

Legal Matters - June, 2009

Legal Matters is a column that answers your legal questions. It is written by Barry Evans, Attorney at Law, located at 550 Egret Bay Blvd., League City, TX 77573. Barry has been practicing as an attorney for over twenty-five years. If you have any questions regarding this article, you may contact Barry Evans at 281-557-1900 or you can email him at baryevans@msn.com.



I bought a used car AS-IS with no warranty. Can I cancel the deal within 3 days?

The short answer is generally NO. Many people are confused by this because there is a 3-day right to cancel a consumer purchase but it only applies to very specific situations.

The 3-day right to cancel law applies to sales made at facilities other than the seller's place of business. Such locations may be the consumer's residence and places rented on a temporary or short-term basis, such as hotel rooms or convention centers.

A "home solicitation transaction" takes place whenever a consumer purchases goods or services for more than \$25 payable in cash or installments at a place other than the seller's place of business. The place other than the seller's place of business may be the consumer's home, but it may also be a place that the merchant has rented on a temporary basis, such as a hotel room or convention center.

Door-to-door sales laws do not apply to certain transactions, such as:

- Sales of insurance and farm equipment;
- Real estate purchases under \$100;
- A sale where an attorney or broker assists in the transaction;
- Sales made pursuant to prior negotiations at the merchant's business establishment, where the sale is the result of those negotiations; and
- Sales conducted entirely by mail or telephone, with no other contact between the buyer and seller.

A good example of a situation where the 3-day right to cancel would apply is a door-to-door salesman who sells you a vacuum cleaner. In your situation, you purchased the car from a used car dealer so the 3-day right to cancel does not apply.

How Do I Protect Myself?

Whether you buy directly from the owner or from a dealer, never buy a used care without:

- Taking it for a test drive;
- Taking it to a mechanic of your choosing or having a mechanic visit the lot for a pre-sale inspection.

If the seller won't let you do either of these things, do not buy the car.

AS IS means just that. It means you have inspected the car and have accepted it in its present condition with all faults.

Try not to buy a car AS IS. Try to negotiate a warranty even if it is for a short time such as ten days. Be smart, take your time and have the car inspected by a reputable mechanic.

Editor's note: *The information in this column is not intended as legal advice but to provide a general understanding of the law. Readers with legal problems, including those whose questions are addressed here, should consult attorneys for advice on their particular circumstances.*