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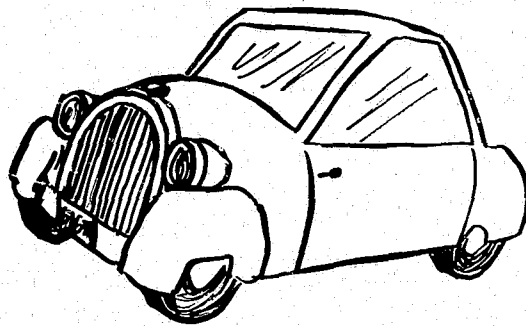
ACA
PRE-EMPLOYMENT
TRAINING
CURRICULUM
PACKAGE

63921

BUYING A USED CAR

✓ X
ACA
✓ COMPREHENSIVE WORK
ENTRY PROGRAM

UNIT 12
✓ BUYING A USED CAR



DO NOT WRITE IN THIS BOOKLET!

NCJRS
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UNIT GOALS

After completing this unit, you will be able to:

Recognize some basic information about buying a used car from a dealer

Look for a dealer who is a member of a local, state or national car dealers' association

Ask friends about their experience with local dealers

Avoid going too far from home

Recognize that servicing problems can be a hassle if the dealer is too far away

Check local new car dealers for trade-in cars

Recognize that many new car dealers will give warranties on used cars

Avoid shopping for a used car during the summer season

Recognize that this is the time when people are looking for a car for vacation travel

Identify what should be included in the purchase price

Include total finance charge

Include immediate repairs you know you must make

Include optional equipment

Include sales and other taxes

Include insurance

Recognize that a relatively new compact or other lower-priced model with few extras is your best bargain

Recognize that a higher priced model with a lot of extras could mean higher repair costs later

Read the National Automobile Dealers Association's Official Used Car Guide or the Blue Book to find out the current average retail value for U.S. and foreign cars

Recognize that you can get these guides at your local car dealer or local banks' loan department

Recognize that prices for a given car can vary as much as \$500

Read "Consumer Reports"

Recognize that "CR" regularly rates used cars as well as new ones

Recognize that a new car's value drops about 50% during the first two years

Recognize that a well-cared-for two or three year old car may be a good buy

Test-drive any car before you buy it

Recognize that if you can get a trusted mechanic to test drive it for you, that's even better

Ignore the odometer reading

Multiply the age of the car by 15,000 (miles per year) to determine mileage

Recognize that you should try to get some type of guarantee from the dealer for payment of any necessary repairs within thirty days of purchase

Recognize that at the very least you should get a written guarantee from the dealer that the car will pass inspection

DIRECTIONS

Before you begin this unit, complete the test items on the Unit Test. Use a blank sheet of paper to write down your answers, or an answer sheet provided by your instructor. DO NOT WRITE IN THIS BOOKLET! When you have finished, check your answers using the Unit Test Key which you will find in the back of the booklet. Count the number of items you answered wrong and mark your score on your answer sheet (for example, -6). After you have finished reading the text, take the Unit Test again. When you have finished, check your answers using the Unit Test Key. Count the number of items you answered wrong and mark your score on your answer sheet (for example, -1). By comparing the two scores, you can see how much you have learned.

In the unit you will find review questions to check your progress. Answer the review questions on a separate sheet of paper. Then, check your answers using the Review Question Key. You will find the answers printed upside down. If you answer any of the questions wrong, read over the section right before the questions. If you answer all of them right, keep reading.

At the back of the booklet, you will find a list of words and their meanings. If you come across a word you do not understand, look it up in the word list. Words which appear in the list are underlined in the text.

