



For Immediate Release
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*******CONSUMER ALERT*****CONSUMER ALERT*******

**MADIGAN: WITH SPRINGTIME COMES HOME IMPROVEMENT
PROJECTS, AND WITH HOME IMPROVEMENTS COME SCAM
ARTISTS**

Chicago –Attorney General Lisa Madigan today urged Illinois residents planning a home improvement project for this spring to take the necessary precautions to avoid becoming the victim of a home repair scam artist.

“Although we’re waiting for the warm weather to arrive, Springtime officially has begun and many Illinoisans are planning home improvement projects,” Madigan said. “Home repair fraud is a serious problem that affects thousands of Illinoisans each year. Consumers must be careful that the contractor they choose is reliable and the quality of work worthy of the payment,” Madigan said.

Madigan’s Consumer Protection Division received 3,025 consumer complaints in 2005 regarding home improvement issues, including complaints about contractors failing to start or complete work, excessive charges and shoddy workmanship. Construction and home improvement fraud ranked third on the 2005 Top Ten Consumer Complaints list released by Madigan’s office and consistently has ranked as one of the top three consumer complaints since 1984.

Madigan said there are certain fraudulent scenarios that should raise red flags for home owners. For instance, a consumer should always be wary of an out-of-town salesperson with no local connections who knocks on the consumer’s door and offers to do home repair work for substantially less than market price. In addition, if a salesperson going door-to-door insists that the consumer sign a contract or pay a substantial down payment on the spot, consumers should take their time and carefully evaluate the offer.

Madigan also urged consumers to beware of so-called “storm chasers,” who go door-to-door offering fraudulent deals to homeowners who are eager to clean up and repair damage to their property from winter or spring storms. For example, earlier this month, Madigan’s office received a complaint against and assisted in the arrest of a Springfield man who allegedly collected more than \$500 from an elderly Jerome woman who hired him to clean gutters and power-wash her home in the wake of the devastating tornadoes that struck the Springfield area.

Madigan said the best advice for consumers to protect themselves from becoming victims of home repair scams is to request and then check references provided by contractors or to deal only with companies and individuals who have done work for friends or neighbors.

In addition, consumers should never sign a contract that contains blanks nor make final payment until unless the work has been completed satisfactorily.

“Consumers should always be wary of contractors that knock on doors looking for customers; usually, these contractors are searching for their next victim. Consumers must not let these or other high-pressure sales tactics convince them to sign a contract or make a down payment,” Madigan said.

Madigan reminded consumers that the Illinois Home Repair and Remodeling Act requires contractors to furnish customers with written contracts for any repair or remodeling work costing more than \$1,000. A contract must be signed by both the customer and the contractor.

In addition, Illinois law provides consumers with a three-day right to cancel a home repair contract if the sale of services or merchandise involves \$25 or more and the contract is signed when the salesperson or contractor is physically present in the consumer’s residence. The law requires notice of the three-day right to cancel to be given both orally and as part of a written contract.

The law also requires contractors to carry minimum amounts of insurance for property damage, bodily injury and improper home repair . Contractors also must provide consumers with an informational pamphlet entitled “Home Repair: Know Your Consumer Rights.”

To find out if any complaints have been filed against a home repair company or to file a consumer complaint, consumers can call the Attorney General’s Consumer Fraud Hotline at one of the following numbers:

Chicago: 1-800-386-5438 and 1-800-964-3013 (TTY)
Springfield: 1-800-243-0618 and 1-877-844-5461 (TTY)
Carbondale: 1-800-243-0607 and 1-877-675-9339 (TTY)
Spanish-language hotline: 1-866-310-8398

Additional information can be found online at
www.IllinoisAttorneyGeneral.gov.

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