

How to Avoid Dealership Scams

When we buy a car, the most important part of it is to get the warranty, as this is very essential for the maintenance of the car in the future. But how do I know that the warranty which offered is not a scam? Get the best tips on how to handle the preparation scam from the dealer. This will save some extra money.

1. The Forced Warranty Scam

This is when the finance manager tells you that you are not eligible for the loan by the bank unless you pay an extra \$2000 for a 2-3 year extended warranty. This scam just doesn't make sense. Basically the finance manager is telling you that the bank won't trust you to pay the \$20,000 loan for the car, but they will trust you if you pay even more money. That's just stupid. You can avoid this scam if you can force them to put it in writing that you have to pay the extended warranty in order to get the loan.

That way you can bring a copy of the contract to your local State's Attorney's office to verify that the deal is valid. I can bet that the finance manager will change his tune pretty quickly.

2. The Dealer Prep Scam

Let me first let you know that cost is not only legal but very much common practice. I still refer to it as a scam because it is just another way for you to end up paying more money for the car. Basically the dealer will tell you have to an extra \$500 to cover the labor costs of the dealership's 5-point inspection. You are paying for the time it took for the dealership to make sure that the car wouldn't explode on you in the first week of owning it.

This check up that you are paying so much money for is for the dealership to remove plastic from the seats etc, vacuum the car out, and making sure that all of the fuses and fluids are ready to go. When factories deliver the new cars to the dealerships the cost of delivery and prep is already covered, so basically you are paying the dealership for work that they haven't really done. I swear they could get the car in perfectly ready to drive condition and put everything right back in it just so that they can make you pay the fee again.

You can avoid this scam by simply asking the dealership to add an extra \$500 credit to the deal to make sure you do not have to pay the money. If they refuse, you can then decide if the car is worth the money. If it is fine; buy the car, if not; go to another dealer that will remove the dealer prep costs.

3. The Dealer Mark up Scam

This is an unnecessary fee that the dealer charges for no reason other than greed. This fee can be seen on the orange sticker marked on the manufacturer's suggested retail price (MSRP). The additional dealer markup is nothing more than requiring more money for no real reason. They can include all kinds of extra fees in the additional dealer markup. When you see an extra dealer mark up fee, ask the dealer to get rid of it. If they refuse, it is pretty much up to you, but remember that if you do pay the extra dealer markup, you are overpaying for no real reason.

Get rid of the warranty scam by the dealer, but getting knowledge about the warranty before buying the car. Go to another dealer if you think that something is wrong with the contract before you sign it.

Don't pay more than it's worth for the car. The dealer will do anything to get more money from your pocket. Give the line, it will make you make a better decision. There are times when the dealer charge extra money for no reason. Check the MRP and pay no more than the MRP.

Source: <http://www.articlecircle.com>

About the Author

Mitch Johnson is a regular writer for <http://www.atv-parts-n-accessories.com/> . His articles have also appeared on <http://www.guidesforvehicle.info/> and <http://www.guidestovehicle.info/>