

Please enjoy this free sneak peek of  
*Bill's Guide: Buying and Selling used Cars.*

## INTRODUCTION

### Beginning the Journey

I am not afraid to admit it, I love cars. Always have. Old cars, new cars, muscle cars, sports cars, it doesn't matter. As a kid, a perfect Saturday morning was tagging along with my dad to a local wrecking yard to find a part for his Studebaker. In those days, while he searched for what he needed, he'd turn me loose to wander around and explore ancient Plymouths and Packards. Years later when he passed away, he left me 30 cars. Now, in case you think I was immediately rich, think again. Most of these cars weren't so great. Chevy Vegas, VW Bugs, assorted old junkers—and a few I wish I still had! Consequently, at the age of 23, I was the owner of 33 cars, three of my own included. I was, as he would say, a “chip off the old block.”

You have to understand that 33 cars is *a lot* of cars. Now what? They were everywhere—in our driveway, in front of our house, in front of other people's houses, all over our neighborhood, and several in paid storage. Overnight I was in debt to the owner of a storage lot. Who knew! A good friend said, “Bill, sell ‘em for a hundred bucks apiece. You'll have \$3,000! Hey, sell ‘em for 10 bucks apiece and at least you'll have \$300!” Believe me, there were moments when the thought appealed to me. Unload them, finish school, and get on with life.

But as I weighed my options, I saw this less as a burden and more as an opportunity. Handled right, could I put together enough money for a down payment on a house? So I set out to sell each car. What I didn't anticipate at the outset, though, was what I would learn from the experience. Looking back, I realized that I had developed some really practical skills and gained a wealth of knowledge, not only about cars and trucks and buying and selling, but also about buyers and sellers, about which kinds of cars sell fast and which don't, about what to fix and what to ignore, about how to market a car, and—not least—a deeper understanding of negotiation. When that last car pulled away, I felt not only a great sense of relief, but also satisfaction. But that's not the end of the story.

My dad left me 30 cars, but he also left within me an important idea. Yes, he encouraged me to get an education, but he also taught me that everyone needs a useful trade that will allow him or her to make a living during hard economic times. A child of the Great Depression, he knew firsthand the need to put bread on the table. “In hard times,” he'd say, “you need to be able to walk into any town and get a job.” After finishing college, I became a school teacher in Los Angeles. You may have heard that teachers are not overpaid. That is true. My first year I earned about \$28,000. Many of my teacher friends did lots of jobs during the summer—painting houses,

landscaping, teaching summer school, doing summer camp, fishing in Alaska. I did cars. And it made ends meet.

More than two decades later, I was still buying and selling cars, only then I was joined by my son, and he learned how easy it was to make \$500 or \$1,000 for no more than eight hours' work. Yes, you read that right. Please don't hear this as a brag. It's not. I simply want to convey that it is possible to make \$500-\$1,000 working in your free time, buying and selling a car.

A couple of examples come to mind. My neighbor Sheila told me she was thinking of selling her 10-year-old car. With oxidized paint, a leather interior that was faded and cracked, and aluminum rims that needed attention, this car had never seen the inside of a garage. I offered her \$1,850. I was upfront that I would try to make some money on it and asked her whether she was all right with that. "Go for it!" she said with a smile, and I counted out the cash. The next weekend, after I'd detailed it, she strolled over and in a tone of disbelief asked, "Is that my car? I didn't know it could look like that." She then added, "Don't tell me what you get for it!" I didn't, but I will tell you: \$3,800, for one Saturday's effort.

Once I attended a charity auction for the American Cancer Society. I picked up an old Mercedes-Benz 190, four-door, for \$1,000. It looked like something from an old English black-and-white movie. After some very superficial clean-up, I sold it to a man who planned to ship it back to Germany and sell it there. He happily handed over \$1,900 and said he could make a nice profit on it.

Over the years friends would ask me how I do it, and I have always been happy to share. Many a time I've been invited along with a friend or family member to check out a car or to help negotiate a fair price. Afterward they would ask, "How'd you learn this stuff?" or "Weren't you embarrassed to offer that?" "You ought to write a book!" they'd urge. After hearing that for over 20 years, I decided to jot down my thoughts and experiences. The result is *Bill's Guide: Buying and Selling Used Cars*.

