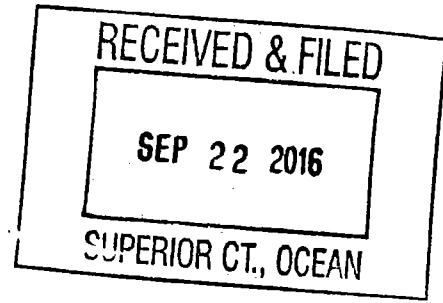


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SUPERIOR COURT OF NEW JERSEY  
CHANCERY DIVISION, OCEAN COUNTY  
DOCKET NO. C-224-16

CHRISTOPHER S. PORRINO, Attorney General  
of the State of New Jersey, and STEVE C. LEE,  
Director of the New Jersey Division of Consumer  
Affairs,

Plaintiffs,

v.

WILLWOOD BUILDERS, CORPORATION;  
RICHARD R. WOODARD, individually and as  
owner, officer, director, founder, member, manager,  
employee, servant, representative and/or agent of  
WILLWOOD BUILDERS, CORPORATION;  
JANE AND JOHN DOES 1-20, individually and as  
owners, officers, directors, shareholders, founders,  
members, managers, employees, servants, agents,  
representatives and/or independent contractors of  
WILLWOOD BUILDERS, CORPORATION; and  
XYZ CORPORATIONS 1-20,

Defendants.

Civil Action

**COMPLAINT**

Plaintiffs Christopher S. Porrino, Attorney General of the State of New Jersey  
("Attorney General"), with offices located at 124 Halsey Street, Fifth Floor, Newark, New

Jersey, and Steve C. Lee, Director of the New Jersey Division of Consumer Affairs (“Director”), with offices located at 124 Halsey Street, Seventh Floor, Newark, New Jersey, by way of Complaint state:

### PRELIMINARY STATEMENT

1. In the wake of the devastation caused by Superstorm Sandy, it became necessary for homeowners across the State of New Jersey (“New Jersey” or “State”) to repair, rebuild, and/or elevate their existing homes or to replace their homes with new or elevated modular homes to keep them safe from future storms. To aid affected homeowners in this process, the Reconstruction, Rehabilitation, Elevation and Mitigation (“RREM”) Program was established by the New Jersey Department of Community Affairs (“DCA”) to provide grants to homeowners, among other things, for home repair, elevation, and new home construction. At all relevant times, Willwood Builders, Corporation (“Willwood Builders”), the New Jersey operations of which were conducted by Richard R. Woodard, a/k/a Rick Woodard, (“Woodard”), was among the contractors approved by the RREM Program for use by grant recipients to repair or rebuild their homes.

2. At all relevant times Willwood Builders and Woodard (collectively “Defendants”) were engaged in the advertisement, offer for sale, sale and performance of various home improvements and new home construction (“Construction Services”) in the State.

3. To date, the New Jersey Division of Consumer Affairs (“Division”) has received seven (7) consumer complaints regarding the Construction Services performed by Defendants. The complaints have revealed multiple violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. (“CFA”), the Contractors’ Registration Act, N.J.S.A. 56:8-136 et seq. (“Contractors’ Registration Act”), and the regulations promulgated thereunder, specifically the

Regulations Governing Contractor Registration, N.J.A.C. 13:45A-17.1 et seq. (Contractor Registration Regulations”), the Regulations Governing Home Improvement Practices, N.J.A.C. 13:45A-16.1 et seq. (“Home Improvement Regulations”), and the Regulations Governing General Advertising, N.J.A.C. 13:45A-9.1 et seq. (“Advertising Regulations”). Among other things, these alleged violations arise from Defendants’ failure to: (a) include required information in home improvement contracts (e.g., registration and sales representative information, the dates or time period on or within which the work is to begin and/or be completed by the seller, copies of certificates of commercial general liability insurance, and complete signatures by both parties); (b) perform the contracted-for Construction Services after receipt of RREM funds and/or consumer payments; and (c) complete contracted-for Construction Services after receipt of RREM funds and/or consumer payments. The Attorney General and Director commence this action to halt Defendants’ deceptive business practices, and to obtain consumer restitution and other monetary relief.

#### **PARTIES AND JURISDICTION**

4. The Attorney General is charged with the responsibility of enforcing the CFA, the Contractors’ Registration Act, and the regulations promulgated thereunder, specifically the Contractor Registration Regulations, the Home Improvement Regulations, and the Advertising Regulations. The Director is charged with the responsibility of administering the CFA, the Contractors’ Registration Act, the Home Improvement Regulations, and the Advertising Regulations on behalf of the Attorney General.

5. By this action, the Attorney General and the Director (collectively, “Plaintiffs”) seek injunctive and other relief for violations of the CFA, the Contractors’ Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations, and the Advertising

Regulations. Plaintiffs bring this action pursuant to their authority under the CFA, specifically N.J.S.A. 56:8-8, 56:8-11, 56:8-13 and 56:8-19.

