



May 9, 2013

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**MADIGAN SUES CHICAGO AREA STORM CHASER  
FOR DEFRAUDING HOMEOWNERS**

**Chicago** — Attorney General Lisa Madigan today filed a lawsuit against a Chicago area “storm chaser” home repair firm for failing to complete contracted projects and for failing to pay its supplier, resulting in thousands of dollars of liens put on customers’ homes.

Madigan filed the lawsuit earlier today in Lake County Circuit Court against Perfect Restorations, based in Antioch, and company owners James Novack, James Hauser and Bruce Faber. The lawsuit alleges Perfect Restorations marketed its services to homeowners in need of repairs after severe storms. The suit alleges the company required homeowners to make upfront installment payments ranging from \$4,000 to \$41,000, but when the contractors did incomplete or shoddy work, they refused to refund consumers.

Madigan also alleged that Perfect Restorations falsely operated as an insurance adjuster, negotiating damage claims with insurance companies on behalf of homeowners though the company was not licensed to do so.

In some cases, consumers told Madigan’s office that although they had paid Perfect Restorations, the company failed to pay for supplies, and suppliers placed liens for thousands of dollars on customers’ homes, forcing homeowners to pay off the liens.

“Not only did homeowners pay for incomplete and shoddy work, they were forced to make a second payment to remove the lien on their homes for supplies that the company failed to pay off,” Madigan said. “This scheme is among the more flagrant we’ve seen in my office in recent years.”

Homeowners in Cook, Lake and McHenry have filed complaints with Madigan’s office and the Chicago Better Business Bureau, reporting having paid at least \$276,000 for quoted repairs and incurred liens.

Madigan’s lawsuit asks the court to permanently ban the defendants from working in the home repair business in Illinois, cancel any pending contracts with homeowners and obtain restitution for affected consumers. The lawsuit also seeks to impose civil penalties on the defendants based on violations of the Illinois Consumer Fraud and Deceptive Businesses Practices Act.

In filing the action today, Madigan offered the following tips to help protect families and businesses from being targeted by dishonest contractors:

- Be wary of contractors who go door to door to offer repair services. Home repair contractors are often transients who move quickly into a troubled area. Ask for recommendations from people you know and trust and, whenever possible, use established local contractors.
- Insurance adjusters must be licensed by the Illinois Department of Insurance, and roofers must be licensed by the Illinois Department of Financial and Professional Regulation. Ask to see required state or local permits or licenses.
- Call the Attorney General’s Consumer Fraud Hotline (1-800-386-5438 for Chicago area residents) to determine if consumer complaints have been filed against a particular business.
- Even if there is a need to act quickly, shop around for the best deal. Get written estimates from multiple contractors, and don’t be rushed into a deal.
- Get all the terms of a contract in writing, and obtain a copy of the signed contract.
- Never make full payment until all the work has been completed to your satisfaction, and never pay in cash.

Madigan also 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. The law also requires contractors to carry at least 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."

Madigan urged homeowners to contact her Consumer Fraud Hotline at 1-800-386-5438 to report being victimized by a home repair scheme or to learn tips for finding a reputable contractor.

Assistant Attorney General Junko Minami is handling the case for Madigan's Consumer Fraud Bureau.

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