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'Devastated, confused and outraged'

Woman sues Amigo for falsifying income to stick her with loans

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GALLUP — An elderly Navajo woman is suing a Gallup auto dealer for allegedly falsifying her financial information in order to qualify her for a vehicle loan that she couldn't afford as well as a second loan for another vehicle without her knowledge, according to court documents.

Grace Dehiya, 77, of Smith Lake, is accusing Amigo Automotive of fraud; violations of the New Mexico Unfair Practices Act; racketeering; intentional infliction of emotional distress; violations of the New Mexico Motor Vehicle

Dealer Franchise Act; negligent training, hiring, supervision, retention, and formulation and enforcement of policies; and unjust enrichment, according to a civil complaint filed in 11th Judicial District Court in Gallup.

"Amigo's actions devastated Ms. Dehiya's finances," the complaint alleges. "Amigo turned a quick profit."

The complaint was filed Monday by attorney Nicholas Mattison from the Albuquerque law firm of Feferman, Warren & Mattison.

Bank of the West and First Financial Credit Union are also named as defendants because they provided separate loans for the two trucks that Amigo reportedly applied for in Dehiya's name. Western Surety Co. is also named as a defendant because it provided the surety bond necessary to license Amigo

as an auto dealership.

Dehiya is seeking actual and punitive damages for the alleged offenses in addition to costs and attorney fees. She is also seeking an injunction requiring the defendants to repair her credit while discontinuing collection actions against her.

"Defendant Amigo knowingly benefited at the expense of Plaintiff," the complaint alleges. "Allowing Defendant to retain the benefit would be unjust. Defendant's conduct was malicious, willful, reckless, wanton, fraudulent, and in bad faith. Defendant should be ordered to disgorge all benefits resulting from their misconduct."

Dehiya is seeking a trial by a jury of six.

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Allegations against Amigo

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As of Thursday, the complaint had yet to be served on Amigo nor the other defendants, and they had yet to respond to the allegations.

Falsifying income allegation

The complaint accuses Amigo of engaging in a pattern of exploiting elderly and disabled Navajo customers, as detailed in at least four other lawsuits against the dealer based on similar facts.

The complaint describes Dehiya as an elderly Navajo woman who only speaks Navajo and never attended formal education. The complaint states that she is disabled due to kidney disease and survives on limited Supplemental Security Income payments of \$550 per month. She also depends on public benefits such as the Navajo Nation Food Distribution Program.

Dehiya's husband died in 2016, and she has lived alone with no children since then.

In the winter of 2018, Dehiya owned a Chevy Colorado that she previously purchased from Amigo and she received a promotional mailer from Amigo suggesting that she consider buying a new vehicle, so she decided to visit Amigo Chevrolet, which is located at 1900 S. Second St. in Gallup.

On or about Jan. 18, 2018, Dehiya went to Amigo and met with a salesperson, according to the complaint. The salesperson reportedly asked Dehiya for her income to see if she was eligible for credit and Dehiya truthfully stated her income.

Amigo then applied for credit on Dehiya's behalf, but Amigo allegedly falsely stated that Dehiya received income totaling \$5,810 per month, more than 10 times

greater than her true SSI income.

"Amigo made these misrepresentations so that it could convince a third-party lender, (First Financial Credit Union), that Ms. Dehiya should be given an expensive loan for a car," the complaint states. "By obtaining third-party financing for its car sales, Amigo receives immediate payment for its cars and bears little of the risk of subsequent nonpayment."

'Intentionally confusing, misleading'

First Financial reportedly agreed to provide financing for Dehiya, and Amigo told Dehiya that her application for credit had been approved.

"(First Financial) would not have provided financing had Amigo stated Ms. Dehiya's true income and financial situation," the complaint states.

An Amigo employee then showed Dehiya a new red Chevrolet Silverado, which she deemed suitable. The employees then prepared paperwork, written in English, to purchase and finance the truck.

The truck was priced at \$39,000, which was reportedly more than the manufacturer's suggested retail price. The sales contract indicated Dehiya would pay nearly \$600 a month for the truck for seven years.

According to the complaint, Dehiya would not have bought the truck had she known about the price misrepresentation.

"The dealer's sales presentation was intentionally confusing and misleading to Ms. Dehiya," the complaint alleges. "She did not understand the financial obligation that Amigo was proposing. ... Ms. Dehiya would not have purchased the Red Silverado had she understood that Amigo was obligating her to payments she could not possibly make. Amigo knew that it had

made false and misleading statements to (First Financial) and Ms. Dehiya, that Ms. Dehiya was unable to pay the loan from (First Financial), and that she would be injured as a result."

Dehiya signed the paperwork and was provided with the truck. Amigo then assigned the sales contract to First Financial, which would receive payments on the truck.

A 2nd truck without her knowledge

The complaint further states that while Dehiya was purchasing the red Silverado at the dealership, she ran into a woman she knew from church, Alice Degroat.

Degroat came to the dealership separately to purchase a new blue Chevrolet Silverado. An Amigo employee told Dehiya that Degroat was having a hard time purchasing the vehicle and asked Dehiya if she would be willing to help, but Dehiya declined.

However, without Dehiya's knowledge, Amigo allegedly used Dehiya's personal information to submit a false credit application to Bank of the West in her name — again overstating her income.

Bank of the West reportedly approved the loan for the blue truck in Dehiya's name and the paperwork was allegedly presented to Dehiya under false pretenses to obtain her signature.

"Ms. Dehiya had no idea that she had just purchased the Blue Silverado in addition to the Red Silverado," the complaint states. "Ms. Dehiya would not have signed the documents had she understood that she was contracting to purchase a second vehicle based on outrageously false documents. Without telling Ms. Dehiya, Amigo provided Ms. Degroat with the Blue Silverado."

'Confused and outraged'

The complaint states that Dehiya struggled to make payments for the red truck and depended on friends and public benefits to survive.

After a few months, Dehiya got into a severe accident while driving the truck, but insurance proceeds would not pay off the balance of her loan, so Dehiya paid the balance.

In addition, months after the transactions, Degroat told Dehiya that the blue truck had also been purchased in her name.

"Ms. Dehiya was confused and outraged," the complaint states.

Degroat had not made payments on the blue truck, which was repossessed by Bank of the West. The bank sold the truck, but the proceeds were insufficient to pay off Dehiya's loan. The bank continued to contact Dehiya, stating that she owed the bank nearly \$15,000.

The complaint states that both First Financial and Bank of the West reported "derogatory information" concerning Dehiya to credit reporting agencies as a result.

"Ms. Dehiya suffered physical and mental symptoms of severe emotional distress as a result of Amigo's actions," the complaint states. "Ms. Dehiya was damaged by Amigo's misconduct, including liability for the two Silverados plus interest, loss of use of the Colorado, out of pocket expenses, pain and suffering, incidental and consequential damages, and aggravation, frustration, humiliation, and severe emotional distress. It is Amigo's regular practice to falsify the income of customers, and a substantial award of punitive damages is necessary to deter this misconduct."