6. Venue is proper in Ocean County, pursuant to R. 4:3-2, because it is a county in which the Defendants have maintained a business address and otherwise conducted business.

7. On December 4, 2012, Willwood Builders was established as a Domestic For-Profit Corporation in the State. At all relevant times, Willwood Builders maintained a registered office location at 911 SW Central Avenue, Seaside Park, NJ 08752.

8. Willwood Builders' registered agent in the State is Richard R. Woodard, with a mailing address of 911 SW Central Avenue, Seaside Park, NJ 08752.

9. At all relevant times, Woodard has been an owner, officer, director, founder, member, manager, servant, employee, representative and/or agent of Willwood Builders and has controlled, directed and/or participated in the management and operation of Willwood Builders. Woodard's current address is 1355 Ponce De Leon Boulevard, Clearwater, Florida 33756.

10. John and Jane Does 1 through 20 are fictitious individuals meant to represent the owners, officers, directors, shareholders, founders, members, managers, agents, servants, employees and/or representatives of Willwood Builders who have been involved in the conduct that gives rise to this Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

11. XYZ Corporations 1 through 20 are fictitious corporations meant to represent any additional business entities who have been involved in the conduct that gives rise to the Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

## GENERAL ALLEGATIONS COMMON TO ALL COUNTS

12. Since at least December 2012, Defendants have been engaged in the advertisement, offer for sale, sale and performance of home improvements, new home construction, and storm restoration for consumers in New Jersey and elsewhere.

13. At all relevant times, Willwood Builders and Woodard were among the contractors approved by the RREM Program for use by grant recipients to repair or rebuild their homes.

### **A. RREM Program:**

14. The RREM Program, administered by DCA, consists of \$1.1 billion in federal funding provided through Community Development Block Grant Disaster Recovery funds allocated to New Jersey by the U.S. Department of Housing and Urban Development, to help eligible New Jersey homeowners repair or rebuild their Superstorm Sandy-damaged homes.

15. The RREM Program provides grants to homeowners with an income of \$250,000 or less, for activities necessary to restore their storm-damaged primary residences, including reconstruction, rehabilitation, elevation and/or other mitigation activities.

16. The RREM Program is open to homeowners whose primary residence is located in one of nine counties (Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean or Union) and whose homes suffered a loss of at least \$8,000 or one foot of water on the first floor, as verified by the Federal Emergency Management Agency ("FEMA") or its affiliates.

17. The RREM Program is intended to function as a bridge between the total cost of repairs and other funding the homeowner has received to repair or rebuild his or her home. The calculation of the RREM grant takes into consideration the cost of the repair or rebuilding and funds the homeowner has received from other sources, such as insurance, FEMA, and non-profit

organizations. The RREM grant may not exceed \$150,000 per homeowner.

18. The RREM Program Pathway B (“Pathway B”) is a program that allows eligible homeowners to select their own general contractor to repair or rebuild their home. The general contractor must be licensed and/or registered with the State, and compliant with all State and Federal regulations applicable to the RREM Program.

19. To date, the Division has obtained information regarding losses for three (3) consumers who contracted with Willwood Builders as Pathway B homeowners. These consumers paid Willwood Builders the aggregate amount of \$691,068.91 for home improvements, which were not performed in whole or in part. The RREM consumers with identified losses, as well as the funds each paid to Willwood Builders, are as follows:

Last Name	RREM Funds disbursed to consumer	Consumer Monies Paid to Willwood	Total Amount Paid to Willwood Builders	Restitution	Work Contracted
Brecht	\$72,650.90	\$226,068.01	\$298,718.91	\$84,507	New Construction
McCourt	\$142,575.52	\$0	\$111,600	\$85,000	Home Improvement
Mickiewicz	\$124,894.72	\$155,855.28	\$280,750	\$144,950	Home Improvement
Total	\$340,121.14	\$381,923.29	\$691,068.91	\$314,457	

**B. Defendants’ Website:**

20. At all relevant times, Defendants advertised their services through an internet website, namely <http://willwoodbuilders.com> (“Willwood Builders Website”).

21. The Willwood Builders Website advertised that “Willwood builders [sic] is licensed and certified through the west coast of Florida and Northeast New Jersey. We will come to you! Whether you are renovating your current home, adding an addition, repairing storm damage, or building a brand new home, our crew will come to you.”



22. The Willwood Builders Website's homepage appeared as follows:



23. The Willwood Builders Website advertised the following pertaining to storm damage repair:

A year after Hurricane Sandy, the results of the storm can still be felt in many areas of New Jersey, especially the coastal areas. As we continue to recover and rebuild, it is important to choose an experienced, licensed and insured contractor when rebuilding your home. While many times it may be enticing to to [sic] accept the first offer, it's important to research your contractor to ensure they can deliver what they promise.

Whether you need to fix a collapsed roof and damaged walls, or require a complete rebuild, Willwood Builders can help. In the case of a rebuild, we'll demo the existing structure, insert new pilings, and build a new home on those

pilings. We work closely with local architects, who will assist in creating a custom floor plan, designed uniquely for you.

