

BUYING A USED CAR

First Rule - used cars are generally sold “as is,” which means the consumer inherits whatever problems come with the car. Used cars need to be checked out thoroughly by an independent mechanic before buying. If there is a strong verbal misrepresentation, which is also very specific, i.e. “the engine has just been rebuilt,” when it has not, the consumer may have a chance of recovering his or her money in Small Claims or County Court.

If a consumer does not receive a title within 45 days from a private seller, they can refer to C.R.S. 42-6-110 (1); and (2) - which can subject the seller to fines and misdemeanor charges if the title is not presented to the buyer. It also requires the buyer to apply for a new title within 45 days.

A dealer must identify a vehicle as used if it has over 1500 miles on the odometer.



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There is no three-day right to cancel an automobile contract!

This is a common misconception, but when you put your signature on a buyer's contract, you are obligated to the terms of that sale.

Used cars are sold AS-IS

A used car is required to have a window sticker that tells you if the car is being sold in as-is condition, or if it comes with a warranty. If the vehicle is sold as-is the seller is not responsible for any repairs that may be required. The only exception to this rule may be if there is a specific misrepresentation about the

vehicle (i.e. the seller says the transmission has just been replaced when it has not).

Read and understand the contract

Read everything you sign, make sure you understand everything in the contract, make sure any promises made by the salesperson are written into the contract, and make sure the contract is filled in completely. Make sure the car is sold as agreed upon – both the description and the price.

Be sure you have a copy of the contract before you complete the payment. Keep your copy of the contract in a safe place.

Have the car thoroughly checked by a mechanic before you buy it, even (or especially) if you are buying from a relative or friend.

Consumers need to be informed about the condition of the vehicle being purchased so there are no surprises later. This can also be a good tool for negotiating on the price. If there are any major items that need repair, it is always best to discover them during the negotiations on the purchase.

Don't buy the car if the seller won't let you take it off the lot to a mechanic to have it checked out. The only exception to this would be if the seller were offering a significant warranty.

NEVER be pressured into signing or buying anything – YOU ARE IN CHARGE

If you like a particular car and don't like the salesperson – ask for another salesperson, or find a car elsewhere. If you feel you are being pressured into purchasing the car immediately, it is a good sign you should walk away and think about the purchase or slow down.

Negotiate the deal without your trade-in. Generally, selling it yourself will net more money for you.

Do your homework before you shop for a car:

Figure out how much you can afford, factor in the taxes, insurance, licensing and the cost of upkeep on a used car. Go to the library, the Internet, and the newspaper to find sales prices of comparably equipped vehicles. Check consumer resources for the reliability of the vehicle you are considering. How will you pay for the vehicle? It is best to line up financing ahead of the purchase.

Your bank or credit union may be able to provide a lower interest rate and you will be better able to determine how much to pay for a car. Determine how much the entire financed amount will be – financing is expensive and you may want to consider alternatives.

The seller is responsible for obtaining the emissions certificate.

State law requires the seller to provide the buyer with the emissions sticker necessary to affix to your registration. Some dealers may want to provide you with a voucher to obtain the emissions test, but it is their responsibility.

If the sale is conducted in Spanish, make sure the paperwork is in Spanish.

If you have negotiated in any language other than English, and the paperwork is in English, make sure you understand everything that is being signed. If you take someone with you to translate, be confident of his or her ability to represent the forms to you or take the paperwork to someone who can.

Other Considerations

If you take the car home and the financing falls through, you could be responsible for a charge to use the car each day, a bailment, which can be over \$100 per day. Check for this provision in the contract. Be sure the principal driver has a driver's license or is able to obtain a license, as the car is probably not returnable if the license cannot be obtained.

Service Contracts

- Before you buy an extended service contract
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- Study the policy carefully and be sure it covers what is represented.
- What are the specific requirements for getting the work covered?
- Is the contract transferable?
- How do you make a claim?
- What are your responsibilities?
- What is the reputation of the company selling the policy?
- How long have they been in business?

If you have problems

Contact the seller first. Negotiation is the best way to resolve any complaint, but if that fails, contact the District Attorney's Consumer Division at 303-441-3700 to obtain advice or file a consumer complaint.