

Home Improvement Contractor Fraud

*Prepared by the Consumer Law Project for Elders**

Warning signs to watch for to avoid a bad deal:

- Calling you by name
- Soliciting door-to-door
- Saying “doing work up the street” or “in the neighborhood”
- Claiming has materials left over from another job
- Pointing out house flaws as if he is trustworthy
- Creating a sense of urgency
- Talking fast to confuse you
- Telling you he has a deal for you, one day price only
- Requiring payment by cash only
- Requiring payment for the entire job upfront
- Offering discounts for finding other customers
- Not being registered with the Connecticut Department of Consumer Protection
- Pressuring you for an immediate decision
- Asking to come into your home

Things a homeowner can do before contracting for home improvements to avoid being a victim of a scam:

- Look for long-established company with permanent business location.
- Get referrals from family and friends who have had similar work done and were happy with the work
- Make sure the contractor is licensed by checking with Connecticut Department of Consumer Protection
- Make sure the contractor is bonded and has liability, worker’s comp and property damage insurance
- Check with the Better Business Bureau to see if there are any complaints against the contractor
- Get at least two estimates from different contractors and carefully compare costs and materials
- Remember, the lowest bid is not always the best deal
- Ask the contractor of references and then check them out
- Don’t take a loan through the contractor and never sign over the deed to your house
- Make sure you have a signed contract

Get a written contract that includes:

- Contractor’s name, address, phone and license number
- A payment schedule
- Total cost of both labor and materials
- Start and completion dates
- Clause that states the contractor is obligated to get all permits
- How changes in the contract will be handled
- A detailed list of all materials including styles and brand names if important
- Warranties on materials and workmanship
- Clean-up responsibilities
- Right to cancel within 3 business days
- Penalty to contractor if completion date is not met

Actions you can take if you are victimized:

- Cancel your contract and financing agreements within 3 business
- Call the Consumer Law Project for Elders for free legal advice and assistance
- Call the Connecticut Department of Consumer Protection
- Report the contractor to the Better Business Bureau

The Consumer Law Project for Elders provides free legal assistance to seniors 60 or over who have consumer questions or problems.

The Consumer Law Project for Elders

A project of Connecticut Legal Services, Inc.

Funding is provided by the Administration on Aging and Connecticut Legal Services, Inc.

1-800-296-1467

**Information contained in this handout is provided in part from the AARP Home Improvement Fraud Program Kit*

Revised March 3, 2005