Common questions we receive relate to how to finance an [sic] renovation or rebuild due to Hurricane Sandy. Our Managing President, Rick Woodard, has ample experience in both filing claims with FEMA, and working directly with the provider of your homeowner's insurance.

24. The Willwood Builders Website featured an "About" section on the company stating among other things:

Founded in 2002, Willwood Builders is South Florida & New Jersey's premier home builder. Our Elite group of building executives bring [sic] more than 50 years of combined industry knowledge to your home buying experience. We are a one-stop contractor that is able to handle everything from small scale renovations and additions, to custom home design & construction.

25. The Willwood Builders Website provided Woodard's biography as follows:

As the president and partner of Willwood Builders, Rick holds over twenty-five years of building experience within the states of Florida and New Jersey. Rick currently oversees all operations for projects within the states of Florida and New Jersey....

With an extensive award list and a highly successful background in home building, Rick brings unmatched integrity and leadership to Willwood Builders.

26. The Willwood Builders Website included a page titled "Quality Construction," which provided, in pertinent part:

Each component of your home has been carefully selected by our seasoned professionals. We use the most innovative products and newest methods. No detail is overlooked. Revel in the splendor of your new home, knowing that it has been assembled by the finest and most skilled craftsmen in the industry. Knowing the quality that goes into a Willwood Builders home, allows us to guarantee your complete satisfaction and to stand by every home we build.

27. The Willwood Builders Website does not contain the company's HIC registration number.



**C. Home Improvement Contractor Registrations and New Home Builder Registration:**

28. On or about December 25, 2012, Willwood Builders submitted to the Division a Home Improvement Contractor Application for Initial Registration (“HIC Registration Application”) for registration with the Division as a home improvement contractor (“HIC”) in the State.

29. The HIC Registration Application listed Woodard as Willwood Builder’s registered agent.

30. The HIC Registration Application fee was paid for by a personal check from Woodard.

31. On or about January 14, 2013, the Division registered Willwood Builders as an HIC and issued it registration number 13VH07160500.

32. Willwood Builders renewed its home improvement contractor registration on September 1, 2013, September 1, 2014, and September 2, 2015.

33. Willwood Builder’s HIC registration with the Division expired March 31, 2016.

34. Defendants also maintained New Home Builder Registration Number 46028, which was issued by the New Jersey Department of Community Affairs on or about June 24, 2013. On the New Home Builder Registration initial application, Woodard is listed as the business agent. This New Home Builder Registration expired on June 30, 2015.

**D. Defendants’ Business Practices Generally:**

35. At all relevant times, Defendants utilized contracts for home improvements (“Willwood Builders Contracts”) that did not include: (a) Willwood Builders’ HIC registration number; (b) a sales representative’s name and address; and (c) a sufficient cancellation clause

notice to consumers. Upon information and belief, Defendants did not otherwise provide this information to consumers who entered into Willwood Builders Contracts.

36. At varying times, Defendants utilized Willwood Builders Contracts that did not include: (a) the dates or time period on or within which the work is to be completed; (b) a copy of the contractor's certificate of commercial general liability insurance; and (c) signatures of all parties. Upon information and belief, Defendants did not otherwise provide this information to consumers who entered into Willwood Builders Contracts.

37. At varying times, Defendants failed to begin and/or complete the Construction Services as specified in the Willwood Builders Contract.

38. At varying times, Defendants accepted consumer payments, which included RREM funds, and commenced Construction Services, only to abandon the project and not return to the consumers' homes for weeks, months or at all.

39. At varying times, Defendants failed to give notice to consumers regarding delays in Construction Services.

40. At varying times, Defendants failed to respond to consumers' calls, e-mails and/or texts inquiring into when Defendants would continue Construction Services that had been commenced, but then had been abandoned.

41. At varying times, Defendants failed to pay subcontractors, laborers, or materialmen causing construction liens to be placed on consumers' properties.

42. At varying times, Defendants failed to file and/or obtain the proper building and construction permits even though the Willwood Builders Contracts specified work would begin after all proper permits were received by Defendants.

43. On at least one (1) occasion, a consumer contracted with Defendants for a certain type of roof design, but Defendants built a roof not in accordance with approved plans.

44. At varying times, Defendants performed defective construction or installations of roofs, windows, and/or doors that were either incomplete or leaked rain water and failed to repair these defects.

45. At varying times, Defendants took payments from consumers as loans outside of the contract payment schedule and never repaid the loans.

46. On at least one (1) occasion, Defendants caused oil to spill from a consumer's furnace during removal resulting in State agency intervention to stop all work associated with repairs.

47. At varying times, Defendants' failure to complete projects has displaced consumers and caused consumers to pay additional costs for rental housing and storage.

48. At varying times, Defendants required consumers to make significant initial payments and/or large subsequent payments in full, which at times included RREM funds, then failed to perform the contracted-for Construction Services and yet asked for additional payments to complete projects.

49. On at least one (1) occasion, Defendants asked for final payment from a consumer without providing completed inspections and a certificate of occupancy.

