

## » **Fraud alert: beware of “curbstoners!”**

Curbstoners are unlicensed car “flippers” who dress up or put together vehicles from salvage yards and third-tier auctions. They pose as private parties to attract customers, avoid taxes, and prevent being tracked down later. The cars look okay, but may have serious electronic, mechanical, or even structural problems.

The term “curbstoning” comes from the practice of parking automotive “inventory” along the curb, although many curbstoners also use vacant lots and unmonitored parking lots as temporary places of business.



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***Would you buy a used car from a dealer who had no license, no permits, no liability insurance, and not even a business address?  
That’s what you’re doing when you buy a car from a curbstoner.***

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Curbstoned vehicles may be lemons, salvaged, or even cobbled together from parts from the wrecking yard. They may have been written off as total losses by insurance companies due to collision, flood, or other damage.

Sometimes, unethical used car dealers use curbstoning as a way to get rid of duds they can’t sell on their lots.

Once you buy a curbstoned vehicle, you have nowhere to turn if the car develops problems. If the vehicle has been tampered with, the manufacturer may refuse warranty coverage or repairs under recalls. If the problems are serious enough, the car may fail inspection or be denied insurance coverage. And, the law requires you to disclose the problems when you sell the car.

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***According to ABC News, experts estimate that 80% of the used cars in classified ads are not being advertised by individual owners. And, some state licensing officials say that as many as one in five cars sold outside a commercial automotive dealership are curbstoned.***

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## » **Protect yourself!**

A car is a big investment. The better you know the seller, the better off you’ll be.

- Purchase known used vehicles from people you know and trust, such as close family members and neighbors.
- Purchase certified used vehicles from licensed dealerships with established places of business.
- Have any vehicle you’re thinking of buying checked out by a mechanic you trust.
- Establish the history of the vehicle, including mileage, previous sales, maintenance records, and warranty and recall repairs.
- Make sure all the paperwork is in order, and check the title twice.