

USED CAR BUYING CARRIES RISK OF FRAUD

Buying and selling of used property online is a pretty common feature of modern commerce. Even those who never use a computer likely hear of sites like eBay and Craigslist. These sites engage millions of users, with a reach like classified ads on steroids, ten times over. These sites are a boon for us, but they do not exist risk-free.

A representative of the Iowa Dept of Transportation (DOT) warned me of recent fraud involving the sale of used cars through online auctions. Evidently the private party used car market, especially that part operating through online auctions, has become riskier in the recent past. Here are some of the problems:

- Title washing. Unscrupulous car dealers use this to hide a salvage or junk title to a vehicle. Let's say a car is totaled in an accident, or flood-damaged. Someone can buy that car on a salvage title in one state, and then title it in a second state, which may not issue salvage titles. This gives the appearance the car is worth more than is the case, since a salvage title significantly lowers the value of a vehicle
- Odometer roll-back. This is just like it sounds. The DOT representative told me, someone can buy an electronic device for \$300 on the internet, which will enable the user to adjust the odometer reading. Lowering the mileage on a car naturally increases its value
- Wholesale auto dealers selling at retail. Some states issue "wholesale auto dealers licenses", which required the wholesale dealers to only sell to other licensed. The problem is the regulations in some states, Washington in particular, are so lax, these "dealers" are buying in wholesale lots, and marketing the vehicles to the public through online auction sites.

What can we do to detect this kind of fraud, if we're looking at buying from a private party? Fortunately, websites like AutoCheck or CarFax VIN Check can help out a lot. With the vehicle's VIN, you can use these sites to obtain a complete title history, including odometer readings at the time of transfer. This will cost you a few bucks to run such a check, but it is likely worth it. Be careful about accepting at face value a CarFax check furnished by the vehicle seller. These can be altered and re-copied to appear genuine. Pay for your own copy.

Pay attention to oil change stickers and other tell-tale signs which you might find in a used car. Does the mileage recorded on these line up with the odometer statement furnished by the seller? If not, be very suspicious.

IN THE COURTS

Earlier in March 2017, Iowa Attorney General Thomas Miller announced a court settlement which should interest anyone with some standing timber. Mr. Miller's office sued two timber-

buying companies, one from Illinois, another from Iowa, after he received consumer fraud complaints from elderly landowners.

The lawsuit alleged these companies, Central Illinois Hardwood and Harvest Hardwood, scammed landowners by underpaying for walnuts and other hardwood, taking more trees than authorized, and leaving behind a mess.

The lawsuit was resolved with a consent decree, forcing the companies to obey the law if they go out buying timber again.

Landowners who might be considering selling timber should not consider this a casual transaction, just a hand-shake deal. Mr. Miller recommends any harvesting arrangement be documented in written agreements and contracts. And be aware that if someone knocks on your door asking to buy timber, they need to follow the Iowa Door to Door Sales Act, which requires them to give you a three day right to cancel, in writing.

Iowa offers several resources for landowners researching timber sales. Iowa State University Extension provides a publication, "Marketing Iowa Timber". The Iowa DNR publishes a webpage with information on tree selling, including "The Top Ten Things Not to Do When Selling Timber".

These are some general tips if you are considering selling timber:

- Don't act in haste
- Get more than one estimate, talk to others about the offers
- Research best practices for selling trees
- Insist your timber buyer is bonded. Why? If the timber buyer tears up your countryside, he needs to remedy the damage. Bonding makes sure he can.
- Get the advice of a DNR forester, a private forester, or extension experts. I've found these folks to be very helpful.

CONTACT SENIORS VS. CRIME

Let me know about scams, fraud, or other crookedness you run across. Most of what I learn, I learn from you. Contact me at Seniors vs. Crime, Clinton County Sheriff's Office, 563-242-9211 extension 4433, or email me at randymeier@gapa911.us

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