

NO PRESSURE

If you are buying from a used car dealer, talk with friends who may have done business with the dealer. Shop around and know how much you want to spend before you go shopping for a car. Test drive the vehicle. Have the vehicle inspected by a mechanic of your choice. Be careful of high pressure sales tactics. Take your time.

Ask the dealer about the maintenance history on the vehicle; especially if there have been any major repairs from any accidents. There are private 'accident check' services available and many car dealers will offer those services as part of their pitch. Get all details in writing, especially all relevant maintenance reports where parts may have a warranty. Be aware some extra warranties may not be required. All warranty promises should be in writing and part of the sales documents. Any public ads around the vehicle might also be copied.

CHECK FOR LIENS ON USED CARS (Or Else Get It In Writing)

Also in private sales, check to see if there is a lien on the vehicle. Contact the Personal Property Registry, Service NL, website: www.gs.gov.nl.ca/ / <https://pprs.acol.ca/lc/index.do>

When a used vehicle is sold "as is, where is," it means there is no warranty promise whatsoever.

For more information contact

**Consumer Affairs Division
Service NL**

**Motor Vehicle Registration Bldg.
149 Smallwood Drive
P.O. Box 8700
Mount Pearl, NL
A1B 4J6
Phone: (709) 729-2600/2660
Fax: (709) 729-6998**

Online at: www.servicenl.gov.nl.ca
Email: consumeraffairs@gov.nl.ca

Or

**Gov't Service Centre
P.O. Box 2006
Corner Brook, NL
A2H 6J8
Tel: (709) 637-2445
Fax: (709) 637-2905**

Toll Free: 1 (877) 968-2600

Buying or Leasing A New or Used Car

A Consumer Guide




**Newfoundland
Labrador**
Service NL

NEW CAR BUYERS - A GUIDE

Before you approach the dealer, do your homework. Know what type of vehicle meets your needs and pocket book. Check with friends, co-workers and neighbours who may have purchased a vehicle from the dealer in question. Ask about quality and customer service.

Resist high pressure sales techniques. Shop around and do some comparative pricing. Take your time and don't buy the first vehicle you see. Get price quotes in writing from several dealers and ask them to include all charges. Find out if the amounts quoted are the prices before or after any rebates are deducted.

Inspect and test drive a number of vehicles before you make your decision. Read the warranty carefully. Make sure you know the terms and conditions of the warranty agreement before you make a purchase.

Compare financing from different sources. Talk to your bank, credit union or dealer and get their terms and rates. All credit charges should be clearly shown on the contract. Verify the total cost of the vehicle including taxes, license fees, discounts (if any), etc. You should know the number of payments and the amount of each payment.

If an extended warranty is available, check it carefully for cost and coverage before signing. It may not be a benefit.

After you buy a new car, most manufacturers subscribe to a special program called CAMVAP, the Canadian Motor Vehicle Arbitration Program. It is a cross-Canada program that you can use to resolve disputes with a manufacturer about defects in your vehicle's assembly or materials, or how the manufacturer is applying or administering its new vehicle warranty. Disputes are resolved through binding arbitration. CAMVAP serves as Canada's lemon law.

BE AWARE

Once you take possession of the vehicle there is no cooling off period or unwritten cancellation rights. When you sign the contract, you own the vehicle.

WHAT ABOUT LEASING?

Leasing is simply a method of paying for the use of a car over a specified time period. When you lease a car you negotiate a purchase price with the dealer just as if you were buying. Once the contract is signed however, your agreement is with the leasing company, not the dealer. The main attraction to leasing a vehicle is often the lower monthly payment and usually a more expensive model. When you sign the leasing contract you agree to make monthly lease payments, keep insurance, pay any taxes or fees and take care of the vehicle. The lease term is the length of time a car is leased, usually expressed in number of months, i.e. 24, 36 or 48 months.

At the end of the lease, the vehicle is usually returned to the leasing company. You may have an option to purchase the vehicle at the end of the lease. You should be clearly informed of all terms and conditions of the lease contract. This includes any costs you may be responsible for at the end of the lease.

SHOP AROUND AND COMPARE

Shop around for the best leasing deal. The lower monthly payment lease may have a larger down payment or a payment at the end of the lease. Know what the up-front charges are. Get the total cost of the lease in writing and then consider if you can buy a similar car for that amount of money. Again, shop around first.

NO COOLING OFF PERIOD

Be aware that at the end of the lease you have no equity in the vehicle. If there is an option to buy, look carefully at the amount you have invested to own the vehicle. Know whether you can terminate the lease before the specified date and, if so, if there is there a charge to do so.

Most leases will take into account normal wear and tear on the car. Find out exactly how this is defined. What would make you responsible for extra costs at the end of the contract? Get this in writing. Most leases limit the number of miles you may drive. What are the charges for excess miles? What's normal wear and tear? Remember, once you take possession of the vehicle there is no cooling off period and you lose your right to cancel the leasing contract.

If there is a warranty, ask for a copy and review it carefully. If you are given a verbal warranty, ask the salesperson to write it on the receipt. Inquire about the availability of parts and service, particularly if the car is more unusual than other models.

Do not pay a deposit unless you intend to complete the transaction. Your deposit may be forfeited if you do not take delivery. Remember, once you take possession of the vehicle, there is no cooling off period or cancellation rights.

BUYER BEWARE

