

The Best Way to Prevent Autofraud: Don't get Cheated!

A One Page, Step-by-Step Guide by Adam G. Taub, Lyngklip & Taub Consumer Law Group, PLC

1. Do Not Lease. If you are a person, leasing has few advantages. If you are a business, there are some.
2. Do Not Purchase – if you have a good, running car that suits your needs. The less time you spend at a dealership, the less chance there is of getting cheated. But, if you really need a car, --
3. **BEFORE GOING TO THE DEALER**, make a list of cars that suit your needs.
 - a. Go online. Read magazines. NHTSA.
 - b. Do not buy more car than you need. Remember: You can rent a U-Haul or Cadillac twice a year.
 - c. Consider Safety Features, Reported Reliability, Fuel Economy
 - d. Compare prices. Consider:
 - i. MSRP or NADA or Kelly Blue Book Value
 - ii. Cost to Insure
 - iii. Compare New and Used Car Values. Consider a low-mileage, used car.
 - e. Pull your credit reports, all three separately, and make sure they are accurate; fix errors before you apply for credit at a car dealer.
4. Go to the dealer. Shop for the Best Price. Do not discuss financing.
 - a. Test Drive. Make clear you do not want credit pulled.
 - b. Get Prices from 3-4 dealers. Get them in Writing. If not, walk away.
 - c. Prices that seem too good to be true are too good to be true. Walk away.
 - d. Make it clear that you want the out-the-door cash price. If you can't get one, leave.
 - e. Do not discuss monthly payments!
 - f. Do not buy GAP, credit life or credit disability. Do you really want a service contract? Read it!
 - g. Make it clear that you do not want the salesperson to pull credit.
 - h. Do not sign anything the first day.
 - i. Do not wait more than 10 minutes unattended. Leave.
 - j. Do not be rushed. There are plenty of cars. You lose nothing if someone else buys the car you are considering. If they rush you, do not go back.
5. Once you have a price, shop for the best loan price.
 - a. Don't discuss a payment amount.
 - b. Get the APR and Finance charge in writing. If they won't give it to you, leave.
 - c. Ask to see the buy rate, in writing. If they won't give it to you, walk away.
 - d. Take those amounts to other dealers, banks and credit unions.
 - e. Do not sign anything more than a credit application. Make sure it is accurate. If not, leave.
 - f. Do not wait more than 10 minutes unattended. Leave.
6. Signing paperwork.
 - a. Review all of the paperwork before signing any of it.
 - b. Make sure that the numbers match up with what you agreed to. If not, leave.
 - c. Demand to see the title, both sides.
 - d. Read Everything.
 - e. Is there an arbitration clause?
 - f. Get copies of everything.

Remember: Be Ready at all times to walk away!