**E. Defendant Richard Woodard:**

50. At all relevant times, Woodard executed Willwood Builders Contracts on behalf of Willwood Builders.

51. At all relevant times, Woodard was responsible for supervising the Construction Services for which consumers contracted with Willwood Builders.

52. Woodard communicated with consumers via email, among other things, as to revisions to project plans.

53. Woodard communicated with consumers via email, and other communications, which did not include Willwood Builder's HIC registration number.

54. At varying times, Woodard endorsed consumer checks made out to either Willwood Builders or Woodard himself.

55. At varying times, Woodard filed permit applications and/or misrepresented to consumers that permits were obtained for home improvement projects.

56. On at least one (1) occasion, Woodard was the recipient of an engineer's correspondence regarding home improvements performed for a consumer.

57. On at least one (1) occasion, Woodard failed to submit necessary information to an insurance company in order for a consumer to complete an Increased Cost of Compliance ("ICC") claim to receive additional funds to rebuild her home.

58. On at least one (1) occasion, Woodard misrepresented to a consumer that he would re-price items on the consumer's home to cut costs, compensate the consumer for rental expenses, and for "anxiety" caused by Woodard.

59. At all relevant times, Defendants advertised on the Willwood Builders Website that Woodard was a "Managing President," "president," and "partner" of Willwood Builders even though Woodard was not listed in the HIC Registration Application, New Home Builder Registration, or corporate filing papers as such.

**COUNT I**

**VIOLATION OF THE CFA BY DEFENDANTS  
(UNCONSCIONABLE COMMERCIAL PRACTICES)**

60. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 59 above as if more fully set forth herein.

61. The CFA, N.J.S.A. 56:8-2, prohibits:

The act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise or real estate, or with the subsequent performance of such person as aforesaid, whether or not any person has in fact been misled, deceived or damaged thereby...

62. The CFA defines “merchandise” as including “any objects, wares, goods, commodities, services or anything offered, directly or indirectly to the public for sale.” N.J.S.A. 56:8-1(c).

63. At all relevant times, Defendants have been engaged in the advertisement and sale of merchandise within the meaning of N.J.S.A. 56:8-1(c), including, but not limited to Construction Services.

64. In the operation of their business, Defendants have engaged in the use of unconscionable commercial practices, false promises and/or misrepresentations.

65. Defendants have engaged in unconscionable commercial practices including, but not limited to, the following:

- a. Entering into Willwood Builders Contracts, accepting consumer payments and/or RREM funds and then failing to begin or complete Construction Services;



- b. Failing to provide timely written notice for any delay in the performance of the Construction Services;
- c. Accepting consumer payments and/or RREM funds and then commencing Construction Services, only to abandon the project and fail to return to the consumer's home for weeks, months or at all;
- d. Failing to respond to consumers' calls, e-mails and/or texts inquiring when Defendants would commence, continue and/or complete the Construction Services;
- e. Requiring consumers to make significant initial payments and/or large subsequent payments in full, which at times included RREM funds, then failing to perform the contracted-for Construction Services and yet asking for additional payments to complete projects;
- f. Failing to apply for the necessary building and construction permits;
- g. Failing to advise consumers, whether through the Willwood Builders Contracts or otherwise, of the dates or time period on or within which the home improvement projects are to be completed;
- h. Failing to provide the proper information to insurance carriers to assist a consumer in filing an ICC claim for additional funds to rebuild her home;
- i. Requesting final payment for projects without acquiring the proper inspections and/or certificates of occupancy;
- j. Failing to pay subcontractors, laborers, or materialmen causing liens to be placed on consumer properties; and
- k. Performing Construction Services in a substandard manner (e.g. installing a roof not according to approved plans, performing defective construction or installations of incomplete or leaking roofs, windows, and/or doors, incorrectly removing a furnace causing an oil spill on project site) and then failing to make the necessary corrective repairs.

66. Each unconscionable commercial practice by Defendants constitutes a separate violation under the CFA, N.J.S.A. 56:8-2.

## COUNT II

### VIOLATION OF THE CFA BY DEFENDANTS (FALSE PROMISES, MISREPRESENTATIONS)

67. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 66 above as if more fully set forth herein.

68. Defendants' conduct in violation of the CFA includes, but is not limited to, the following false promises and/or misrepresentations:

- a. Representing on the Willwood Builders Website that Woodard would work with consumers' insurance providers, when such was not the case;
- b. Representing on the Willwood Builders Website that Defendants would work with architects to complete work according to agreed-upon specifications, when such was not the case;
- c. Representing on the Willwood Builders Website that Defendants guaranteed complete consumer satisfaction, when such was not the case;
- d. Representing that building and construction permit applications were filed, when such was not the case;
- e. Representing that the payment by consumers of significant initial payments, which included RREM funds, would cause the initiation of work to be performed under the contracted-for Construction Services, when such was not the case;
- f. Representing that Willwood Builders would promptly pay all sums owed to subcontractors, laborers, or materialmen and indemnify and defend consumers and their properties from construction liens, when such was not the case;
- g. Representing in the Willwood Builders Contract or otherwise, the dates or time period on or within which the home improvement project was to be completed but then failing to begin and/or complete projects as specified in the Willwood Builders Contracts; and
- h. Representing to a consumer that Woodard would re-price items on the consumer's home to cut costs, compensate the consumer for rental expenses, and for "anxiety" caused by Defendants, when such was not the case.

