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ALBUQUERQUE NEWS

Albuquerque dealership ordered to pay millions in fraud case

by: [George Gonzales](#)
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ALBUQUERQUE, N.M. (KRQE) – Local car dealership, Reliable Chevrolet, is on the hook for a multi-million-dollar payout after a jury found it responsible for committing fraud by failing to pay off a customer’s loans after a trade-in.

The dealership, located on Albuquerque’s west side displays several signs praising their dependability, but that wasn’t the experience for one local customer.

“Our client, Albert Smith, came to us three years ago because he had purchased a vehicle at Reliable Chevrolet, and he had traded in two vehicles,” said Smith’s attorney, Susan Warren.

Smith’s attorneys alleged, after purchasing a 2020 Chevy Colorado and trading in two vehicles, a Camaro and a Silverado to Reliable Chevrolet, the two \$500 payments he had left on one of those vehicles became the responsibility of the dealership, a process Smith’s attorney’s say a lot of consumers get blindsided by.

“You feel like ‘Hey, this deal is final. I have left my trade vehicle. I am leaving with their vehicle,’ and it is not final and that can cause problems if the dealers don’t follow these spot dealer regulations,” said Warren.

Smith’s attorney claimed Reliable Chevrolet knew about the state regulations that require a dealer to make payments on any outstanding loans, but they didn’t comply until two and a half months later. That caused Smith’s credit to take a dive, dropping 126 points.

“That led to him being denied a loan and having a credit card limit decreased. So, he was very damaged by Reliable’s actions,” Warren said. “It’s not just about the interest rates that you are offered, but it can be about your ability to get employment, your ability to get insurance, your ability to get housing, and all of these other ways that a problem with credit can impact someone. We really saw that with Mr. Smith,” added Smith’s other attorney, Nick Mattison.

On Friday, a jury awarded Smith \$87,000 in compensatory damages and an additional \$2.5 million in punitive damages.

“Reliable means able to be trusted and clearly that was not the case in our client’s situation,” Warren added.

News 13 reached out to Reliable Chevrolet for comment. A spokesperson for the dealership said they disagree with the jury’s verdict and will be appealing the award.