

Be Wary Of Home Repair Scams

Q: Are the elderly at greater risk of housing improvement scams?

A: Yes. Older adults are targeted because they often own a home outright, and have good credit. They are considered less likely to report a scam, may feel ashamed to file a report, or are unsure of how to file a report on a scam artist.

Here's a typical scam: A contractor tells an elder her entire roof needs replacing, and gives her a cost estimate that includes a "senior discount." He promises to arrange for the financing. He then removes most of the roof, and gives the elder a contract at a much higher cost, saying that the damage is much more extensive than originally expected. The homeowner is afraid that if she does not sign the contract, the contractor will abandon the project, and the loan company will put a lien on her house. The repairs are so shoddy that the roof continues leaking. The elder stops making loan payments, and the loan company serves her with foreclosure papers to scare her into payment.

Home improvement scams can jeopardize your independence by costing you thousands of dollars, stealing your home equity, or even leaving you without a safe place to live. Scam artists target older homeowners, sometimes posing as building inspectors or other officials, using high-pressure tactics to demand immediate repairs to a roof, sidewalk, or driveway. They charge inflated prices and deliver sub-standard work.

Scam artists often work door-to-door, saying they are doing other homes in your neighborhood. They pressure the homeowner for an immediate decision, and say they only accept cash, and want the full amount up front. They often say they have a lender they work with who will loan you the money. They usually have no license to work in Massachusetts.

To protect yourself from scams, before you hire any home contractor, the National Association of Area Agencies on Aging recommends that you be sure to:

- Ask the contractor for local references of homeowners they have worked with.
- The Massachusetts Office of Consumer Affairs and Business Regulation requires home improvement contractors who work on detached one and two family homes to be registered. You can search a registry online by the company name to make sure you are using a registered contractor.
- Get a written estimate from more than one contractor, and don't assume the lowest bidder will do the best work.
- Ask for a written contract, and pay by check or credit card---never cash.
- If you need financing, do it through a local bank or credit union you trust.
- Limit your down payment, and pay the balance based on satisfactory completion of the work.
- Before you make the final payment, make sure you have inspected the work, and compared it to what your contract said would be done.
- If you have a problem with work performed that was charged to your credit card, you can ask your credit card company to withhold payment until the problem is corrected.

To check a contractor's Massachusetts registration online, go to:

<https://services.oca.state.ma.us/hic/licenseelist.aspx>

To file a complaint about a housing contractor, call the Massachusetts Office of Consumer Affairs at 617-973-8700.