



## CONSUMER RESOURCES

All laws are subject to change without notice. This information is based on Florida law only and is NOT intended to be legal advice.

### Repossession Deficiency

After a car is repossessed, you can be sued for the “deficiency balance”.

- When a car is repossessed, the dealer then sells the car at auction.
- If they don't get enough money at auction to cover the remaining balance on the loan, you are still responsible for that difference.
- Example:
  - You owe \$10,000 on your car loan and stop making payments and the car is repossessed. The dealer sells the car at auction for \$5,000. You are still responsible for the remaining \$5,000 and you can be sued with a lawsuit to collect that amount.
- Sometimes these lawsuits are filed many years after the repossession.
- You can be liable for a deficiency if the car was repossessed or if you turned it back in voluntarily. It doesn't matter how the repossession happened – you may still be sued for the deficiency.

If you would like to learn more about what your creditors can and cannot do

- You may attend the ***Consumer Rights Clinic***.
  - This clinic is held on the third Wednesday of every month at 5:00 p.m. at the Adams Street Office of *Jacksonville Area Legal Aid*.
    - At the clinic, an attorney will be presenting basic information about your rights as a debtor and the laws regulating debt collection and credit reporting.

Jacksonville Area Legal Aid is sorry it can't be of more assistance at this time. Please feel free to come again should you have other legal problems. Jacksonville Area Legal Aid wishes you the best of luck in the future.

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