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When a Friendship Is Ruined by Money

July 15, 2008 01:15 PM ET | [Kimberly Palmer](#) | [Permanent Link](#)

Dear Alpha Consumer,

I sold my van to a so-called friend before I moved out of California. She couldn't pay the whole \$1,000, so I agreed to let her pay in four installments of \$250, with the first payment when I gave her the van in March.

The check she gave me bounced. It is now almost the end of June and I still haven't received a penny.

Since I sold her the van, I have had to pay for a bounced check fee, a parking ticket, and travel to go back to California to try to (unsuccessfully) collect money from her. She keeps giving me these sob stories. I fall for them and wait, but still nothing.

Would you say she doesn't plan to pay me? I am beginning to feel this way. I feel as if she has taken advantage of my trust in her and she ripped me off. What do I do?

Answering your first question—if I think she plans to pay you—is the easy part. Based on her avoidance of paying you so far, I would say that the answer is no. Even if extenuating circumstances make it impossible for her to pay you at the moment, a responsible friend would come up with a plan to at least assure you that you will be getting your money later.

To answer your second question—what you should do—I asked Kathryn Dickerson, a partner at Smolen Plevy, a Vienna, Va., law firm, to weigh in. She says that she would first need to ask you some questions, including the whereabouts of both you and your friend, because state laws are likely to apply here. She also wants to know: When you gave her the van, did you sign the title over to her? The parking ticket suggests that she has not registered the car in her name—is that the case? Do you have a written agreement, signed by both of you, reflecting the terms of your sale? Or any E-mails in which she agrees to the terms you have described? And finally, Dickerson asks, why should she pay you? She gets to drive around in a perfectly good van that she got for free.

She continues:

At a certain point, you need to stop throwing good money after bad. Your friend knows this. The answers to the above questions will determine what remedies are available to you and which would be the most practical.

If you did not sign the title of the vehicle to her, then it is still your car. You can take possession of it. You can file suit—but ensure that you have evidence as to what the two of you agreed. Remember—even if you get judgment entered against her, you still have to collect it. The court can order her to pay, but if she doesn't (as she hasn't), you will be back out there trying to enforce your judgment against her.

If you do not have an agreement as to terms, then you may not have an enforceable contract. If you can prove ownership with no intent to gift, then you may have an opportunity to ask the court to order her to return the van to you. But then you have to do something with the van, again. You could at that time donate it to charity. You can write it off as a gift to her (see your accountant or tax attorney on how this works on your tax returns). Speak to an attorney—and answer the questions above. You should do what is practical and makes economic sense for you in light of what you might recover.

Your van fiasco also serves as a priceless reminder—money can ruin friendships.

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report the car stolen

unbelievable of MD
Jul 17, 2008 13:10:52 PM
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Interesting idea... unethical perhaps?

Kimberly Palmer of
Jul 17, 2008 17:05:43 PM
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Van

Yes, this is why I have made it a policy of mine to never loan money to anyone anymore because yes I too were burned. I lent money to a friend after moving and of course out of sight, out of mind. That so-called friend never paid me back. It is amazing how money changes people. My sister-in-law (Norma Higgins) just agreed to help my wife with the expense of making two one gallon jugs of Cadillac Margaritas for a party, which by the way she even told the host yes. When my sister-in-law realized how much it would cost, she bailed out and left my wife and I with the whole bill. plus what was worse she had the nerve to drink some at the party..People can really smell when it comes to money

Mike of CA
Jul 18, 2008 15:11:36 PM
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