

How Do I Buy...

Used Equipment

Buyer Contact Information:

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Description:

The purchase of used equipment can provide significant cost savings and is encouraged whenever practical. Used equipment is defined as being pre-owned where title has passed from the vendor or manufacturer. It does not include demonstration or factory rebuilt items being marketed by a distribution representative. Several elements must be considered when approaching a decision of whether or not to buy used equipment.

- What is the condition of the item?
- Is it operational, or are repairs required?
- If repairs or modification will be necessary, how much will that cost?
- A university representative should view and test the item to make a first-hand determination of its condition.
- Is a warranty being offered?
- Is transportation to the university included in the asking price, or is that extra?
- What is the value of the item?

Most used equipment has a value range and the price being asked should fall within this range. The value range will depend upon many factors related to condition, location and supply and demand. The value range can often be determined by researching recent prices paid for a similar item, reference manuals, or using a third-party appraiser. If none of these methods is feasible, a valuation estimate can be constructed by taking the price for the item when new, estimating its useful life and depreciating the purchase price for the percentage of useful life remaining.

If the above considerations can be answered to the satisfaction of the Department, prepare memo documentation substantiating these points.

If purchasing used equipment by auction, see “How Do I Buy...Auction Procedures”. Otherwise, submit a requisition in HokieMart attaching the used memo documentation.