

**TEXAS DEPARTMENT OF MOTOR VEHICLES
CASE NO. 16-0211 CAF**

**ERIKA TORRES,
Complainant**

v.

**JAGUAR LAND ROVER NORTH
AMERICA, LLC,
Respondent**

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BEFORE THE OFFICE

OF

ADMINISTRATIVE HEARINGS

DECISION AND ORDER

Erika Torres (Complainant) filed a complaint (Complaint) with the Texas Department of Motor Vehicles (Department) seeking relief pursuant to Texas Occupations Code §§ 2301.601-2301.613 (Lemon Law) for alleged warrantable defects in her vehicle distributed by Jaguar Land Rover North America, LLC (Respondent). A preponderance of the evidence shows that the subject vehicle has a warrantable defect that substantially impairs the vehicle's market value. Consequently, the Complainant's vehicle qualifies for repurchase/replacement or warranty repair.

I. Procedural History, Notice and Jurisdiction

Matters of notice of hearing¹ and jurisdiction were not contested and are discussed only in the Findings of Fact and Conclusions of Law. The hearing in this case convened and the record closed on July 19, 2016, in Houston, Texas, before Hearings Examiner Andrew Kang. The Complainant, represented herself. Francisco Torres, the Complainant's spouse, testified for the Complainant. John Chambless, attorney, represented the Respondent.

¹ TEX. GOV'T CODE § 2001.051.

II. Discussion

A. Applicable Law

1. Repurchase/Replacement Relief

A vehicle qualifies for repurchase or replacement if the manufacturer cannot “conform a motor vehicle to an applicable express warranty by repairing or correcting a defect or condition that creates a serious safety hazard or substantially impairs the use or market value of the motor vehicle after a reasonable number of attempts.”² In other words, (1) the vehicle must have a defect covered by an applicable warranty (warrantable defect); (2) the defect must either (a) create a serious safety hazard or (b) substantially impair the use or market value of the vehicle; and (3) the defect must continue to exist after a “reasonable number of attempts” at repair.³ In addition, the Lemon Law imposes other requirements for repurchase/replacement relief, including (1) a mailed written notice of the defect to the manufacturer, (2) an opportunity to repair by the manufacturer, and (3) a deadline for filing a Lemon Law complaint.

a. Serious Safety Hazard

The Lemon Law defines “serious safety hazard” as a life threatening malfunction or nonconformity that: (1) substantially impedes a person’s ability to control or operate a vehicle for ordinary use or intended purposes, or (2) creates a substantial risk of fire or explosion.⁴

b. Substantial Impairment of Use or Value

i. Impairment of Use

In determining substantial impairment of use, the Department considers “whether a defect or nonconformity hampers the intended normal operation of the vehicle.” For instance, “while a vehicle with a non-functioning air conditioner would be available for use and transporting passengers, its intended normal use would be substantially impaired.”⁵

² TEX. OCC. CODE § 2301.604(a).

³ TEX. OCC. CODE § 2301.604(a).

⁴ TEX. OCC. CODE § 2301.601(4).

⁵ *Dutchmen Manufacturing, Inc. v. Texas Department of Transportation, Motor Vehicle Division*, 383 S.W.3d 217, 228 (Tex. App.—Austin 2012).

ii. Impairment of Value

The Department applies a reasonable purchaser standard for determining whether a defect substantially impairs the value of a vehicle. The reasonable purchaser standard “does not require an owner to present an expert witness or any technical or market-based evidence to show decreased value.” Instead, under this standard, “factfinders should put themselves in the position of a reasonable prospective purchaser of the subject vehicle and determine (based on the evidence presented) if the current condition of the vehicle would deter them from buying the vehicle or substantially negatively affect how much they would be willing to pay for the vehicle.”⁶

c. Reasonable Number of Repair Attempts

The Lemon Law provides three ways to establish a rebuttable presumption that a reasonable number of repair attempts have been undertaken.⁷ The first applies generally,⁸ the second applies to serious safety hazards,⁹ and the third applies to vehicles out of service for repair for at least 30 days.¹⁰

