

Storage & Repair Lien

Q: I own/operate a storage facility that provides storage services to the general public. A customer has abandoned his/her vehicle and will not pay the outstanding bill. Can I sell the vehicle to pay the bill?

A: Yes, but you must first properly obtain a title for the vehicle in the name of the storage facility. Per N.D.C.C. 35-14, you must be engaged in the business of keeping a garage or place for the storage of motor vehicles.

Q: I own/operate a repair facility that provides repair services to the general public. A customer has abandoned his/her vehicle and will not pay the outstanding bill. Can I sell the vehicle to pay the bill?

A: Yes, but you must first properly obtain a title for the vehicle in the name of the repair facility. Per N.D.C.C. 35-13, you must be a garage keeper/mechanic having an established place of business in this state who makes, alters, or repairs any automobile at the request of the owner or legal processor of the property.

Step One

Complete and submit [SFN 51269 Request for Vehicle Information](#) with the \$3 processing fee to determine/verify the current registered owner's name, address and lien holder information (if applicable).

If no record is found within the state of North Dakota you must contact the state in which the vehicle was last titled to obtain the last registered owner's information.

Step Two

A certified letter must be mailed to the registered owner.

- The certified letter must be mailed to the current address on record with the Motor Vehicle Division for the current registered owner.
- If the current address on record with the Motor Vehicle Division is different than the address on file with your storage or repair facility then a certified letter must be mailed to BOTH addresses.
- If the current registered owner is different than the individual whom abandoned the vehicle at your facility then a certified letter must be sent to BOTH parties.

The certified letter must state/include the following:

- The total cost accrued for storage/repair which must be paid in order to re-obtain possession of the vehicle.
- The date/time frame by which the outstanding balance must be paid.
 - You must allow a minimum of 30 days from the date the certified letter was received or returned as undeliverable.

Step Three (if applicable)

Contact the lien holder on record to obtain a lien release.

- The lien release must contain the current registered owner's name, the vehicle identification number (VIN) and an original ink signature.
 - [SFN 2876 Release of Lien by Legal Owner](#) may be used, if desired, to fulfill the lien release requirement OR the lien holder may provide a lien release.
- If you are unable to obtain a lien release from the lien holder the storage/repair lien process cannot be completed.

Step Four

Submit the following documentation to the North Dakota Motor Vehicle Division:

- A copy of [SFN 51269 Request for Vehicle Information](#), stamped as processed, and a copy of the registered owner information provided at the time the request was processed.
- [SFN 60662 Indemnifying Affidavit](#) completed and signed by the storage/repair facility releasing the State of North Dakota and its agencies from any and all liability. The Indemnifying Affidavit must be very specific on how the person presenting the affidavit had consent of the registered owner of the vehicle to store or repair the vehicle.
- A copy of the certified letter, the original certified mail form (to verify ship date) and the original return receipt (to verify receipt date/date returned as undeliverable).
 - If letter is returned as undeliverable submit the entire letter/envelope with the title work.
- Lien release (if applicable).
- [SFN 2872 Application for Certificate of Title and Registration of a Motor Vehicle](#) completed and signed.
- National Automobile Dealers Association (NADA) printout of the current book value of the vehicle.
- Proof of legal name for the storage/repair facility as required by N.D.C.C. 39-05-05 Subsection 1(f). Requirement may be satisfied by:
 - Print out of most recent Secretary of State filing.
 - Copy of the top section of the most recent state or federal tax return filed in the name of the storage/repair facility name.
- Applicable fees.
 - \$5 title fee
 - \$1.50 abandoned vehicle disposal fee
 - 5% tax on the current fair market value of the vehicle
 - Registration fees (if the vehicle will be registered for road use by the storage/repair facility)
- Any other documentation The Division may require, per N.D.C.C. 39-05-05 Subsection 1(h).
 - Ex: A copy of the signed storage contract. If the copy of the contract submitted is an invoice from a storage company/repair facility, etc. where the customer refused to sign off on the invoice, the company would need to notate that on the invoice.