

# Carnegie Mellon University

## Office of International Education

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### Buying a Used Car

You may be considering buying a car in the US. This is an important decision, and you should do your homework first. Buying a car that you cannot afford or one that is in constant need of repair will cause you great frustration and cost you a lot of money.

1. You should make sure you can obtain a [Pennsylvania Driver's license](#). Without a Pennsylvania Driver's License, you will not be able to purchase and register your car in Pennsylvania. You must have at least one year remaining on your non-immigrant document (I-20, DS-2019, or H-1B/H-4 Approval Notice) to qualify for a PA driver's license. OIE has a detailed [handout](#) on the process of obtaining a PA driver's license or state ID.
2. You should decide whether or not you can afford a car. You must consider much more than just the purchase price. There are *two* types of costs associated with having a car: ownership cost and operating cost. Calculate the cost of owning a car: taxes, depreciation, finance charges, registration, insurance\*, and license fees. Next, consider operating costs: gas, oil, regular maintenance, tire expenditures, and parking fees, etc.

If you have or can obtain a PA driver's license and you can afford all of the costs associated with a car, begin looking for one that best suits your needs. The best way to start your search is by first doing some research on buying a car. Reading articles on car purchasing on the internet or in such publications as [Consumer Reports](#) and [Car Magazine](#) may be a good place to start. There are four main sources for finding a good used car: private sellers, used car dealerships, new car dealerships and car rental agencies.

You can go to a new car dealer that sells used cars or look for a rental agency that is selling older cars from their rental fleet. If you buy from a dealer, you may get a limited warranty, but you will probably pay more than you would with a private seller. Before purchasing a car from a dealer, check with the [Better Business Bureau of Western Pennsylvania](#) to see if other consumers have complained about the quality of the service or the honesty of the dealer.

You can check on the price of a particular used car by consulting the [NADA Official Used Car Guide](#), or the [Kelley "blue books"](#) which also list prices for used cars. If you find a car and the price seems to be fair, there are several more things that you need to do. Ask about the condition and mileage of the car, if it has been in an accident, and why it is being sold. You may be able to tell some information about the car if it has a [CARFAX](#) history report. You should also look the car over carefully and then test drive it.

Finally, you should have the car checked by a mechanic or a used car inspector, if possible (particularly if you do not know much about cars). A mechanic or used car inspector will be able to give you a thorough and detailed report of the condition of the car. If the car needs minor repairs, you may wish to negotiate the price with the seller if the price is negotiable. If the mechanic warns you of costly or serious problems, you may want to keep looking. Whatever the outcome, the \$60-\$100 cost of having the car inspected before purchase will be worth your time and money. You can find a used car inspector by searching the web, or asking someone you know who has already been through the experience.

Good luck!

#### **Helpful Resources**

There are a number of additional resources available on the web to assist you in making a used car purchase. Some of the more popular ones include:

- Cars Everything: [www.carseverything.com](http://www.carseverything.com)
- Edmund's Used Car Pricing: [www.edmunds.com](http://www.edmunds.com)
- Car Gurus: [www.cargurus.com](http://www.cargurus.com)
- Auto Traders: [www.autotrader.com](http://www.autotrader.com)

\* The state of Pennsylvania requires auto insurance