Generally, a rebuttable presumption is established that the vehicle had a reasonable number of repair attempts if:

[T]he same nonconformity continues to exist after being subject to repair four or more times by the manufacturer, converter, or distributor or an authorized agent or franchised dealer of a manufacturer, converter, or distributor and: (A) two of the repair attempts were made in the 12 months or 12,000 miles, whichever occurs first, following the date of original delivery to the owner; and (B) the other two repair attempts were made in the 12 months or 12,000 miles, whichever occurs first, immediately following the date of the second repair attempt.¹¹

Alternatively, for serious safety hazards, a rebuttable presumption is established that the vehicle had a reasonable number of repair attempts if:

⁶ *Dutchmen Manufacturing, Inc. v. Texas Department of Transportation, Motor Vehicle Division*, 383 S.W.3d 217, 228 (Tex. App.—Austin 2012) (“[T]he Division’s interpretation that expert testimony or technical or market-based evidence is not required to show diminished value or use is consistent with the statute’s goal of mitigating manufacturers’ economic advantages in warranty-related disputes.”).

⁷ TEX. OCC. CODE § 2301.605(a).

⁸ TEX. OCC. CODE § 2301.605(a)(1).

⁹ TEX. OCC. CODE § 2301.605(a)(2).

¹⁰ TEX. OCC. CODE § 2301.605(a)(3).

¹¹ TEX. OCC. CODE § 2301.605(a)(1)(A) and (B).

[T]he same nonconformity creates a serious safety hazard and continues to exist after causing the vehicle to have been subject to repair two or more times by the manufacturer, converter, or distributor or an authorized agent or franchised dealer of a manufacturer, converter, or distributor and: (A) at least one attempt to repair the nonconformity was made in the 12 months or 12,000 miles, whichever occurs first, following the date of original delivery to the owner; and (B) at least one other attempt to repair the nonconformity was made in the 12 months or 12,000 miles, whichever occurs first, immediately following the date of the first repair attempt.¹²

Additionally, for vehicles out of service at least 30 days, a rebuttable presumption may be established that the vehicle had a reasonable number of repair attempts if:

[A] nonconformity still exists that substantially impairs the vehicle's use or market value and: (A) the vehicle is out of service for repair for a cumulative total of 30 or more days in the 24 months or 24,000 miles, whichever occurs first, following the date of original delivery to the owner; and (B) at least two repair attempts were made in the 12 months or 12,000 miles following the date of original delivery to an owner.¹³

However, the statutory rebuttable presumption does not preclude otherwise finding a reasonable number of attempts to repair the vehicle based on different circumstances and fewer attempts.¹⁴ Furthermore, the Department adopted a decision indicating that if a consumer presents the vehicle to a dealer for repair and the dealer fails to repair the vehicle, then that visit would constitute a repair attempt unless the consumer was at fault for the failure to repair the vehicle.¹⁵

d. Other Requirements

Even if a vehicle satisfies the preceding requirements for repurchase/replacement relief, the Lemon Law prohibits repurchase or replacement unless: (1) the owner or someone on behalf of the owner mailed written notice of the alleged defect or nonconformity to the manufacturer;¹⁶

¹² TEX. OCC. CODE § 2301.605(a)(2).

¹³ TEX. OCC. CODE § 2301.605(a)(3).

¹⁴ “[T]he existence of statutory presumptions does not forbid the agency from finding that different circumstances or fewer attempts meet the requisite ‘reasonable number of attempts.’” *Ford Motor Company v. Texas Department of Transportation*, 936 S.W.2d 427, 432 (Tex. App.—Austin 1996, no writ).

