

Buying a car without getting taken

Moderate · A few weeks of shopping · Inspection fee, usually paid by you

YOU'LL NEED

- | | |
|--|--|
| ☐ A budget that includes insurance, registration, gas and maintenance | ☐ Written out-the-door price quotes |
| ☐ A loan pre-approval from a bank or credit union | ☐ The car's VIN |
| | ☐ An insurance quote for that exact car |

WHAT TO KNOW

- 1 **Do your homework.** Decide what kind of car you need and your budget, counting registration, insurance, gas and maintenance.
- 2 **Get pre-approved for a loan from a bank, credit union or finance company.** You'll know your APR, loan length and maximum amount before you shop, and you can use it to negotiate with the dealer.
- 3 **Ask dealers for out-the-door prices in writing before you visit.** That way you can confirm advertised prices and rebates are real, check that the car is actually on the lot, and spot last-minute add-ons.
- 4 **Check out the dealer.** Ask your state and local consumer protection agencies about complaints, and search the dealer's name with words like "scam," "review" or "complaint".
- 5 **Read the Buyers Guide on the window.** Dealers must post one on every used car, including when you buy online, and give it to you after the sale.
- 6 **Run the VIN.** Get a vehicle history report and check NHTSA.gov/recalls for open safety recalls.
- 7 **Pay an independent mechanic to inspect it.** A history report may show accidents and flood damage but typically won't show mechanical problems.
- 8 **Negotiate the price, then the APR.** The dealer's APR usually includes a cut for the dealer and can be negotiated like the price.
- 9 **Before you sign, check the five numbers: the car's exact price, the total with financing (all payments plus the down payment), the finance charge, the APR, and the number and size of payments.** Don't let anyone rush you through a tablet signature.

Watch out "Spot delivery": if the dealer says financing is still being approved, the deal isn't final. Consider waiting to sign, and keeping your old car, until it is. If you're called back to sign new terms you don't want, you can cancel and ask for your down payment and trade-in back, in writing.

DAD NOTE *Fall in love with the deal, not the car. There's always another car.*

Full lesson: aptkeys.com/money/big-purchases-and-negotiating/buying-a-car-without-getting-taken/

Checked October 2, 2026. Sources: Federal Trade Commission; Consumer Financial Protection Bureau; National Highway Traffic Safety Administration.