Unit Test

For each of the following test items, circle on your response sheet the letter which most correctly completes the statement. **DO NOT WRITE IN THIS BOOKLET!**

1. When shopping for a used car you should:
 - a. look for a dealer who is a member of a local, state or national car dealers' association
 - b. ask friends about their experience with local dealers
 - c. both a and b
 - d. neither a nor b

2. In choosing a car dealer you should:
 - a. avoid going too far from home
 - b. look only for used car dealers
 - c. both a and b
 - d. neither a nor b

3. In deciding when to buy a used car you should:
 - a. shop for a used car as soon as you have the money
 - b. avoid shopping for a used car during the summer season
 - c. both a and b
 - d. neither a nor b

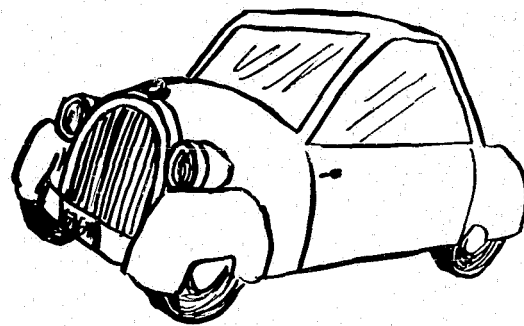
4. On your response sheet place a check mark (✓) to the left of the items which should be included in the purchase price of a used car.

<u> </u> a. total finance charge	<u> </u> d. optional equipment
<u> </u> b. immediate repairs	<u> </u> e. sales and other taxes
<u> </u> c. gas and oil	<u> </u> f. insurance

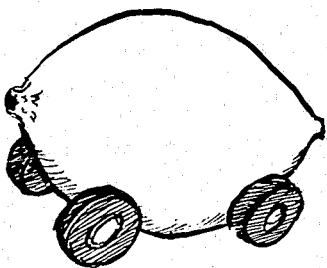
5. Your best bargain will probably be:
 - a. a relatively new compact with few extras
 - b. a larger car with a lot of extras
 - c. an older mid-sized model with a lot of extras
 - d. none of the above

6. You can get a copy of the National Automobile Dealers' Association's Official Used Car Guide and the Blue Book at your local:
- bank's loan department*
 - car dealer*
 - both a and b*
 - neither a nor b*
7. It is important to read the used car guides and "Consumer Reports" because:
- prices for a given car can vary as much as \$500*
 - a new car's value drops about 50% during the first two years*
 - a well-cared-for two to three year old car may be a good buy*
 - all of the above*
8. Before buying a used car you should:
- test drive it*
 - have a mechanic test drive it*
 - both a and b*
 - neither a nor b*
9. In deciding what kind of condition a used car is in you should:
- check the odometer*
 - multiply the age of the car by 15,000 (miles per year) to determine mileage*
 - ask the dealer*
 - none of the above*
10. Before agreeing to buy a used car from a dealer you should:
- try to get some type of guarantee from the dealer to pay for any necessary repairs within thirty days of purchase*
 - try to get a written guarantee from the dealer that the car will pass inspection*
 - both a and b*
 - neither a nor b*

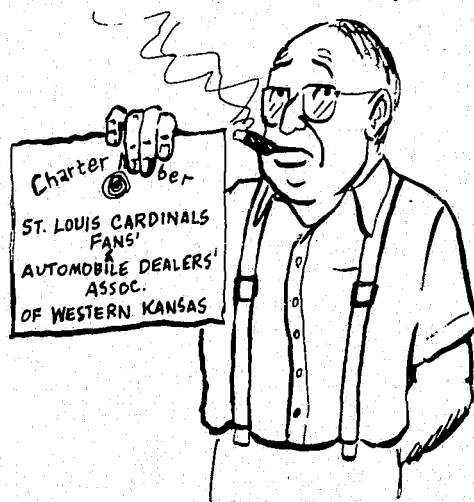
In this day and age, owning a car has just about become a necessity. There are, for example, a large number of jobs you can apply for if you have your own car. Unfortunately, not everyone can afford to buy a new car; so why not try for the next best thing -- a used car.



One of the problems is that buying a used car is one of the easiest ways of getting ripped off. But it doesn't have to be that way if you know a little bit about it, if you take your time, and if you don't pay attention to all the fancy sales pitches from used car salesmen.



The first thing you should do is look for a dealer who is a member of a local, state or national car dealers' association. Ask your friends about their experiences with local dealers, and avoid going too far from home. Remember that servicing problems can be a hassle if the dealer is too far away.



Check local NEW car dealers for their better trade in models. Many times new car dealers are able to provide warranties on used cars just as they do for new cars. It may cost you an extra hundred dollars but it will be worth it.



