Department of Consumer Affairs

Used Car Buyer Guide

Buying a Used Car?
The Department of Consumer Affairs (DCA) has created these tips to help you.

Before You Go Shopping

- **Look at your budget and decide how much you can afford up-front and over time.** Don't forget about insurance, parking, gas, tolls, and repairs.

- **Check your credit report** at **annualcreditreport.com** and correct any errors.

- **Get preapproved for a loan.** Knowing the rates will help you comparison shop across financial institutions. Using your own bank or credit union gives added protection if something goes wrong.

- **Research the car's value.** Check the National Automobile Dealers Association's (NADA) Guides, Edmunds and Kelley Blue Book to find out the average price of the car you plan to buy and trade in.

- **Check the dealership's license status and complaint history.** All used car dealers must be licensed by DCA. You can search for a licensee online at **nyc.gov/consumers**. You can also **call 311** (212-NEW-YORK outside NYC) to learn more about a business' license status or to check a business's complaint history.

At the Dealership

- **Beware of "bait and switch" advertising.** Ads that promise savings, rates that are too good to be true, or cars that aren't actually available when you get there are illegal. If you feel pressured, walk away.

- **Examine the car carefully.** Get a vehicle history report at vehiclehistory.gov, take a test drive, and have an independent mechanic check the car. If the dealer won't let you, walk away. Be sure to check the condition of the engine, tire wear, and any sign of an accident. Compare the odometer reading to the bill of sale and check the Federal Trade Commission's (FTC) Buyer's Guide and New York State Department of Motor Vehicles (DMV) inspection sticker posted on the car.

- **Say no to "add-ons" and options.** Paint and fabric protection, rust-proofing, extra security systems, extended warranties, etc. are cheaper when bought separately. Ask for your monthly payments with and without the extra options. Before you sign a contract or pay any money, make sure no extra fees have been added and don't buy anything you don't want.

- **Don't negotiate based on a monthly payment.** Negotiate the best price for the car at the lowest interest rate and for the fewest number of payments. Don't believe dealers who say you must finance through them.

- **Review the contract carefully.**
    - In NYC, you have 48 hours to look over a contract while the dealer holds the car. If the dealer is pressuring you to buy the car, walk away.
    - Never sign a blank, partially blank, or unclear contract. Cross out any empty spaces so they can't be filled in after you sign.
    - Never sign a contract if you don't understand the terms.
    - Don't give a dealer any money before you sign the contract, not even a "deposit."
    - Get the mileage in writing.
    - Never buy a car "as is."
    - If a car sale is negotiated in Spanish and will be paid in installments, the contract must also be written in Spanish.
    - Ask whether the interest rate includes a dealer markup. If so, ask for the interest rate offered by the lender. Although no law prevents the dealer from marking up the interest rate, you may be able to negotiate the amount.

- **Know about warranties.** Under the New York State Lemon Law, used car dealers must provide written warranties on used cars that cost more than $1,500 or that have less than 100,000 miles. The law does not cover motorcycles, motor homes, off-road vehicles, or used cars purchased from an individual. The warranty covers the engine, transmission, drive axle, breaks, radiator, steering, and alternator.

Mileage	**Warranty**
0 – 36,000	90 days or 4,000 miles
36,001 – 79,999	60 days or 3,000 miles
80,000 – 100,000	30 days or 1,000 miles

- **Get copies of all paperwork.** Don't leave without copies of everything that you signed. Keep everything. Also keep receipts for any repairs.

- **File a complaint.** If you have a problem with a dealership, file a complaint with DCA at **nyc.gov/consumers** or by **contacting 311**.

Follow These Tips to Protect Yourself from Recalled Cars

- **Visit safercar.gov to check if the car you own or plan to buy has been recalled or has any safety complaints.** You can search by the vehicle's year, make and model and, starting August 20, 2014, the vehicle identification number (VIN). For more information on recalls, download the federal government's guide, *Motor Vehicle Defects and Safety Recalls: What Every Vehicle Owner Should Know*.

- **Check if the used car you are buying has any unrepaired safety defects.** Ask the dealer for the vehicle identification number (VIN) and contact an authorized dealership to ask if safety recall repairs have been made. You can search safercar.gov by VIN to determine if a specific vehicle was subject to recall and whether the appropriate repairs were performed. You can also download the *SaferCar* App for iPhones and Android devices to check for recall and complaint information.

- **Before you buy a used car, ask the dealership what their policy is for selling vehicles that have been recalled.** Even if the dealer tells you they won't sell a recalled car, you should do your own research.

- **Get the used car you are buying inspected by an independent mechanic.** Do not buy a car if the dealer will not let you have it inspected or if the dealer tries to sell you a car "as is." Many safety defects will not be identified during a standard inspection so you should also check for recalls.

- **Notify the manufacturer that you are the new owner when you buy a used car or if your contact information changes.** If you are the original purchaser or registered owner, the manufacturer will contact you directly if your vehicle is recalled. You can also subscribe for email alerts at safercar.gov for future safety recalls.

- **Have safety-related defects repaired immediately.** If you bought a used car that was recalled for a safety defect but was not repaired when you bought it, you have the right to request that the dealer repair the car or pay for the repairs. If you are buying a used car that has been recalled and the dealership won't repair it prior to sale, file a complaint with DCA. If you are the original owner of a recalled car, contact the manufacturer immediately to have the defect repaired; the manufacturer will repair the car free of charge if the vehicle is less than 10 years old and the repair is made by an authorized dealer.

- **Don't wait for a recall letter if your car shows signs of a problem; take it to the dealer or a mechanic.** You should also file a complaint with the National Highway Traffic Safety Administration at safercar.gov or by calling 888-327-4236.