## **Is This Book for Me?**

I can imagine at least two kinds of people who will find the content of this book worth their time. Maybe you're someone who simply wants to generate some extra income, and you're wondering if buying and selling cars might be the ticket. This book is for you. Or perhaps you are the mom or dad who needs to feel more confident when it's time to sell the family SUV, or to buy that teenager her first car. If so, this practical guide is for you. If you are in the second category, you may want to skip Chapter 1 and jump right to Chapter 2. For both kinds of readers, I have clearly laid out my thoughts in this step-by-step approach to everything you will need to know.

In the first chapter, we explore some of the essential business basics of buying and selling: gross and net profit, return on investment, risk tolerance, how the power of depreciation should influence your selection, and buying at the right price. We'll also touch on the issue of ethics, as well as address some legal matters. Then in Chapter 2, we ask, "Are there some cars that make better investments than others?" That question is answered, as well as several important factors to keep in mind before you buy. I explain how and where to find the right "bread-and-butter" investments. Finally, I provide a comprehensive list of critical questions to ask sellers as you consider a purchase.

Chapter 3 goes into detail about how to inspect a used car. I cover everything from where to meet, what to bring, the specifics of the inspection process, and even provide a helpful, downloadable inspection worksheet available for free through my website. You'll learn what to look for inside and out to avoid buying someone else's headache. Even if you never sell a car, this chapter is worth the price of the book to prepare you for the next time you're in the market for a used car.

Next, whether or not you're a natural-born haggler, you'll find the fourth chapter an enlightening exploration of the often intimidating yet essential art of negotiation. I share specific strategies based on human nature that are both useful and ethical. I offer practical techniques that will enhance your bargaining skills and place you in the driver's seat, giving you the upper hand in negotiating the price you need.

Then it's time to get your hands dirty. In Chapter 5, I lay out step by step how to prepare a used car for sale, while keeping your expenses down. You may find it eye-opening to learn what's involved to fully detail a car. You'll learn what tools you should own, which repairs are worth making, and how to transform a neglected but otherwise sound car look like it spent its life in the garage as a pampered cream puff.

In Chapter 6, I explain the process of marketing a used car. After a short discussion on a couple of ethical questions, we explore both how to determine who your target buyer is and how to attract that buyer. Included are the essential questions of where to advertise, how to design and write an effective and powerful ad, and how to determine the right asking price. Finally, we discuss the critical use of effective pictures and videos in the ad.

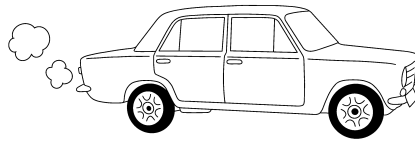
Chapter 7 walks you step by step through the actual selling process. I provide tips for how to respond to the texts, direct messages, calls, and emails from potential buyers, as well as advice on how to show the car, and even how to behave during the test drive. Importantly, I also fully outline how to negotiate the right price as a seller. We then walk through practical matters of the actual transaction, such as deposits and payment and how to complete the legally required paperwork. The chapter ends with an informative and highly practical Q&A.

In Chapters 8 and 9, I pull back the curtain of the exciting and often misunderstood marketplace of public vehicle auctions, where incredible opportunities—and *dangers*—await the brave and knowledgeable buyer. We explore how auctions work, but maybe more interestingly, *why* they work and, most importantly, how to make them work for you. We consider human nature and competition and emotion and great and not-so-great deals. This section also explores the rise of both hybrid and online-only auctions, along with differences specific to the online auction world. And while Chapter 8 discusses the fun and fast-paced venue of public car auctions, Chapter 9 delves into the murky waters of abandoned vehicle auctions, where a buyer on a modest budget has the potential of scoring an excellent deal. Though not for the faint of heart, buyers confident in their mechanical skills should consider attending an abandoned vehicle auction.

I've heard it said that while people with good sense tend to learn from their own mistakes, it's the wise person who can learn from the mistakes of others. Well, I've definitely made mistakes and have learned some hard lessons along the way. I can smile at them now, though at the time, not so much. My hope is that this book serves as a useful guide to the sometimes confusing and often frustrating world of buying and selling. Throughout, my focus is on the

practical, providing step-by-step guidance, charts, graphs, and worksheets that will help you to succeed—and have fun along the way.

Now it's time to buckle up as we begin the first leg of *Bill's Guide: Buying and Selling Used Cars*, "Learning the Business."



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**Thanks for checking it out!**