

Quick Tips for Buying Pre-Owned Vehicles

Buying a new vehicle isn't the only option. Today, it's possible to save money and even make a better investment by purchasing a pre-owned vehicle. However, not every vehicle on the lot is a good buy. There are several steps vehicle shoppers need to take to ensure they are making the best financial decision possible for their needs. What should car buyers look for when buying pre-owned vehicles?

The History of the Vehicle

A good place to start is with the history of the vehicle. A Carfax report can provide this. Most dealerships will provide a link to the Carfax report. If not, users can visit the company's website and search by the vehicle's identification number. This is particularly important for anyone completing a purchase from an individual seller rather than a trusted dealership. The Carfax will provide detailed history of the vehicle's maintenance, known repairs, and accident information.

Research Thoroughly

As your credit union, we will provide you with some insight into the value of the vehicle. Yet, with a bit of research online from sources such as Kelly Blue Book, you can have a good idea of what a vehicle is worth. Then, use any flaws you find, such as worn tires or damaged upholstery, to help you to negotiate the price lower.

Buying As-Is

If you are purchasing a vehicle from an individual, you have little resources should a problem occur down the road. In effect, you are buying the vehicle as-is. As a result, you'll need to take every step you can to ensure the vehicle is safe and in good condition. If a problem arises later, it can be impossible or very difficult to hold the previous owner accountable.

A Full Inspection

To remedy the risk (or at least reduce it) all vehicles should have a full inspection by a mechanic or repair shop you trust prior to purchase. Don't go with what the individual or even the dealership tells you. You can ask for your mechanic to have a look under the hood and to compile a thorough list of what may need to be repaired down the road. For the small fee your mechanic charges, it can be worthwhile to have peace of mind.

Guarantees, Warranties, and Promises

It's also essential to read the fine print. No matter who you buy from – an individual or a dealership, you need to know what the promise is as well as what your recourse is. For example, some dealerships provide warranties on pre-owned, certified vehicles. What does that include? More specifically, what

doesn't it include? For any guarantee, read the details about what is guaranteed and for how long. This differs from one location to the next and can directly impact your recourse.

We're Here to Help!

It's essential to know what you are buying and who you are buying from, but when you do this, you can find a fantastic vehicle that's cost effective. Pre-owned vehicles can be a great investment simply because they are much more affordable overall compared to a new vehicle. New vehicles tend to depreciate at a faster rate as well.

When you're ready to begin looking for your next pre-owned vehicle, stop by the Credit Union or give us a call at 410-687-5240. We're ready to help you get pre-approved and lock in a great, low rate.

Each individual's financial situation is unique and readers are encouraged to contact the Credit Union when seeking financial advice on the products and services discussed. This article is for educational purposes only; the authors assume no legal responsibility for the completeness or accuracy of the contents.