69. Each false promise and/or misrepresentation by Defendants constitutes a separate violation under CFA, N.J.S.A. 56:8-2.

### COUNT III

#### VIOLATION OF THE CONTRACTORS' REGISTRATION ACT BY DEFENDANTS

70. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 69 above as if set forth more fully herein.

71. The Contractors' Registration Act, among other things, governs the registration of home improvement contractors with the Division.

72. At all relevant times, Defendants have been "Contractor[s]" within the definition of the Contractors' Registration Act, N.J.S.A. 56:8-137.

73. At all relevant times, Defendants have offered to perform and performed "Home Improvement[s]" within the definition of the Contractors' Registration Act, N.J.S.A. 56:8-137.

74. At all relevant times, Defendants have entered into "Home Improvement Contract[s]" within the definition of the Contractors' Registration Act, N.J.S.A. 56:8-137.

75. The Contractors' Registration Act provides, in pertinent part:

a. On or after December 31, 2005, no person shall offer to perform, or engage, or attempt to engage in the business of making or selling home improvements unless registered with the Division of Consumer Affairs in accordance with the provision of this act.

[N.J.S.A. 56:8-138(a).]

76. At all relevant times, Defendants were not exempt from the Contractors' Registration Act pursuant to N.J.S.A. 56:8-140.

77. The Contractors' Registration Act requires that certain information must be displayed by the Contractor and provides, in pertinent part:

a. All registrants shall prominently display their registration numbers within their places of business, in all advertisements distributed within this State, on business documents, contracts and correspondence with consumers of home improvement services in this State, and on all commercial vehicles registered in this State and leased or owned by registrants and used by registrants for the purpose of providing home improvements, except for vehicles leased or rented to customers of registrants by a registrant or any agent or representative thereof.

[N.J.S.A. 56:8-144(a).]

78. The Contractors' Registration Act further provides that "[t]he Director shall provide a toll-free telephone number for consumers making inquiries regarding contractors."

N.J.S.A. 56:8-149(b). At all relevant times, the Director established and has published such toll-free telephone number.

79. In this regard, the Contractors' Registration Act requires that:

b. Any invoice, contract or correspondence given by a registrant to a consumer shall prominently contain the toll-free telephone number provided pursuant to [N.J.S.A. 56:8-149] of this Act.

[N.J.S.A. 56:8-144(b).]

80. Moreover, the Contractors' Registration Act includes a writing requirement for contracts priced in excess of \$500.00 and provides, in pertinent part:

a. On or after December 31, 2005, every home improvement contract for a purchase price in excess of \$500, and all changes in the terms and conditions of the contract, shall be in writing. The contract shall be signed by all parties thereto, and shall clearly and accurately set forth in legible form and in understandable language all terms and conditions of the contract, including but not limited to:

...

(2) A copy of the certificate of commercial general liability insurance required of a contractor pursuant to section 7 [C. 56:8-142] of this act and the telephone number of the insurance company issuing the certificate.

[N.J.S.A. 56:8-151(a)(2).]

81. In addition, the Contractors' Registration Act requires that home improvement contractors include cancellation language as follows:

b. . . . The contract shall contain a conspicuous notice printed in at least 10-point bold-faced type as follows:

“NOTICE TO CONSUMER

YOU MAY CANCEL THIS CONTRACT AT ANY TIME BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY AFTER RECEIVING A COPY OF THIS CONTRACT. IF YOU WISH TO CANCEL THIS CONTRACT, YOU MUST EITHER:

1. SEND A SIGNED AND DATED WRITTEN NOTICE OF CANCELLATION BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED; OR

2. PERSONALLY DELIVER A SIGNED AND DATED WRITTEN NOTICE OF CANCELLATION TO:

(Name of Contractor)

(Address of Contractor)

(Phone Number of Contractor)

If you cancel this contract within the three-day period, you are entitled to a full refund of your money. Refunds must be made within 30 days of the contractor's receipt of the cancellation notice.”

[N.J.S.A. 56:8-151(b).]

82. Defendants have engaged in conduct in violation of the Contractors' Registration Act including, but not limited to, the following:

- a. Failing to include registration numbers on advertisements (Willwood Builders Website), contracts, and consumer correspondence (N.J.S.A. 56:8-144(a));
- b. Failing to include on invoices, contracts and correspondence, the toll-free telephone number provided by the Director for consumers to call with



inquiries or complaints concerning home improvement contractors (N.J.S.A. 56:8-144(b));

- c. Failing to include on home improvement contracts the signatures of both parties (N.J.S.A. 56:8-151(a));
  - d. Failing to include with home improvement contracts a copy of Defendants' certificate of commercial general liability insurance as well as the telephone number of the company issuing the certificate (N.J.S.A. 56:8-151(a)(2)); and
  - e. Failing to include the "Notice to Consumer" required cancellation language in home improvement contracts (N.J.S.A. 56:8-151(b)).
83. Defendants' conduct constitutes multiple violations of the Contractors'

Registration Act, N.J.S.A. 56:8-136 et seq.

