



## District Attorney's Office • 18<sup>th</sup> Judicial District

George H. Brauchler, District Attorney • Arapahoe, Douglas, Elbert & Lincoln Counties

# Consumer Advisory

## Do Your Homework before Buying a Salvage Vehicle

Given the extent of damage to cars and trucks following the 2017 hurricane season, there will likely be a high volume of salvage vehicles on the market for the foreseeable future. A salvage vehicle is a car or truck that has been deemed a total loss, or as defined by the Colorado Department of Motor Vehicles, *a car with a cost of repair that exceeds fair retail value after it has been damaged due to collision, fire, flood, accident, trespass; and other occurrences, excluding hail storms.* The insurance company determines the degree of damage when a claim is made.

It is important to know the laws in Colorado before such vehicles can be put up for sale “as is”; and/or restored and safely put back on the road. Establishing the worth of a salvage vehicle also requires some research, since Blue book values don't apply. If you are considering buying a salvage vehicle, understand what is required by law, and how to protect yourself against buyer's remorse, or fraud. Laws vary by state.

### Before buying a salvage vehicle:

- Get a vehicle history report. These reports can be obtained by entering the car's VIN on sites such as: [www.carfax.com](http://www.carfax.com) or [www.DMV.org](http://www.DMV.org). The history report will indicate prior accident and flood damage, vehicle liens, possible odometer tampering etc., as well as if a salvage vehicle title has been issued to the owner, as is required by law.
- Bring a mechanic along to inspect the vehicle. An inspection will help determine its overall worth and dependability, especially if there is evidence of flood damage such as rust, mold and sand.
- Get insurance quotes and research financing options in advance, since both can be difficult, or costly to obtain on a salvage vehicle.
- Take note that buying a salvage vehicle sight unseen, such as online, poses undue risks.

### After purchase:

- New owners have 60 days from the date of purchase to transfer or to obtain a salvage certificate of title in their name.
- Regardless if the restoration occurred before or after the sale, new owners must also obtain a “Rebuilt from Salvage” title and place a ¼” stamp that states REBUILT FROM SALVAGE in the upper left-hand corner of the driver side door jamb. Application forms are available at any Colorado Division of Motor Vehicle (DMV) office. Prior to applying, the vehicle requires an inspection by a state certified mechanic, the Bill of Sale, and other documents before final steps can be taken to register the car.

For more information, go to [www.Rebuilttitle.org](http://www.Rebuilttitle.org) or [www.DMW.org](http://www.DMW.org)

**DA – 18<sup>th</sup> Consumer Protection Line: 720-874-8547**