going to match your changing lifestyle in the years to come.

GAS MILEAGE

One of the biggest ways a car or truck will impact your budget is by how much fuel it uses.

The best source for fuel economy data is FuelEconomy.gov, which will let you search for vehicles by year, make and model, then see their gas mileage ratings as measured by the Environmental Protection Agency.

If you're really set on finding a fuel-efficient used car, you can start your search by looking at the most efficient models in your price range. Then you can search for local dealers that have those specific models on their lots.

RELIABILITY RATINGS

Another way to make your car go easy on your budget is by picking one that's reliable. While making sure the regular maintenance has been performed is the most important way to ensure reliability, some specific cars have a better reputation than others.

Consumer Reports has long

been the leading source for used-car reliability ratings. You can find their information in print or do what many used-car shoppers do: temporarily subscribe to one of their online options to see the latest data while you're in the process of shopping for your next vehicle.

INSURANCE COST

The cost of insuring different vehicles can vary wildly from one car to the next, and the factors don't always make sense to people outside the insurance industry.

Before you buy your next car — especially if it's a sporty or high-performance model — check with your insurance agent to see what full insurance coverage is going to cost you. Some cars that the insurance industry considers high-risk can cost a fortune to keep on the road.

RESALE VALUE

Finally, since you're probably going to be selling your car someday, you should try to get some idea of which cars hold their value the best over time.

Some brands and specific cars maintain a strong resale value for many years, but others drop like a rock. Knowing the difference might make you big money when you sell your car in a few years.



The Right Price



Finding a good price on a used car is as much an art as a science, taking a bit of luck and lots of research.

For starters, finding a car that's a "bargain" may not turn out to be such a good deal. As the saying goes, you usually get what you pay for, and cars that are being unloaded at below-market prices are often priced cheaply for a good reason.

You should be very skeptical of a deal that seems too good to be true.

It's much smarter to look for a car at a fair price. And that simply takes a bit of research.

WHERE TO LOOK

Kelly Blue Book, which has long been the source that car industry insiders use to track vehicle values, is now the leading place to find pricing information online at kbb.com.

Make sure you know what you're looking at, though. Lots of factors can affect the price of a car, including who is selling it — a dealership, wholesaler or individual — along with the mileage and condition of the vehicle. At its best, the blue-book price is just an

estimate, and the actual value will depend on the specific car you're looking at.

For a different perspective, you can check out the True Market Value information from Edmunds.com, another online provider of car information.

DISCOUNT CARS

If you're looking for a price break on a lightly used car, there are several ways some local car dealers may be able to help you out.

One example is considering

shopping for program or rental cars — those almost-new vehicles that have been used in a dealer's loaner programs or in rental-car fleets.

The upside is that these cars are relatively new and will usually have the maintenance performed properly. Professional fleet managers are typically pretty careful that the oil changes and regular service are performed on time to keep their cars safe and in good shape.

The downside is that there's no guarantee of how gently the vehicle has been driven.

Some buyers steer clear of rental-fleet cars because people who rent vehicles are thought to drive them harder and more carelessly than individuals who own their own vehicles.

One of the best ways to find a good deal on a used car is to ask the dealer about it directly: "What's the best deal on your lot?" They might have a car they bought at a deep discount from an auction or as a trade-in, or simply have a car they've struggled to sell and are willing to unload at a great price.

Affordable Financing

Let's say you've found the perfect used car. It looks gorgeous, drives wonderfully and is mechanically solid. Now how are you going to pay for it?

If you've got enough cash to write a check for the car, that's great. Paying cash is the cheapest and easiest way to buy them.

Unfortunately, most buyers can't do that. Here are some things to consider if you're thinking about financing your used-car purchase.

DEALER

Often times the easiest place to finance your car will be through the dealership.

Used car dealers help arrange for the financing of cars all the time, either through in-house loans or through third parties like banks and credit unions. They often have special arrangements with major banks to get loans for their customers.

The dealership wants to sell the car, obviously, so they'll go out of their way to get a financing deal done that will put you in the vehicle you want.

They also may have looser lending standards that will help get loans for people with bad credit — the buyers who may be unable to get loans through traditional bank financing.

BANK OR CREDIT UNION

Another place to look is your local bank or credit union. They're both in the business of loaning money, often with very attractive interest rates if you've got solid credit scores.

The advantage of bank financing is that you can be pre-approved for a loan amount and essentially go to the dealership like a cash buyer, which gives you confidence at the negotiating table.

The downside is that the bank will sometimes put restrictions on what type of car you can buy. It might have to be within a certain age range or mileage limits, while dealer financing may give you more options for the older, higher mileage cars on their lot that are more easily affordable.

ONLINE LENDER

Another option for financing your purchase is looking online.

Several online-only lenders have opened in recent years promising low interest rates, easy financing and quick approvals through their online applications. This can be a good option for tech-savvy buyers.

Like anything online, though, you need to be very careful that you're not getting scammed. It's best to stick with well-known, brand-name lenders that offer online car loans rather than random, no-name outfits you've never heard of before.

As a whole, when financing your car purchase, it's always best to shop around. See what options are available between in-house financing at the dealership, loans from your bank or credit union and online lenders, and pick the option that works best for you.