¹⁵ “[O]nly those occasions when failure to repair the vehicle was the fault of the consumer would not be considered a repair attempt under the statute.” *DaimlerChrysler Corporation v. Williams*, No. 03-99-00822-CV (Tex. App.—Austin, June 22, 2000, no writ) (not designated for publication).

¹⁶ TEX. OCC. CODE § 2301.606(c)(1). The Lemon Law does not define the words “mailed” or “mail”, so under the Code Construction Act, the common usage of the word applies. TEX. GOV'T CODE § 311.011. Dictionary.com defines “mail” as “to send by mail; place in a post office or mailbox for transmission” or “to transmit by email.” mail. Dictionary.com. *Dictionary.com Unabridged*. Random House, Inc. <http://www.dictionary.com/browse/mail>

(2) the manufacturer was given an opportunity to cure the defect or nonconformity;¹⁷ and (3) the Lemon Law complaint was filed within six months after the earliest of: the warranty's expiration date or the dates on which 24 months or 24,000 miles had passed since the date of original delivery of the motor vehicle to an owner.¹⁸

2. Warranty Repair Relief

Even if repurchase or replacement relief does not apply, a vehicle may still qualify for warranty repair if the vehicle has a “defect . . . that is covered by a manufacturer's, converter's, or distributor's . . . warranty agreement applicable to the vehicle.”¹⁹ The manufacturer, converter, or distributor has an obligation to “make repairs necessary to conform a new motor vehicle to an applicable . . . express warranty.”²⁰

3. Burden of Proof

The law places the burden of proof on the Complainant.²¹ The Complainant must prove all facts required for relief by a preponderance, that is, the Complainant must present evidence showing that all of the required facts are more likely than not true.²² For example, the Complainant must show the fact that a warrantable defect more likely than not exists. For any required fact, if the evidence weighs in favor of the Respondent or if the evidence equally supports the Complainant and the Respondent, the Respondent will prevail. If the Complainant fails to prove one (or more) of the required facts, the Complainant cannot prevail.

(accessed: April 01, 2016). Also, 43 TEX. ADMIN. CODE § 215.204 provides that “[u]pon receipt of a complaint for lemon law or warranty performance relief, the department will provide notification of the complaint to the appropriate manufacturer, converter, or distributor.” The Department's notice of the complaint to the Respondent may satisfy the requirement that someone on behalf of the owner mailed notice of the defect/nonconformity to the Respondent.

¹⁷ TEX. OCC. CODE § 2301.606(c)(2). A repair visit to a dealer can satisfy the “opportunity to cure” requirement if the manufacturer authorized repairs by the dealer after written notice to the manufacturer, i.e., the manufacturer essentially authorized the dealer to attempt the final repair on the manufacturer's behalf. *See Dutchmen Manufacturing, Inc. v. Texas Department of Transportation, Motor Vehicle Division*, 383 S.W.3d 217, 226 (Tex. App.—Austin 2012).

¹⁸ TEX. OCC. CODE § 2301.606(d)(2).

¹⁹ TEX. OCC. CODE § 2301.204.

²⁰ TEX. OCC. CODE § 2301.603(a).

²¹ 43 TEX. ADMIN. CODE § 215.66(d).

²² *E.g., Southwestern Bell Telephone Company v. Garza*, 164 S.W.3d 607, 621 (Tex. 2005).

4. The Complaint Identifies the Issues in this Proceeding

The Complaint identifies the issues to be addressed in this proceeding.²³ The Complaint should state “sufficient facts to enable the department and the party complained against to know the nature of the complaint and the specific problems or circumstances which form the basis of the claim for relief under the lemon law.”²⁴

A. Complainant’s Evidence and Arguments

On April 15, 2015, the Complainant, purchased a new 2015 Land Rover LR4 from Land Rover Houston, a franchised dealer of the Respondent, Jaguar Land Rover North America, LLC, in Houston, Texas.²⁵ The vehicle had 6 miles on the odometer at the time of purchase.²⁶ The vehicle’s limited warranty provides bumper to bumper coverage for four years or 50,000 miles, whichever occurs first.²⁷ On March 8, 2015, the Complainant mailed a written notice of defect to the Respondent.²⁸ On March 14, 2016, the Complainant filed a Lemon Law complaint with the Texas Department of Motor Vehicles alleging that the vehicle leaked from the front map light area.

