



How to Shop at a Used Car Auction

There are three kinds of car auctions. One is where cars go for hundreds of thousands to millions of dollars for extremely rare vehicles. Another is where slightly less valuable classic cars sell for tens of thousands of dollars. And the last—the focus of this article—is used car auctions. If you want to get the best deal on a used car, keep reading!



There's more than one kind

Before you get too deep, there are two types of used car auctions—public and dealer. Often there are days open to the public and days reserved for used car dealers to fill their lots. Unless you're a registered dealer, you'll have to go on a public day. Dealers usually can go whenever.

Where do the cars come from?

Most of the vehicles in these auctions come from dealerships that bought them as trade-ins. Saving themselves the hassle of an odd collection of cars, they sell them at these auctions for whatever they can get. Buying a car at the auction is going to be cheaper than going to a dealer simply because there are fewer people needing to make a profit.

Others come from insurance salvage. Damage done to the vehicle could deem it totaled by the insurance company. However, that doesn't mean there are problems with the safety of the vehicle. A vandalized car can easily have damage in excess of the market value of the car.



What to do before you bid

- Set a budget
- Check the list of cars to be auctioned
- Look at values
- Read the auctions warranty, if there is one
- If you can, check the VIN

Know if the vehicle works!

Every auction is going to have a system that quickly identifies the roadworthiness of the car. Usually a green, yellow, and red stoplight concept. Green would mean it's good to go out the door with no known issues. Yellow would signify the car needs work, but remember, this could be vandalism like spray paint or deep scratches. Red would mean the vehicle is barely running at best and is either good for parts or a huge project.



Check them out

Before the bidding starts, most auctions allow you to inspect the cars going across the block that day. Take the list you made earlier and give them a look. Seeing the vehicles in person is going to give you a lot more information than a simple description and maybe a few photos.

Flexibility is key to buying at an auction

The goal is to get a deal. If the vehicle you're bidding on starts creeping up in price, drop out. There are more cars that will be rolling across the block.

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