

it's Your Life... Are You Ready?



7 tips to read **before** buying a used car!

You think you've found the perfect used car, but you want to make sure you're not making a mistake. Follow these tips, so you can make a good decision:



- 1. Test drive the car.** Take a friend or a parent along for the ride. Ask them to look for smoke or colored exhaust when you are idling and accelerating.
- 2. Visit a mechanic.** Have the car thoroughly checked out by a mechanic before you buy it, especially if you are buying it "AS-IS" without a warranty.
- 3. Get the Facts.** Use a service such as Carfax to find out if the vehicle has ever been wrecked or suffered flood damage.
- 4. Inspect the seller's title.** Is the seller the actual owner? If you're buying from a dealer, is the mileage information filled out? Who was the previous owner? Does the title have Salvage, Scrap, Rebuilt, Assembled, Driver's Ed, or some other legend printed on it? When was the title issued? If it's a recent title, then someone else recently sold the vehicle to the person who is trying to sell to you.
- 5. Check out the body of the car in the daylight.** Look around the bottoms of the fenders, under the doors, and in the wheel wells for rust. Paint that doesn't quite match or gritty surfaces could be signs of a new paint job which may be masking damage.
- 6. Look at the tires carefully.** Uneven wear usually indicates a bad alignment. Check the condition of the spare tire, too. Have your friend watch the car as you drive away slowly. Your friend should look for wobbling or unevenness which can signal frame problems.
- 7. Examine the fluids in the vehicle.** Oil that is whitish could be a sign of major problems. Radiator fluid should not look rusty. Check for leaks and stains under the car, on the underside of the engine, and around hoses and valve covers. Check for black, gummy soot in the tailpipe, which may mean expensive repairs.

Can You Drive Legally without Insurance?

Q. Many people drive without car insurance. Is that legal?



A. According to the Insurance Information Institute (www.iii.org), almost every state requires you to have auto liability insurance.

All states also have financial responsibility laws. This means that even in a state that does not require liability insurance you need to have sufficient assets to pay claims if you cause an accident. If you don't have enough assets, you must purchase at least the state minimum amount of insurance.

Insurance exists to protect your assets. Trying to see how little you can get by with can be very shortsighted and dangerous.

If you've financed your car, your lender may require comprehensive and collision insurance as part of the loan agreement.

Parting Words

Eighty-six percent of Americans say they have been very (57%) or somewhat (29%) negatively affected by the rise in gasoline and home heating costs. ~ Gallup Poll

“The quickest way to double your money is to fold it and put it back in your pocket.” ~ Author Unknown

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