

## ON-THE-SPOT DELIVERY SCAM

**Spot deliveries are a common scam used to target car buyers with poor credit.**

The scam goes like this:

1. The dealer convinces you to buy a specific car.
2. The dealer makes you believe you have been approved to buy this car.
3. After you leave with the car, the dealer will contact you to come back in and "re-negotiate" or complete financing.
4. When you go back in the dealer will try to convince you to sign new financing or purchase agreements.

**Here are some tips to help you avoid this scam:**

### 1. Secure financing **BEFORE** you go to look at vehicles!

Get pre-approved for a car loan and avoid financing at the dealership!

- Go to your bank or credit union and ask about their used car loan program and if you qualify.

### 2. Ask questions about the car and the loan offer!

- It is much harder to rip-off a customer who has all the information. Ask questions!

### 3. **DO NOT** sign a blank contract!

- The dealer might try to change the things you agreed on if they weren't in writing when you signed!

#### Centralized Intake Unit

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#### Chinle DNA

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#### Hopi DNA

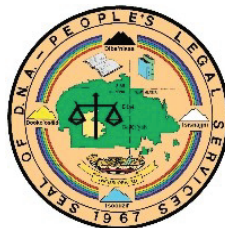
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## COMMON ISSUES: CAR PURCHASE & LOANS



**Lemon Laws, Scams,  
and Tips to Protect  
Your Credit!**

## THINGS TO KNOW ABOUT FINANCING

**When you get a car loan you are opening a new line of credit.**

**To protect your credit here are some things you should know:**

- Until the car is paid off the bank has an interest in the vehicle.
- If you stop making payments the creditor has the right to take the car back. (See brochure on repossession for more info.)
- If you make a late payment, it will be on your credit report.
- Interest fees are added to the loan for the entire time you have the loan, until after buying.

**DON'T BE AFRAID TO NEGOTIATE!**

**You can negotiate many things, including the interest rate on your loan!**

**Tips on bargaining:**

- Check your credit and know what interest rates you qualify for!
- Get pre-approved for a loan at your bank or credit union to get the lowest interest rate!
- Compare the price to similar cars listed online or in auto trader magazines.
- Check the online listing price the dealer has for the car you are interested in.

## COMMON FINANCING ISSUES

**ALWAYS CHECK YOUR CONTRACTS!**

**Make sure to double-check:**

- The price listed is the price you agreed to.
- The value of any trade-in vehicle is what was agreed to.
- The interest rate is the rate you accepted.
- The payments are what was agreed on.
- The dealer has included the sales tax if required.

**Ask the dealer to provide you with a copy of each document you sign.**

- 1.** Make sure you have a **signed contract**, signed by you AND the dealer.
- 2.** Make sure the contract includes **only the things you agreed to!**
- 3.** Make sure you have the **bank lender information!**

**If the dealer promises you ANYTHING, get it in writing.**

**For example:**

- Future repairs or services
- Extra keys, floor mats, or manuals
- Paint job, tires, or toolboxes

## AFTER BUYING A USED CAR

**The dealer will NOT be responsible for:**

- Minor mechanical issues, such as wear and tear, that happen right after you buy the car.
- Missing parts or accessories.
- Damage to the vehicle you did not notice until after buying.

**If the car has a major failure, you may be protected by Lemon Laws.**

Under ARIZONA and NEW MEXICO law:

A dealer is responsible for repairs if a major component breaks on the car in the **first 15 days** you own it, or **500 miles after you buy** (whichever comes first).

You may have to pay up to \$25, for up to two repairs. (So no more than \$50 total)

Lemon Laws do NOT cover damage that happens while:

- Racing
- Towing
- Misuse or Abuse

**ONLY MAJOR COMPONENTS ARE COVERED BY LEMON LAWS.**

**Some major components include:**

- Engine, Transmission, Axles, Brakes.
- Wheels, Suspension, and Tires.
- Frame, Body, Radiator, Fuel Injector.