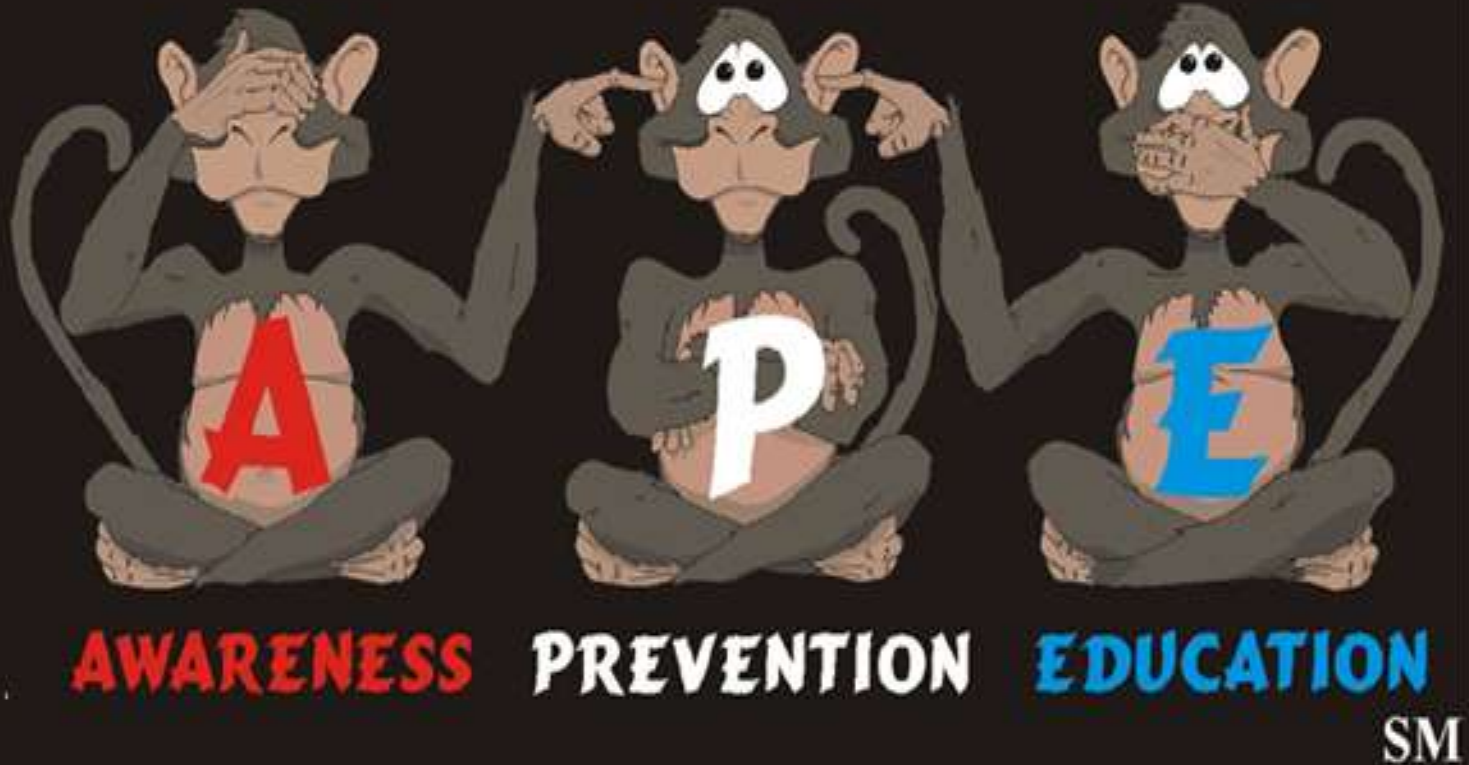


Home Improvement Fraud



Sgt Tracy Guge

Murray Police Department



AWARENESS

Home
Improvement
Fraud ranks in
the top five
complaints with
the Attorney
Generals Office
Year after year!

Common Home Improvement Frauds

- Bathroom Remodeling
- Decking
- Kitchen Remodeling
- New Custom Home
- Remodel/Addition
- Windows and Doors
- Air conditioning
- Brickwork/Masonry
- Cabinetry
- Concrete
- Dry wall
- Electrical
- Siding
- Fencing
- Flooring
- Foundation

Common Home Improvement Frauds

- Retaining Walls
- Gutters/Sheet metal
- Heating
- Ventilation
- Insulation
- Landscaping
- Painting
- Paving
- Plastering
- Plumbing
- Roofing
- Tile/Stone
- Tree Trimming

Complaints against home improvement contractors are one of the most common complaints consumer organizations and federal consumer agencies receive.

While most contracted home repairs are completed professionally and satisfactorily, tens of thousands of homeowners annually receive inadequate, unprofessional, or fraudulent home repair work.

