

Katrina-damaged cars may end up on lots

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By Christopher Jensen

With thousands of vehicles damaged by Hurricane Katrina, consumers in other states need to be careful to avoid buying a water-logged vehicle, several groups warned Monday.

Some of those vehicles will be purchased, cleaned up and then moved out of the region for sale, according to the National Insurance Crime Bureau, an industry group based in Palos Hills, Ill.

"Our experience after other floods is that these vehicles will appear in other parts of the country," said Frank Scafidi, a spokesman for the bureau.

Many of these vehicles would be written off by insurance companies and given "salvage" titles as a warning to consumers that they are fit only as scrap or for parts.

But Scafidi said people know how to buy salvage vehicles and then register them in states where it is easy to change the salvage title to a regular title.

"Unless you have a pretty keen eye, you are going to get taken to the cleaners," he said. Water-damaged vehicles might run for a while, said David Champion, who heads automotive testing for Consumer Reports magazine. But then electrical components would corrode and contaminated oil would lead to engine problems.

"After 5,000 to 10,000 miles, you may be into lots of things going wrong," he said. Scafidi said it is always worth paying a small fee to check a vehicle identification number with a company such as Carfax (www.carfax.com), which tries to check the legal history of a vehicle. However, a salvage title may not show up if it was "washed" in another state, he said.

But Gary Adams, president of the Greater Cleveland Automobile Dealers' Association, said such a title history should show the other states in which the vehicle was titled. If one of those was a state hit by Katrina, he said, that should be a red flag.

Consumers should also be wary of relatively new vehicles on which the deal seems to be too good to be true, Adams said.

A close inspection of the vehicle is also worthwhile, said Champion.

In particular, look for mud in the nooks and crannies of places such as the trunk. Also check the nuts and bolts that hold in the seats to see if there are any marks indicating they have been loosened. It is also well worth paying a professional mechanic to thoroughly inspect a vehicle, said Scafidi.

cjensen@plaind.com