²³ “In a contested case, each party is entitled to an opportunity . . . for hearing after reasonable notice of not less than 10 days.” TEX. GOV’T CODE §§ 2001.051; “Notice of a hearing in a contested case must include . . . a short, plain statement of the matters asserted.” TEX. GOV’T CODE § 2001.052. *See* TEX. OCC. CODE § 2301.204(b) (“The complaint must be made in writing to the applicable dealer, manufacturer, converter, or distributor and must specify each defect in the vehicle that is covered by the warranty.”); TEX. OCC. CODE § 2301.204(d) (“A hearing may be scheduled on any complaint made under this section that is not privately resolved between the owner and the dealer, manufacturer, converter, or distributor.”).

²⁴ 43 TEX. ADMIN. CODE § 215.202(b).

²⁵ Complainant’s Ex. 2, Retail Installment Contract and Purchase Order.

²⁶ Complainant’s Ex. 2, Retail Installment Contract and Purchase Order.

²⁷ Complainant’s Ex. 8, Passport to Service.

²⁸ Complainant’s Ex. 1, Lemon Law Complaint.

The Complainant took the vehicle to a dealer for repair as shown below:

Date	Miles	Issue
April 20, 2015	273	Water is leaking from the sunroof ²⁹
June 1, 2015	1,443	Water is leaking from the front reading lamp area ³⁰
August 10, 2015	3,200	Water is leaking near front reading lamp area ³¹
September 3, 2015	3,937	Front center console leaks when it rains ³²
March 11, 2016	11,899	Water leaking from reading lamp ³³

The Respondent's final opportunity to repair occurred on April 8, 2016.³⁴

The Complainant testified that the leaking first occurred on April 18, 2015, a few days after purchasing the vehicle. She explained that rain water would leak from a small overhead light (in front of the map/reading lamps). Video evidence showed that the water dripped on the center stack/console onto various controls, electronic components, and the passenger seat.³⁵ She elaborated that the leak would occur when raining very hard. Mr. Torres concurred that the vehicle leaked during hard rains. The Complainant stated that the vehicle last leaked in February of this year, about February 2, 2016. At the first service visit, the dealer did not find any problems. However, the vehicle leaked again in the rain on June 16, 2015. After several unsatisfactory experiences with the dealer, including the inability to get a timely service appointment, the Complainant contacted the Respondent directly. The Complainant stated that the dealer was more responsive after the Respondent's involvement and promptly arranged for a service visit. On the way home from this visit, the vehicle's the check engine light and all of the other warning lights came on. The vehicle slowed down, forcing her to stop at a gas station. She had to return the vehicle for service the next day. The Complainant thought the issue improved after the repairs. Mr. Torres noted that they did not have any issues since last contacting the Respondent. However, Mr. Torres explained that the vehicle had not been in the type of heavy rain in which the vehicle previously leaked. The Complainant further elaborated that water would not leak just from

²⁹ Complainant's Ex. 3, Invoice 96791.

³⁰ Complainant's Ex. 4, Invoice 98128.

³¹ Complainant's Ex. 5, Invoice 100195.

³² Complainant's Ex. 6, Invoice 100921.

³³ Complainant's Ex. 7, Invoice 106804.

³⁴ Respondent's Ex. 9, Invoice 107672.

³⁵ Complainant's Ex. 9, APRIL 18 2015.MOV, ABRIL 18 2015 -2.MOV, JUNE 16 2015.MOV, JUNE 17 2015.MOV, SEPTEMBER 1 2015.MOV, SEPTEMBER 1 2015 -2.MOV, SEPTEMBER 2 2015 -2.MOV.

washing the vehicle—the rain must be heavy and prolonged. The Complainant expressed a preference for replacement relief.

