

For Immediate Release November 19, 2007 Contact: Robyn Ziegler 312-814-3118 877-844-5461 (TTY) rziegler@atg.state.il.us

MADIGAN SUES CICERO-BASED CONTRACTOR FOR FAILING TO PERFORM HOME REMODELING WORK

Nearly \$200,000 in Disputed Deposits Never Returned

Chicago - Attorney General Lisa Madigan today filed suit against Family Home Remodeling, Inc., and its president James O'Connell, alleging violations of the Consumer Fraud and Deceptive Business Practices Act and the Home Repair and Remodeling Act. The Attorney General has received numerous complaints that the company has failed to remodel consumers' homes as promised and failed to refund to consumers approximately \$200,000 in deposits.

"I want to make sure that this company will no longer be able to take advantage of hard-working Illinoisans who are trying to make improvements to their homes," said Attorney General Madigan. "When home repair companies fail to perform the work that they promised, consumers should get their money back."

In her complaint, Attorney General Madigan asks the Circuit Court of Cook County to prohibit the defendants from engaging in the business of home repair and remodeling and from further violating Illinois = consumer protection laws. She also is asking the court to order defendants to pay restitution to consumers, as well as the costs of the suit. The complaint also seeks a civil penalty of \$50,000, penalties of \$10,000 for each violation committed against seniors, and penalties of \$50,000 for each violation committed with the intent to defraud.

The complaint alleges that Family Home Remodeling entered into installment contracts for home remodeling work worth between \$30,000 and \$187,000, but failed to follow through on the terms of the contracts. In many instances, according to the complaint, the company accepted deposits ranging from \$3,500 to \$65,000 and delayed work by telling customers that the company was waiting for building permits when, in fact, the company never

applied for the building permits. In other instances described in the complaint, the defendants actually began construction, but the quality of the work was so poor that consumers were forced to hire other contractors to tear down and redo the work.

Additionally, the defendants never paid subcontractors for work and, as a result, the subcontractors placed liens on consumers' homes. When consumers

demanded repayment of deposits and other costs, the defendants refused to return their money.

According to the complaint, Family Home Remodeling and O'Connell also misled customers by claiming to have the appropriate licenses with the City of Chicago when their licenses were not valid at that time. The complaint also alleges that the defendants failed to follow the guidelines required by the Home Repair Fraud Act, including neglecting to provide consumers with the Attorney General's required brochure, "Home Repair: Know Your Consumer Rights."

Madigan encouraged any other Family Home Remodeling customers with similar complaints to file a consumer fraud complaint with her office by downloading the complaint form at

<u>http://www.illinoisattorney.general.gov/consumers/index.html</u> or by calling the Attorney General's Consumer Fraud Hotline at one of the following numbers:

- Chicago 1-800-386-5438; TTY: 1-800-964-3013
- Spanish-language Hotline: 1-866-310-8398

Assistant Attorney General Michelle García is handling the case for Madigan's Consumer Fraud Bureau.

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