

State of Colorado
TITLE OR SALVAGE TITLE ESTABLISHED
BY MECHANICS AND STORAGE LIEN
C.R.S. 38-20-116, 42-5-202, 42-5-204, 42-6-102 (16), (17)(a)

This procedure is used when a vehicle has been left for service or storage and there has been no contact with the person who left the vehicle for over 30 days. Vehicle was not sold, however a verbal or written agreement was made between the parties.

- Applicant must have possession of the vehicle/manufactured home.
- Vehicle/manufactured home must be physically located in Colorado.
- A Colorado repair shop must complete the Vehicles Abandoned at a Repair Shop procedure, see DR 2542 checklist.

STEP	WHAT YOU NEED TO DO	FORMS NEEDED
1	<p>Have the motor vehicle inspected and a DR 2704 Certified VIN Inspection form completed by a certified Colorado Law Enforcement officer. Your local county motor vehicle office can refer you to a certified officer in your area.</p> <p style="margin-left: 40px;">→ Inspection must not be over one (1) year old.</p> <hr style="width: 50%; margin-left: 40px;"/> <p style="margin-left: 40px;">→ Manufactured homes are exempt from providing a Certified VIN Inspection. Verification of VIN (DR 2395) must be completed.</p>	<p>DR 2704 Inspection Fee - \$20.00</p> <p>DR 2395</p>
2	<p>Request a "Colorado Title Record Search". Complete a DR 2539 Title Information Request and Receipt form. All out-of-state vehicles need a title and lien record search from the state they are from in addition to the Colorado Record Search.</p> <p style="margin-left: 40px;">→ Record search cannot be over 1 year old.</p> <p>**NOTE** A photocopy of the Certified VIN Inspection and additional documents are required to be submitted with the record search request (DR 2539). Please see online instructions for additional information: http://www.colorado.gov/cs/Satellite/Revenue-MV/RMV/1220610980199.</p>	<p>Validated copy of DR 2539 record search for each VIN and record search results.</p> <p>Fee- \$2.20 each search.</p>
3	<p>Fifteen days before applying for title or salvage title, you must attempt to contact by certified or registered mail (return receipt requested) the following:</p> <ul style="list-style-type: none"> • The owner of record, as indicated on the record search. • Person with whom the agreement was made, if other than owner of record. <hr style="width: 50%; margin-left: 40px;"/> <p style="margin-left: 40px;">→ You must maintain proof of notification for one (1) year.</p> <hr style="width: 50%; margin-left: 40px;"/> <p>If the registered letter(s) is returned unclaimed or if the return receipt is signed by a person other than to whom the certified/registered letter was addressed, a notice must be published for one day in a newspaper that serves the county in which the vehicle is located. Pursuant to C.R.S. 38-20-116 (2).</p> <p>This notice must include the following information:</p> <ul style="list-style-type: none"> • That you are applying for title for this vehicle/manufactured home. • The VIN, year and make of the vehicle/manufactured home. • Name(s) of owner(s) of record and the name of the person who made the contract, if other than the owner(s) of record. • Provide contact information (name, phone number or address) <p style="margin-left: 40px;">→ The newspaper office will certify the publication of this notice.</p>	<p>A copy of letter and certified/registered mail return receipt signed by addressee.</p> <p>A copy of the returned envelope, certified/registered letter and certified copy of the newspaper notice.</p> <p>Continued on Next Page</p>