#### COUNT IV

#### **VIOLATION OF THE CONTRACTOR REGISTRATION REGULATIONS BY DEFENDANTS**

84. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 83 above as if more fully set forth herein.

85. The Contractor Registration Regulations, N.J.A.C. 13:45A-17.1 et seq., among other things, provide procedures for the registration of home improvement contractors with the Division.

86. At all relevant times, Defendants have been "Home Improvement Contractor[s]" and/or "Contractor[s]" within the definition of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.2.

87. At all relevant times, Defendants have performed "Home Improvement[s]" within the definition of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.2.

88. At all relevant times, Defendants have "advertise[d]" home improvements within the meaning of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.2.

89. At all relevant times, Defendants have entered into “Home Improvement Contract[s]” within the definition of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.2.

90. The Contractor Registration Regulations provide, in pertinent part:

(a) Unless exempt under N.J.A.C. 13:45A-17.4:

1. No person shall engage in the business of making or selling home improvements in this State unless registered with the Division in accordance with this subchapter; . . .

[N.J.A.C. 13:45A-17.3(a)(1).]

91. At all relevant times, Defendants were not exempt from the Division’s contractor registration requirements.

92. The Contractor Registration Regulations require that home improvement contractors prominently display certain information and provide, in pertinent part:

(d) A registered home improvement contractor shall prominently display:

2. The contractor’s registration number on all advertisements distributed within this State, on business documents, contracts and correspondence with consumers of home improvement services in this State.

(f) Any invoice, contract or correspondence given by a registrant to a consumer shall prominently contain the toll-free telephone number provided by the Division pursuant to (b) of N.J.S.A. 56:8-149 and shall be displayed in all caps in at least 10-point boldface type as follows: FOR INFORMATION ABOUT CONTRACTORS AND THE CONTRACTORS’ REGISTRATION ACT, CONTACT THE NEW JERSEY DEPARTMENT OF LAW AND PUBLIC SAFETY, DIVISION OF CONSUMER AFFAIRS AT 1-888-656-6225.

[N.J.A.C. 13:45A-17.11(d)(2), (f).]

93. Further, the Contractor Registration Regulations provide that:

In addition to the requirements of a home improvement contract pursuant to N.J.A.C. 13:45A-16.2, every home improvement contract in which a person required to be registered as a home improvement contractor is a party shall comply with the provisions of N.J.S.A. 56:8-151.

[N.J.A.C. 13:45A-17.13.]

94. Defendants have engaged in conduct in violation of the Contractor Registration

Regulations including, but not limited to, the following:

- a. Failing to include Defendants' HIC Registration number on all advertisements (Willwood Builders Website), contracts, and consumer correspondence (N.J.A.C. 13:45A-17.11(d)(2));
- b. Failing to include on home improvement contracts the informational statement and toll-free telephone number provided by the Director for consumers making inquiries regarding contractors (N.J.A.C. 13:45A-17.11(f)); and
- c. Entering into home improvement contracts that did not comply with the requirements of N.J.S.A. 56:8-151 (e.g., failing to include the "Notice to Consumer" required cancellation language; failing to set forth the signature of both parties) (N.J.A.C. 13:45A-17.13).

95. Defendants' conduct constitutes multiple violations of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.1 et seq., each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-1 et seq.

#### COUNT V

#### VIOLATION OF THE HOME IMPROVEMENT REGULATIONS BY DEFENDANTS

96. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 95 above as if more fully set forth herein.

97. The Home Improvement Regulations, specifically, N.J.A.C. 13:45A-16.2, pertain to every Home Improvement Contractor.

98. The Home Improvement Regulations prohibit certain practices with regard to the performance of home improvement contracts, as follows:

- a. Without limiting any other practices which may be unlawful under the Consumer Fraud Act, N.J.S.A. 56:8-1 et seq., utilization by a seller of the following acts and practices involving the sale, attempted sale, advertisement or performance of home improvements shall be unlawful hereunder.

....

6. Price and Financing:

- (ii) Misrepresent that any person, firm or organization, whether or not connected with the seller, is especially interested in seeing that the prospective buyer gets a bargain, special price, discount or any other benefit or concession;

...

- (vii) Mislead the prospective buyer into believing that the down payment or any other sum constitutes the full amount the buyer will be obligated to pay;

....

7. Performance:

- (ii) Fail to begin or complete work on the date or within the time period specified in the home improvement contract, or as otherwise represented, unless the delay is for reason of labor stoppage; unavailability of supplies or materials, unavoidable casualties, or any other cause beyond the seller's control. Any changes in the dates or time periods stated in a written contract shall be agreed to in writing; or
- (iii) Fail to give timely written notice to the buyer of reasons beyond the seller's control for any delay in performance, and when the work will begin or be completed.