DO NOT run out and buy a car as soon as you have the money. Try to avoid shopping for a used car during the summer months. This is the time when millions of other people are looking for a car for vacation travel. The more people there are looking for a car at the same time, the higher the prices will be.



When you're trying to decide how much a particular car is going to cost, there are a lot of things you should include in the purchase price. Include the total finance charges, any immediate repairs you know you'll have to make, any optional equipment, sales and other taxes and insurance. If you leave any of those things out, you'll find out that the car will cost more than you thought.



Check your progress by answering the following review questions.

DIRECTIONS:

On your response sheet write the letter of the phrase which most correctly completes the statement.

1. In shopping for a used car you should:
 - a. look for a dealer who is a member of a local, state or national car dealers' association
 - b. avoid shopping during the summer season
 - c. both a and b
 - d. neither a nor b

2. The purchase price for your used car should include:
 - a. gas
 - b. insurance
 - c. oil
 - d. all of the above

Check your answers by using the key below. If you get the answers right, keep reading. If you get either of them wrong, go back over what you have already read.

1. c
2. b
Review Question Key

Shop around for bargains. A relatively new compact or other lower-priced model with few or no extras will probably be your best bet. Higher priced models with a lot of extras could mean higher repair bills later, even if you pay the same purchase price.



When you go shopping, do so as an "educated consumer". Consult the National Automobile Dealers' Association's Official Used Car Guide or the Blue Book to find out the current average retail value for the car you want. These guides are available at your local car dealer or your local bank's loan department.

If you can get a copy of "Consumer Reports", find out what they have to say about different cars. They rate used cars as well as new ones. Generally, you'll find that prices for a given car can vary as much as \$500. A new car's value drops about 50% during the first two years. This means that a well-cared-for two or three year old car may be a good buy.



It is important that you test-drive any used car before you buy it. If you can get a mechanic you trust to test drive it, that's even better -- even if you think you know a lot about cars yourself! Professional judgement is always better than your own. Remember, you want to cut down on your chances of getting ripped off!



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Ignore the odometer reading on the car. Although there are laws in most states and the federal government against tampering with the odometer, this is still done. The best way to determine what kind of mileage the car has probably seen is to multiply the age of the car by 15,000 (miles per year).

Finally, before you sign anything to purchase a car, try to get some type of guarantee from the dealer to pay for any necessary repairs within thirty days of purchase. If you can't get him to agree to that, you should at least try to get a written guarantee that the car will pass inspection. But don't just drive out of there, because once you do, the car is yours and your money is his.



Check your progress by answering the following review questions.

DIRECTIONS:

On your response sheet write the letter of the phrase which most correctly completes the statement.

1. Publications you should look at before shopping for a used car include:
 - a. National Automobile Dealers' Association's Official Used Car Guide
 - b. Blue Book
 - c. Consumer Reports
 - d. all of the above

2. Before buying a used car you should:
 - a. test-drive it
 - b. try to get some type of guarantee from the dealer
 - c. both a and b
 - d. neither a nor b

Check your answers by using the key below. If you get the answers right, take the Unit Test again. If you get either of them wrong, go back over what you have already read.

1. d
2. c

Review Question Key

Now that you have completed the text, take the Unit Test again. When you have finished, check your answers using the Unit Test Key. Count the number of items you answered wrong and mark your score on your answer sheet (for example, -1). By comparing the two scores, you can see how much you have learned.

Unit Test Key

- | | |
|--------------|-------|
| 1. c | 6. c |
| 2. a | 7. d |
| 3. b | 8. c |
| 4. a b d e f | 9. b |
| 5. a | 10. c |