B. Respondent's Evidence and Arguments

The Complainant acknowledged that the vehicle had been repaired after getting in contact with the Respondent. The Complainant confirmed that the vehicle was last worked on in April of this year (as reflected in Invoice 107672).³⁶ Mr. Torres confirmed that, aside from the leak, the vehicle was driveable. Though the vehicle had not leaked since the final repair, Mr. Torres and the Complainant noted that the vehicle had not been exposed to the heavy rain that would lead to leaking. The Respondent concluded that the Respondent successfully repaired the vehicle and the vehicle did not qualify for repurchase or replacement.

C. Inspection

At the inspection during the hearing, the vehicle had 15,214 miles on the odometer. Inspecting the area of the leak did not reveal anything unusual.

D. Analysis

The Parties do not dispute that the vehicle leaked. Rather, this case hinges on whether the final repair attempt successfully cured this defect. Given the information available at the time of the hearing, a preponderance of the evidence indicates that a nonconformity continues to exist. Although the final repair may have actually cured the leak, the record simply does not contain sufficient evidence to show that this occurred. The Complainant explained that since the repairs, the vehicle has not been exposed to the type of prolonged heavy rain that had caused the vehicle to leak. Accordingly, at this point, whether the repairs have cured the defect remains speculative. Given that the leak allows water onto various controls and electronic components, under the reasonable perspective purchaser standard, the defect would substantially impair the value of the vehicle. Consequently, the vehicle qualifies for replacement.

³⁶ Respondent's Ex. 9, Invoice 107672.

III. Findings of Fact

1. On April 15, 2015, the Complainant, purchased a new 2015 Land Rover LR4 from Land Rover Houston, a franchised dealer of the Respondent, Jaguar Land Rover North America, LLC, in Houston, Texas. The vehicle had 6 miles on the odometer at the time of purchase.
2. The vehicle's limited warranty provides bumper to bumper coverage for four years or 50,000 miles, whichever occurs first.
3. The Complainant took the vehicle to a dealer for repair as shown below:

Date	Miles	Issue
April 20, 2015	273	Water is leaking from the sunroof
June 1, 2015	1,443	Water is leaking from the front reading lamp area
August 10, 2015	3,200	Water is leaking near front reading lamp area
September 3, 2015	3,937	Front center console leaks when it rains
March 11, 2016	11,899	Water leaking from reading lamp

4. On March 8, 2015, the Complainant mailed a written notice of defect to the Respondent.
5. On March 14, 2016, the Complainant filed a Lemon Law complaint with the Texas Department of Motor Vehicles alleging that the vehicle leaked from the front map/reading light area.
6. On June 15, 2016, the Department's Office of Administrative Hearings issued a notice of hearing directed to the Complainant and the Respondent, Jaguar Land Rover North America, LLC, giving all parties not less than 10 days' notice of hearing and their rights under the applicable rules and statutes. The notice stated the time, place and nature of the hearing; the legal authority and jurisdiction under which the hearing was to be held; particular sections of the statutes and rules involved; and the matters asserted.
7. The hearing in this case convened and the record closed on July 19, 2016, in Houston, Texas, before Hearings Examiner Andrew Kang. The Complainant, represented herself. Francisco Torres, the Complainant's spouse, testified for the Complainant. John Chambless, attorney, represented the Respondent.
8. The vehicle's odometer displayed 15,214 miles at the time of the hearing.
9. The vehicle appeared normal during the inspection at the hearing.
10. The vehicle's warranty was in effect at the time of the hearing.

11. During prolonged heavy rains, the vehicle would leak from an overhead light in front of the map/reading lights.
12. The vehicle last leaked on February 2, 2016.
13. The Respondent made a final repair attempt on April 8, 2016.
14. The vehicle had not been exposed to a prolonged heavy rain since the final repair attempt.

