

FOR IMMEDIATE RELEASE

Media Contacts: press@oag.state.md.us 410-576-7009

Attorney General Brown Announces Final Order and Settlements in Action Against Baltimore-Based Home Improvement Contractors Phoenix Home Remodeling Group, LLC and Three Officers Ordered to Pay Restitution and More than \$650,000 in Civil Penalties for Taking Consumers' Money and Failing to Provide Home Improvement Services

BALTIMORE, MD (**August 10, 2023**) – Maryland Attorney General Anthony G. Brown announced today that his Consumer Protection Division has entered a <u>Final Order</u> requiring a home improvement company, Phoenix Home Remodeling Group, LLC, and one of its officers, Rockford Hawkins, to pay restitution to consumers and civil penalties and costs of more than \$550,000. Phoenix took large deposits from at least 75 Maryland consumers for home improvement services, such as roof or window replacements, and then failed to perform the work it promised. In March 2023, the company's two other officers, Kimberly Kagen and Andrew Avramidis, entered into consent orders with the Consumer Protection Division resolving the charges against them.

The company and Rockford Hawkins were also found to have violated the Consumer Protection Act when they collected deposits in amounts greater than permitted by Maryland law, failed to include required notices in their home improvement contracts, and sold home improvement goods and services without required licenses. In May 2022, the Maryland Home Improvement Commission had suspended the contractor and sales licenses held by Phoenix and Ms. Kagen. The Consumer Protection Division's Final Order and the two prior settlements resolve all charges against the company and its three officers.

"Owning a home is an opportunity to build a solid foundation and invest in your family's future," **said Attorney General Brown**. "If you hire someone to make improvements to your home, you are entitled to receive the work promised so you can continue to enjoy your home and the safety and security it provides. These Orders show that we're serious about protecting Marylanders when it comes to building a future here. If you hire a contractor and they violate our consumer protection laws, we will pursue accountability."

The Consumer Protection Division found that Phoenix Remodeling Group collected at least \$399,837.48 in deposits from 75 consumers for work that it did not perform. Describing the harm

to consumers, the Administrative Law Judge before whom this case was tried observed that, "[i]n addition to losing hundreds to thousands of dollars that they could not afford to lose, consumers also experienced damage to their homes and extreme stress and frustration while they waited for Respondents Phoenix and Hawkins to return phone calls, text messages, and emails, and deliver what they had promised." Today's Final Order and the prior settlements require Phoenix Remodeling Group and its officers to pay restitution to all harmed consumers.

The company also repeatedly violated Maryland laws governing home improvement contractors when it took excessive deposits (home improvement contractors in Maryland are limited to collecting only one-third of the contract amount as a deposit), used contract forms that lacked required disclosures, and, for a brief period, continued to offer and sell home improvement goods and services without holding the required licenses. Today's Final Order required Phoenix Remodeling Group and Hawkins to pay civil penalties and costs totaling \$553,301.44. Kagen and Avramidis also agreed to pay a total of \$150,000 in civil penalties.

In addition to requiring consumer restitution and imposing civil penalties, today's Final Order and the prior settlements prohibit Phoenix Remodeling Group and its officers from taking any deposits or other forms of advance payment from consumers before providing any consumer services or goods, unless each posts a performance bond with the Division that can be used to protect consumers. The Final Order also requires the company and its officers to cease offering home improvement goods or services to consumers unless they comply with Maryland's home improvement laws, including obtaining required licenses, collecting no more than one-third of a contract amount for a deposit, protecting consumers' deposits, and only using contracts that contain all required disclosures.

The Attorney General thanks the Maryland Home Improvement Commission (MHIC) for its assistance in this matter. Consumers can verify a contractor's license through the Home Improvement Commission's website, www.dllr.state.md.us/license/mhic. Reviewing the license status of a contractor helps assure consumers that they are working with a reputable contractor. If consumers have any difficulty with their licensed contractor, they may be able to seek compensation through the MHIC's home improvement Guaranty Fund.

Consumers who were harmed by Phoenix Remodeling Group may call the Consumer Protection Division at 410-528-8662, file a complaint online at www.marylandattorneygeneral.gov, or write to the Consumer Protection Division at 200 St. Paul Place, 16th Floor, Baltimore, MD 21202.

https://www.marylandattorneygeneral.gov/press/2023/081023a.pdf