<p>4</p>	<p>If the record search indicates an active lien on the motor vehicle, it must be released. If an attempt is made to secure a lien release and the lienholder is not available, the following procedure must be followed:</p> <p>Lienholder is not available – filed in Colorado</p> <ul style="list-style-type: none"> • A certified or registered letter must be sent to the lienholder’s last known address and be returned as undeliverable. Include this letter with the title application. Bond must be posted for the lien amount or twice the appraised value, which ever is greater. <p>Lienholder not available- Out of State Lien (Not filed in Colorado)</p> <ul style="list-style-type: none"> • Contact the state of record and request a lien release. Many states will give a statement of release of lien or lien expired. This statement must be on the state’s letterhead and be submitted with the title application. <p>Without one of the above statements, a court order will be required. The Title or Salvage Title Established by Mechanic and Storage Lien procedure cannot be completed.</p> <p>**NOTE** A lien release is required for all active liens. The lien release must be on the Colorado Certificate of Title or on lienholder letterhead (letterhead is not required if lienholder is an individual). Photo and faxed copies are accepted and must include vehicle year, make, VIN, titled owners name(s), agent’s signature, date of lien release and <u>must be signed under penalty of perjury in the second degree</u> as defined in C.R.S. 18-8-503.</p>	<p>Acceptable lien release.</p> <p>Copy of letter and certified/registered mail return receipt.</p>
<p>5</p>	<p>Establish the reasonable appraised value of the vehicle (minimum appraisal – \$200) by the following: Pursuant to C.R.S. 42-6-115 (3)(a).</p> <ul style="list-style-type: none"> • Appraisal must be from a Licensed Colorado Dealer. • Appraisal must be for the current condition of the vehicle at the time of titling. • An appraisal over forty five (45) days old is not acceptable. • Must be on the dealer’s letterhead, describe the vehicle by VIN, year, make, signed, dated and state the dealership’s license number. • If statement is not on dealer’s letterhead, the statement must be notarized or signed under penalty of perjury. • The appraisal must be \$200 or more. If the appraisal is less than \$200, a Salvage title must be applied for when the vehicle is less that 6 model years old. • A dealership may do its own appraisal when bonding for title in its own name. <p>Value from a current Kelley Blue Book or N.A.D.A. Official Use Car Guide. Guidebooks only carry information on vehicles less than seven (7) years old. The specific model being appraised must be identified (i.e., highlighted). Applicant may use the value listed in the CURRENT Kelly Blue Book or N.A.D.A. Official Used Car Guide with a Statement of Fact (DR 2444) indicating that this is the applicant’s choice.</p> <ul style="list-style-type: none"> • Value established from Kelley Blue Book at www.kbb.com • Manufactured home values must be established using the actual value determined by the County Assessor’s records. Pursuant to C.R.S. 38-29-119. 	<p>Appraisal identifying the vehicle by VIN, year and make.</p> <p>Photo copy of the front cover of the reference book and of page with the appraised value. DR 2444</p> <p>Copy of County Assessor’s records indicating VIN, year & make of the manufactured home.</p>
<p>6</p>	<p>Purchase a surety bond for twice the appraised value as shown on the appraisal or twice the actual value determined by the county assessor’s records for a manufactured home. Minimum bond accepted is \$400. You can find bonding companies listed in the telephone yellow pages under “surety bonds.”</p>	<p>Surety Bond Signed. Indicate year, make and VIN of the vehicle/manufactured home.</p> <p>Continued on Next Page</p>

<p>7</p>	<p>Complete the Mechanic and Storage Lien Bond Statement Guide, providing the following information:</p> <ul style="list-style-type: none"> • That you have not heard from the person who left the vehicle for over 30 days, and in good faith, you believe that the person has abandoned the vehicle. • VIN, year and make of the vehicle/manufactured home. • Name of person who left the vehicle with you. • Copy of written agreement; or if verbal agreement, state terms of agreement. • Date the vehicle/manufactured home was left with you. • Whether the vehicle is or is not roadworthy. • Manufactured home must indicate whether or not it is on permanent foundation. 	<p>DR 2438</p> <p>Copy of written agreement, if applicable.</p>
<p>8</p>	<p>The applicant is required to disclose current or previous salvage information.</p> <p>Upon receiving the record search information from the Department and the record indicates that the vehicle is salvage;</p> <p>The applicant shall have a DR 2704 Certified VIN Inspection completed to determine if the vehicle is roadworthy. If the vehicle is determined to be roadworthy, then the applicant may apply for title by following the DR 2415 Title Established by Salvage Title Checklist. The applicant will complete the DR2424 Salvage Title Statement of Fact stating that the vehicle was obtained as an abandoned vehicle and that no repairs were needed.</p> <p>If the DR 2704 Certified VIN Inspection indicates that the vehicle is not roadworthy, the applicant may apply for a salvage title using the DR 2410 Application for Salvage Title or the applicant may apply for Title by repairing the vehicle and following the DR 2415 Title Established by Salvage Title Checklist. The DR 2424 Salvage Title Statement of Fact must indicate the repairs that were completed to make the vehicle roadworthy. After making repairs a new DR 2704 Certified VIN Inspection will be required.</p> <p>If the record search obtained from the Department indicates that the vehicle was 'Previous Salvage' (Rebuilt From Salvage), the applicant shall request a salvage history by submission of a DR 2539 Title Information Request and Receipt indicating "Salvage Title History", a photo copy of the DR 2704 Certified VIN Inspection and a DR 2444 Statement of Fact to determine the cause of the salvage designation. Once the reason for salvage has been determined, the applicant will complete a DR2710 Rebuilt From Salvage Disclosure. If the reason for salvage is indeterminate, the applicant will complete the DR2710 by marking the "Other" box and stating "Purchased as an abandoned vehicle, unable to obtain a salvage history, reason for salvage unknown".</p>	<p>Results of the "Salvage Title History"</p>
<p>9</p>	<p>Apply for Title or Salvage Title at the county motor vehicle office in the county in which you live.</p> <ul style="list-style-type: none"> • Manufactured homes are titled at the county motor vehicle office in the county in which the manufactured home is located. <p>Secure and Verifiable Identification is required to obtain a title and/or registration in the state of Colorado. Please see DR 2841 for acceptable identification documents.</p> <p>**NOTE** The odometer must be disclosed on a secure form for motor vehicles with model year of less than 10 years. The applicant taking title will disclose the mileage on the DR 2173 Motor Vehicle Bill of Sale. To obtain a DR 2173, please contact Standard Register at 1-800-877-0723.</p>	<p>Items listed above. Title fee – \$7.20, pursuant to, C.R.S.42-6-137 (1)(a).</p> <p>DR 2173</p>