* * * * *

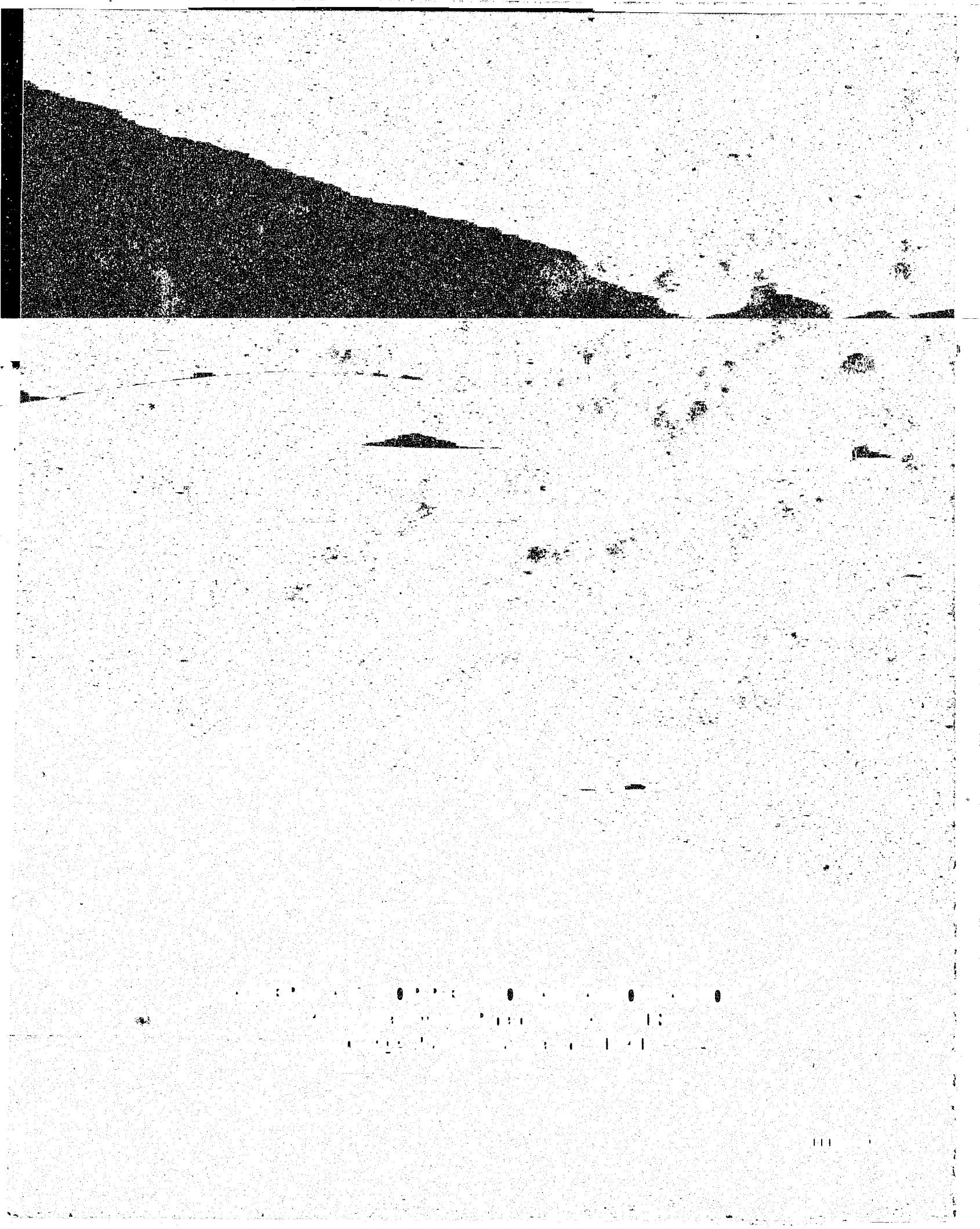
WORD LIST

1. Blue Book - a book put out by the National Automobile Dealers' Association which tells you how much a used car should cost, depending on how old it is
2. consumer - buyer
3. finance charge - an amount of money you pay for not having to pay the full price of the car right away
4. necessity - something which everyone has to have
5. odometer - usually inside the face of the speedometer; tells you how many miles a car has been driven
6. optional - not necessary
7. retail value - the average price paid for a particular car
8. vary - not always the same; changes
9. warranty - an agreement which guarantees that the car and certain parts of it will be in good working order, or the dealer will pay for repairs and replace parts up to a certain period of time

Teacher's Notes

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END