How you can prevent being



PREVENTION

a victim of Home Improvement Fraud

Recognize Signs of Home Improvement Fraud

- Solicits door to door
- Offers you discounts for finding other customers
- Just happens to have materials left over from a previous job.
- Only accepts cash payments
- Does not list a business number in the local telephone directory

Recognize Signs of Home Improvement Fraud

- Tells you your job will be a demonstration.
- Pressures you for an immediate decision
- Offers exceptionally long guarantees
- Asks you to pay for the entire job up front
- Suggests you borrow money from a lender the contractor knows.
- Offers of a free inspection.

Precautions You Can Take to Make an Informed Decision

- Always get several estimates for every repair job and compare prices and terms.
- Make sure you know your salesperson's name and the name as well as the address of the company.
- Contact you Better Business Bureau to check out the company's reputation.

Precautions continued

- Always pay with a check, never with cash.
- Make installment payments.
- Have a job completion check list
- Keep all records
- Never hire anyone on the spot.
- Know what you want and need before talking to a contractor.

Precautions Continued

- Make sure the person you hire has liability insurance and check with your insurance company to determine the extent of your liability insurance.
- Do not use anyone who uses only a post office box with no street address.
- Ask for references and check them.

Hiring a Contractor

What do I need to ask or know?

What to ask a Contractor

- How long have you been in business?
- Are you licensed and registered?
- How many projects like mine have you completed in the last year?
- Will my project require a permit?
- May I have a list of references?
- Will you be using subcontractors?
- What types of insurance do you carry?

Hiring a Contractor

Checking references

Checking References

- Call each reference
- Can I visit your home to see the completed job?
- Were you satisfied with the project?
- Was the project completed on time?
- Did the contractor keep you informed about the status of the project?

Checking References

- Were there unexpected costs? If so what?
- Did workers show up on time?
- Did they clean up after finishing the job?
- Would you recommend the contractor?
- Would you use the contractor again?
- Who recommended the contractor to you?

Get a Written Contract

What should the contract include?

Written Contract Should Include

- The contractor's name, address and phone number.
- The payment schedule for the contractor, subcontractor and suppliers.
- An estimated start and completion dates.
- The contractor's obligation to obtain all necessary permits.

Written Contracts Should Include

- How change orders will be handled. This is a written authorization to the contractor to make changes or addition to work described in the original contract.
- A detailed list of all materials including color, model, size, brand name, and product.
- Warranties covering materials and workmanship.

Written Contract Should Include

- What the contract will and will not do.
- Oral promises also should be added to the written contract.
- A written statement of your right to cancel the contract within three business days if you signed it in your home or at a location other than the seller's permanent place of business.

Keeping Records

Maintain Records throughout the
work.

Records You Should Maintain

- Keep all paperwork related to your project in one place.
- Copies of contracts
- Change orders
- Correspondence with your contractor.
- Keep a log or journal of all phone numbers, conversations, and activities.

Records You Should Maintain

- Make photographs as the job progresses
- Copies of all invoices.
- Copies of all bills

Completing the Job

Have a Checklist

Checklist

- Does all work meet the standards spelled out in the contract.
- You have all written warranties for materials and workmanship.
- You have proof that all subcontractors and suppliers have been paid.
- The job site is clean and clear of excess materials, tools and equipment.
- You have inspected and approved the completed work.

Stay Informed

and inform others



EDUCATION

SM

Why do Seniors Get Targeted

Why Seniors?

- Persons 65 and older have higher rates of homeownership.
- Seniors tend to own older homes more likely needing repair.
- Less likely to be able to undertake the repairs themselves.
- More likely to home during the day when fraud predators tend to operate.

Why Seniors?

- Tend to be trusting of salespersons.
- More likely to be owners with more physical or mental limitations.
- Have large amounts of cash on hand or readily accessible in a checking account.
- Less likely to take action against fraudulent home improvement contractors.

Why Seniors?

- Less knowledgeable about their rights as consumers.
- Less suspecting of deceptive sales practices.
- More susceptible to fears they will be deemed incompetent to remain in their homes and manage their own affairs should they complain.
- More likely to be female alone.

Why Seniors?

- Less likely to be able to inspect work.
- More susceptible to threats or high pressure sales tactics.

Suspect You May be a Victim?

What you need to do if you are victim
Home Improvement Fraud

What to do if you're a Victim

- Don't be embarrassed. You are not the only victim.
- Immediately report it to your local police department.
- Contact the Better Business Bureau
- Contact the Attorney General's Office
- Notify consumer reporters

If you are a Victim

- Let your friends, family and friends know what happened. By talking with others you are educating others and may save another from becoming a victim.

Keep From Being a Victim

- Before doing any work, do your home work
- Contact several contractors for estimates.
- Talk to neighbors and friends about their home repair experiences.
- Contact area suppliers about reputable contractors
- Check with city hall for business licenses