



TIPS & STRATEGIES  
HOW TO VALUE A  
TRADE IN

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## **Tips and Strategies on valuing a trade or buying vehicles outright!**

Valuing vehicles is a skill and as with all skills they can be learnt. How do you learn? PRACTICE, PRACTICE, PRACTICE.

If you are an experienced valuer this just may be a good refresher. If you are just starting to value vehicles hopefully you find this beneficial. If you get one or two tips out of this list it has been worth your while to read.

- Use an Appraisal Pad that allows you to capture all the relevant and correct information.
- Walk the trade or outright purchase with the customer.
- Ensure all information is legible.
- Put an expiry date on the valuation.
- Don't rush the valuation mistakes are costly.
- Check for log books and service history.
- Sight Build and Compliance Plates (Australian made vehicles have only one plate).
- Dip the oil to check the colour to see if the service history matches.
- Drive all trades with or without the owner.
- If you don't drive them at least start them.
- Test the Auto transmission through the gears.
- Test the 4x4 operation in high and low range
- Check the clutch operation on manuals.
- Check the handbrake.
- Check tyres for wear, bend your back and check inside edges on all tyres for wear.
- Don't value in the rain, put the vehicle under cover and chamois off.
- If the trade is retailable value from retail backwards, the best stock for your Used Car Department comes to the front door in either trades or outright purchase.
- If the vehicle is wholesale only, then that's what it is worth "wholesale".
- Walk around the vehicle look for some of the following such as;  
Panels not aligned correctly.  
Panels off colour.  
Poor paint finish (orange peel in the paint).  
Bolts under the bonnet around the inside of doors, boot hinges etc. that have rattle gun marks on them.  
Headlights, radiators etc. with new stickers on them.
- Lift the floor mats to check the condition of the carpet underneath.
- Check the wear on the pedals. (Does this match the kms?).
- Be conscious when the next major service is due to allow for \$\$\$ in reconditioning.



- Check if the vehicle has Capped Price Servicing and remaining new car warranty that it is applicable to this vehicle.
- Look in the spare wheel well for damage.
- Check the spare wheel/tyre for damage and wear.
- Check the inside boot for previous repairs.
- Look for overspray on windows, moulds, tyres etc.
- Check the Number Plates for damage (if the vehicle has had an accident in the front or rear and been repaired most of the time the old number plate with a quick fix will be put back on the vehicle).
- Rule of thumb, average kms per year travelled 15,000 – 20,000km (if a 2 year old vehicle has travelled 60,000kms its done 3 years motoring in 2 years).
- Be careful to cover all the spend on the vehicle.
- Don't punt on the wrong car.
- Never be frightened to get another opinion.
- Do a PPSR on the day of valuation and again on the day you take delivery of the trade or the outright purchase vehicle before the customer leaves the dealership.
- Wholesale vehicles get wholesaled out and turned into cash ASAP.

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