IV. Conclusions of Law

1. The Texas Department of Motor Vehicles has jurisdiction over this matter. TEX. OCC. CODE §§ 2301.601-2301.613.
2. A hearings examiner of the Department's Office of Administrative Hearings has jurisdiction over all matters related to conducting a hearing in this proceeding, including the preparation of a decision with findings of fact and conclusions of law, and the issuance of a final order. TEX. OCC. CODE § 2301.704.
3. The Complainant timely filed a sufficient complaint with the Department. TEX. OCC. CODE §§ 2301.204, 2301.606(d); 43 TEX. ADMIN. CODE § 215.202.
4. The parties received proper notice of the hearing. TEX. GOV'T CODE §§ 2001.051, 2001.052; 43 TEX. ADMIN. CODE § 215.206(2).
5. The Complainant bears the burden of proof in this matter. 43 TEX. ADMIN. CODE § 206.66(d).
6. The Complainant provided sufficient notice of the defect to the Respondent. TEX. OCC. CODE § 2301.606(c)(1).
7. The Respondent had an opportunity to cure the alleged defect. TEX. OCC. CODE § 2301.606(c)(2).
8. The Complainant's vehicle qualifies for replacement or repurchase. A warrantable defect that substantially impairs the market value of the vehicle continues to exist after a reasonable number of repair attempts. TEX. OCC. CODE § 2301.604.

V. Order

Based on the foregoing Findings of Fact and Conclusions of Law, it is **ORDERED** that the Complainant's petition for relief pursuant to Texas Occupations Code §§ 2301.601-2301.613 is **GRANTED**. It is further **ORDERED** that the Respondent shall repair the warrantable defect in the reacquired vehicle identified in this Decision. **IT IS THEREFORE ORDERED** that:

1. The Respondent shall, in accordance with Texas Administrative Code § 215.208(d)(1)(A), promptly authorize the exchange of the Complainant's vehicle (the reacquired vehicle) with the Complainant's choice of any comparable motor vehicle.
2. The Respondent shall instruct the dealer to contract the sale of the selected comparable vehicle with the Complainant under the following terms:
 - a. The sales price of the comparable vehicle shall be the vehicle's Manufacturer's Suggested Retail Price (MSRP);
 - b. The trade-in value of the Complainant's vehicle shall be the MSRP at the time of the original transaction, less a reasonable allowance for the Complainant's use of the vehicle;
 - c. The use allowance for replacement relief shall be calculated in accordance with the formula outlined in Texas Administrative Code § 215.208(b)(2) (the use allowance is \$5,159.24);
 - d. The use allowance paid by the Complainant to the Respondent shall be reduced by \$35.00 (the refund for the filing fee) (after deducting the filing fee, the use allowance is reduced to **\$5,124.24**, which is the amount that the Complainant must be responsible for at the time of the vehicle exchange).
3. The Respondent's communications with the Complainant finalizing replacement of the reacquired vehicle shall be reduced to writing, and a copy thereof shall be provided to the Department within twenty (20) days of completion of the replacement.
4. The Respondent shall obtain a Texas title for the reacquired vehicle prior to resale and issue a disclosure statement on a form provided or approved by the Department.³⁷
5. The Respondent shall affix the disclosure label to the reacquired vehicle in a conspicuous location (e.g., hanging from the rear view mirror). Upon the Respondent's first retail sale

³⁷ Correspondence and telephone inquiries regarding disclosure labels should be addressed to: Texas Department of Motor Vehicles, Enforcement Division-Lemon Law Section, 4000 Jackson Avenue Building 1, Austin, Texas 78731, Phone (512) 465-4076.