....

10. Building Permits:

- (i) No seller contracting for the making of home improvements shall commence work until he is sure that all applicable

state or local building and construction permits have been issued as required under state laws or local ordinances;

....

12. Home improvement contract requirements-writing requirement: All home improvement contracts for a purchase price in excess of \$500.00, and all changes in the terms and conditions thereof shall be in writing. Home improvement contracts which are required by this subsection to be in writing, and all changes in the terms and conditions thereof, shall be signed by all parties thereto, and shall clearly and accurately set forth in legible form and in understandable language all terms and conditions of the contract, including, but not limited to, the following:

- (i) The legal name and business address of the seller, including the legal name and business address of the sales representative or agent who solicited or negotiated the contract for the seller;

...

- (iv) The dates or time period on or within which the work is to begin and be completed by the seller;

....

[N.J.A.C. 13:45A-16.2(a)(6)(ii, vii), (7)(ii-iii), (10)(i), (12)(i, iv).]

99. Defendants violated the Home Improvement Regulations by engaging in certain conduct including, but not limited to the following:

- a. Misrepresenting that Willwood Builders is interested in seeing that a consumer got a bargain, special price, discount or any other benefit or concession (N.J.A.C. 13:45A-16.2(a)(6)(ii));
- b. Misleading consumers into believing that the down payment or any advanced payments constituted the full amount the consumer would be obligated to pay (N.J.A.C. 13:45A-16.2(a)(6)(vii));
- c. Failing to begin or complete work on the date or within the time period specified in the home improvement contract (N.J.A.C. 13:45A-16.2(a)(7)(ii));



- d. Failing to give timely written notice to the consumer of reasons for any delay in performance, and when the work will begin or be completed (N.J.A.C. 13:45A-16.2(a)(7)(iii));
- e. Failing to obtain the necessary building and construction permits (N.J.A.C. 13:45A-16.2(10)(i));
- f. Failing to include in Willwood Builders Contracts the legal name and business address of the sales representative who solicited or negotiated the contract (N.J.A.C. 13:45A-16.2(a)(12)(i)); and
- g. Failing to include in Willwood Builders Contracts the dates or time period on or within which the home improvement projects were to be completed by the seller (N.J.A.C. 13:45A-16.2(a)(12)(iv)).

100. Defendants' conduct constitutes multiple violations of the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-1 et seq.

#### **COUNT VI**

#### **VIOLATION OF THE ADVERTISING REGULATIONS BY DEFENDANTS**

101. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 100 above as if more fully set forth herein.

102. The Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq., address, among other issues, general advertising practices.

103. Specifically, the Advertising Regulations governing general advertising practices provide, in relevant part:

(a) Without limiting the application of N.J.S.A. 56:8-1 et seq., the following practices shall be unlawful with respect to all advertisements:

- 9. The making of false or misleading representations of facts concerning the reasons for, existence or amounts of price

reductions, the nature of an offering or the quantity of advertised merchandise available for sale.

[N.J.A.C. 13:45A-9.2(a)9.]

104. Defendants violated the Advertising Regulations by engaging in certain conduct including, but not limited to:

- a. Representing on the Willwood Builders Website that Defendants are “a one-stop contractor that is able to handle everything from small scale renovations and additions, to custom home design & construction,” when such is not the case;
- b. Representing on the Willwood Builders Website that Woodard would work with consumers’ insurance providers, when such is not the case;
- c. Representing on the Willwood Builders Website that consumers can “[r]evel in the splendor of [their] new home, knowing that it has been assembled by the finest and most skilled craftsmen in the industry,” and that Defendants guarantee consumers’ complete satisfaction and stand by every home they build, when such is not the case; and
- d. Representing on the Willwood Builders Website, specifically in the Woodard biography, that “[w]ith an extensive award list and a highly successful background in home building, Rick brings unmatched integrity and leadership to Willwood Builders.”
- e. Representing on the Willwood Builders Website that Woodard was a “Managing President,” “president,” and “partner” of Willwood Builders, when such is not the case.

105. Defendants’ conduct constitutes multiple violations of the Advertising Regulations, specifically N.J.A.C. 13:45A-9.2(a)9, each of which constitutes a per se violation of the CFA.

**COUNT VII**

**VIOLATIONS OF THE CFA,  
THE CONTRACTORS' REGISTRATION ACT,  
THE CONTRACTORS' REGISTRATION REGULATIONS,  
THE HOME IMPROVEMENT REGULATIONS AND/OR  
THE ADVERTISING REGULATIONS  
BY WOODARD**

106. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 105 above as if more fully set forth herein.

107. At all relevant times, Woodard has been a partial owner, manager, director, representative and/or agent of Willwood Builders, and has controlled, directed and/or participated in the management and operation of that entity, including the conduct alleged in this Complaint.

