

**GENEVA POLICE DEPARTMENT
SENIOR CARE PROGRAM ON
HOME REPAIR FRAUD**



CONSUMER FRAUD KIT

Your home is worth a lot to you...but dishonest home contractors see the value in it, too. Every year, people spend billions of dollars for home improvements. Usually the work is done well, but each year many homeowners are victims of poor, overpriced, or never-completed work. Some people posing as home repair specialists are simply con-artists looking for easy money. Others are "front men" for predatory lenders. If you are planning on making repairs or improvements to your home, it is important to pick the right contractor and the right financing. Read on to find out how.

Identify what you want done and how much you can afford.

Write a detailed description of the work you want done, including the quality of materials, brand names and model numbers you want to be used.

Know how much you can afford to borrow and pay.

Take time to find a reliable home improvement contractor.

Get recommendations from friends, family and neighbors.

Check with the local consumer protection office or Better Business Bureau (312)832-0500 or www.chicago.bbb.org to see if there are any complaints against the contractor. However, having no complaints filed is no guarantee of reliability.

Have the contractor prove he is licensed, bonded and has insurance. Check that information with local government offices.

Get two or three written estimates that give details about materials, labor charges, and start and finish dates.

Remember: A clear and detailed contract can protect you if something goes wrong. In general, a contract should spell out who does what, where, when and for how much.

Don't be pressured to get your financing through a particular company.

Be cautious of financing offered by the contractor. Dishonest mortgage brokers and contractors often work together to take advantage of homeowners.

Get several estimates for the financing, apart from the contractor's estimate.

Ask a lawyer or housing counselor to explain all the terms of the financing agreement.

Know your legal rights.

You can cancel the home repair contract by sending a letter within three business days, if the contract was signed in your home or somewhere other than the contractor's permanent place of business.

You can cancel the financing by sending a letter within three business days and maybe even later if your home is used as security for a loan.

If you think your contractor or lender is fraudulent, notify the Geneva Police Department (630) 232-4736.

If you feel you were a victim of Consumer Fraud and wish to pursue civil litigation against a contractor, contact an attorney.

TIPS ON HOME IMPROVEMENT

Be cautious if contractors:

- Sell door-to-door
- Push you to borrow from their lender.
- Say they are doing work “up the street” or “ in the neighborhood.”
- Claim to have left-over material from another job.
- Talk fast to confuse you or pressure you to sign immediately.
- Accept only cash or want you to pay for the entire job up front.
- ***NEVER PAY FOR THE ENTIRE JOB UP FRONT OR ALLOW A CONTRACTOR TO GET PAID DIRECTLY FROM THE LOAN WITHOUT YOUR SPECIFIC APPROVAL. IF THE CONTRACT ALLOWS THE CONTRACTOR TO GET PARTIAL PAYMENTS AS WORK PROGRESSES, THE CONTRACT SHOULD SAY THAT THE LENDER CAN MAKE THE PAYMENT ONLY AFTER YOU AND THE APPROPRIATE LOCAL REGULATORS HAVE INSPECTED THE WORK AND ARE SATISFIED.***