- of the reacquired vehicle, the disclosure statement shall be completed and returned to the Department.
6. Within sixty (60) days of transfer of the reacquired vehicle, the Respondent shall provide to the Department written notice of the name, address and telephone number of any transferee (wholesaler or equivalent), regardless of residence.
 7. The Respondent shall repair the defect or condition that was the basis of the vehicle's reacquisition and issue a new 12 month/12,000 mile warranty on the reacquired vehicle.
 8. Upon replacement of the Complainant's vehicle, the Complainant shall be responsible for payment or financing of the usage allowance of the reacquired vehicle, any outstanding liens on the reacquired vehicle, and applicable taxes and fees associated with the new sale, excluding documentary fees. Further, in accordance with 43 Tex. Administrative Code § 215.208(d)(2):
 - a. If the comparable vehicle has a higher MSRP than the reacquired vehicle, the Complainant shall be responsible at the time of sale to pay or finance the difference in the two vehicles' MSRPs to the manufacturer, converter or distributor; and
 - b. If the comparable vehicle has a lower MSRP than the reacquired vehicle, the Complainant will be credited the difference in the MSRP between the two vehicles. The difference credited shall not exceed the amount of the calculated usage allowance for the reacquired vehicle.
 9. The Complainant shall be responsible for obtaining financing, if necessary, to complete the transaction.
 10. The replacement transaction described in this Order shall be completed within 20 days after the date this Order becomes final under Texas Government Code § 2001.144.³⁸ If the transaction cannot be accomplished within the ordered time period, the Respondent shall repurchase the Complainant's vehicle pursuant to the repurchase provisions set forth in 43 Tex. Administrative Code § 215.208(b)(1) and (2). The repurchase price shall be **\$74,382.08**. The refund shall be paid to the Complainant and the lien holder, if any, as their

³⁸ (1) If a party does not timely file a motion for rehearing, this Order becomes final when the period for filing a motion for rehearing expires, or (2) if a party timely files a motion for rehearing, this Order becomes final when: (A) the Department renders an order overruling the motion for rehearing, or (B) the Department has not acted on the motion within 45 days after the party receives a copy of this Decision and Order.

interests appear. If clear title is delivered, the full refund shall be paid to the Complainant.

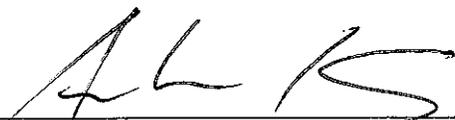
The calculations for the repurchase price are as follows:

Purchase price, including tax, title, license and registration	\$79,471.32
Delivery mileage	6
Mileage at first report of defective condition	273
Mileage on hearing date	15,214
Useful life determination	120,000

Purchase price, including tax, title, license and registration				\$79,471.32
Mileage at first report of defective condition	273			
Less mileage at delivery	-6			
Unimpaired miles	267			
Mileage on hearing date	15,214			
Less mileage at first report of defective condition	-273			
Impaired miles	14,941			
<i>Reasonable Allowance for Use Calculations:</i>				
Unimpaired miles	267	÷	120,000	× \$79,471.32 = \$176.82
Impaired miles	14,941	÷	120,000	× \$79,471.32 × 50% = \$4,947.42
Total reasonable allowance for use deduction				\$5,124.24
Purchase price, including tax, title, license and registration				\$79,471.32
Less reasonable allowance for use deduction				-\$5,124.24
Plus filing fee refund				\$35.00
TOTAL REPURCHASE AMOUNT				\$74,382.08

11. If the Complainant's vehicle is substantially damaged or there is an adverse change in its condition, beyond ordinary wear and tear, from the date of the hearing to the date of the Respondent's reacquisition of the vehicle, and the parties are unable to agree on an amount allowed for such damage or condition, either party may request reconsideration by the final order authority of the trade-in value of the Complainant's vehicle.

SIGNED July 29, 2016



ANDREW KANG
HEARINGS EXAMINER
OFFICE OF ADMINISTRATIVE HEARINGS
TEXAS DEPARTMENT OF MOTOR VEHICLES