

NORTHERN TERRITORY

CONSUMER

AFFAIRS

BUYING A SECOND-HAND CAR?

You'll want good advice

*"...Don't pay any money until you are 100% sure
that you are making a good choice..."*

REMEMBER

A cheap second-hand car can cost you a lot of money in repairs

CHOOSE WISELY



FOLLOW THESE STEPS FOR BEST RESULTS

Decide how much money you have or can afford to borrow

- If you need to borrow money, check on whether you can afford the repayments as well as other costs like registration, insurance, servicing and repairs.
- A personal loan from a bank or credit union will usually have a lower interest rate than a finance company.

Decide what sort of car you want or need

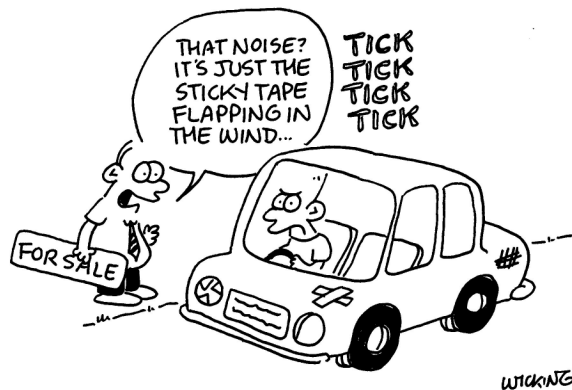
- Visit some licensed second-hand car dealers to see what prices they are asking for these cars. Shop around and compare prices. The cheapest isn't always the best buy.

If you can afford the car that is less than ten years old and has done less than 160,000 kms you should get a three month warranty to cover some problems you might have with the car but ONLY if you buy it from a licensed motor vehicle dealer.

Buying a car privately

Second-hand cars are also sold by private sellers who advertise weekly in the Saturday NT news or in the Trading Post online.

These cars can be cheaper than dealers' cars but there is no warranty so if the car has problems after you buy you cannot get any money back.



Money owing on the car by a previous owner?

Check with the Personal Property Securities Register (PPSR) to make sure there is no money owing on the car to banks or finance companies, otherwise the car can be taken away from you.

PPSR will need the registration number, VIN or chassis number and engine number of the vehicle.

- Phone 1300 007 777. If you have internet access you can do your own search by logging on to <http://www.ppsr.gov.au>

Check it out

Take the car for a test drive and check it over properly. Ask to see the service record booklet and repair receipts.

Get help from a friend who knows about cars and use the check-list available on the Consumer Affairs web site or phone 1800 019 319 and it will be posted to you.

Don't pay any money until you are 100% sure
that you are making a good choice.

REMEMBER

A cheap second-hand car can cost you a lot of money in repairs.

If the car looks and drives well, take it to a good mechanical workshop for a full check and get a report on it.

If there are big problems do not buy it and if there are any other problems get an idea of what the repairs will cost before making a decision.

ASK THE DEALER TO FIX ANY FAULTS BEFORE YOU BUY

Negotiate with the seller on the price; offer a price you think is fair based on your research and be prepared to bargain before you both agree on the final price.

TIPS TO REMEMBER WHEN YOU ARE READY TO PAY FOR YOUR SECOND-HAND CAR

- Make sure you have the money ready or the loan approved.
- If you are putting a deposit on the car for the dealer to hold for you, make sure the receipt you get says the deposit is refundable or 'subject to finance' otherwise you could lose the deposit if you don't buy the car.
- Don't sign anything at the dealer's office until you have checked that all the details on the contract form have been completed and are correct.

REMEMBER

Once you have signed the contract you must go ahead with the deal.

Don't be pushed into signing; you have the right to think about it overnight.

There is no 'cooling-off period' in the Northern Territory.

You cannot change your mind after you have signed the contract and paid a dealer. Make sure:

- You get a receipt for your money and get the transfer of registration papers to take to Motor Vehicle Registry (MVR) so that the car can be registered in your name.
- You have enough money left for the MVR stamp duty (3% of car's value) and insurance; you should also get the car serviced.