108. In that capacity, Woodard actively participated in Willwood Builders' management and operation as follows: advertised that he was the "Managing President" and "partner" of Willwood Builders; signed contracts with consumers for Construction Services on behalf of Willwood Builders; supervised the contracted-for Construction Services; communicated with consumers via email, among other things, about revisions to project plans; endorsed consumer checks made out to either Willwood Builders or Woodard himself; filed permit applications and/or misrepresented to consumers that permits were obtained for home improvement projects; failed to submit necessary information to an insurance company in order for a consumer to complete an ICC claim to receive additional funds to rebuild her home contrary to representations made by him; and misrepresented to a consumer that he would re-price items on the consumer's home to cut costs, compensate the consumer for rental expenses, and for "anxiety" he caused the consumer.

109. The conduct of Woodard makes him personally liable for the violations of the CFA, the Contractors' Registration Act, the Contractors' Registration Regulations, the Home Improvement Regulations and/or the Advertising Regulations committed by Willwood Builders.

## PRAYER FOR RELIEF

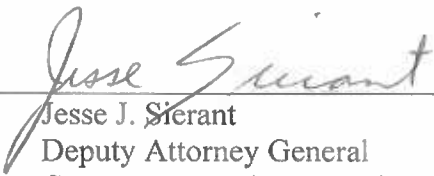
WHEREFORE, based upon the foregoing allegations, Plaintiffs respectfully request that the Court enter judgment against Defendants:

- (a) Finding that the acts and omissions of Defendants constitute multiple instances of unlawful practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., the Contractors' Registration Act, N.J.S.A. 56:8-136 et seq., the Contractor Registration Regulations, N.J.A.C. 13:45A-17.1 et seq., the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., and/or the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq.;
- (b) Permanently enjoining Defendants and their owners, officers, directors, shareholders, founders, members, managers, agents, servants, employees, representatives, independent contractors and all other persons or entities directly under their control, from engaging in, continuing to engage in or doing any acts or practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., the Contractors' Registration Act, N.J.S.A. 56:8-136 et seq., the Contractor Registration Regulations, N.J.A.C. 13:45A-17.1 et seq., the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., and/or the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq., including, but not limited to, the acts and practices alleged in this Complaint, as authorized by the CFA, N.J.S.A. 56:8-8;
- (c) Permanently enjoining Defendants from owning, operating or otherwise managing any business or other entity in the State, whether registered with the Division or not, that advertises, offers for sale, sells and/or performs Construction Services within the State;
- (d) Permanently enjoining Defendants from the advertisement, offer for sale, sale and performance of Construction Services within the State;
- (e) Cancelling Willwood Builders' Certificate of Incorporation in the State;
- (f) Permanently revoking Willwood Builders' HIC and New Home Builders registrations;
- (f) Directing Defendants, jointly and severally, to restore to any affected person, whether or not named in this Complaint, any money or real or personal property acquired by means of any alleged practice herein to be unlawful and found to be unlawful, as authorized by N.J.S.A. 56:8-8;
- (g) Directing Defendants, jointly and severally, to disgorge to the New Jersey Department of Community Affairs, RREM Program funds unlawfully acquired or retained, as authorized by N.J.S.A. 56:8-8;



- (h) Directing Defendants, jointly and severally, to pay the maximum statutory civil penalties for each and every violation of the CFA, in accordance with N.J.S.A. 56:8-13;
- (i) Directing Defendants, jointly and severally, to pay costs and fees, including attorneys' fees, for the use of the State of New Jersey, as authorized by the CFA, N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19; and
- (j) Granting such other relief as the interests of justice may require.

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

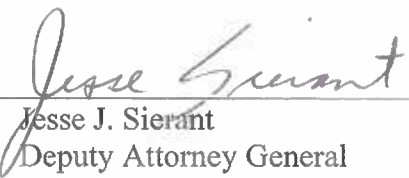
By:   
\_\_\_\_\_  
Jesse J. Sierant  
Deputy Attorney General  
Consumer Fraud Prosecution Section

Dated: September 22, 2016  
Newark, New Jersey

**RULE 4:5-1 CERTIFICATION**

I certify, to the best of my information and belief, that the matter in this action involving the aforementioned violations of the CFA, N.J.S.A. 56:8-1 et seq., the Contractors' Registration Act, N.J.S.A. 56:8-136 et seq., the Contractor Registration Regulations, N.J.A.C. 13:45A-17.1 et seq., the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., and the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq., is not the subject of any other action pending in any other court of this State other than Ising v. Willwood Builders, Inc., No. 15-002650 (Ocean Cnty. filed Sept. 23, 2015). I further certify, to the best of my information and belief, that the matter in controversy in this action is not the subject of a pending arbitration proceeding in this State, nor is any other action or arbitration proceeding contemplated. I certify that there is no other party who should be joined in this action at this time.

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

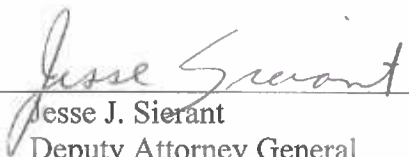
By:   
\_\_\_\_\_  
Jesse J. Sierant  
Deputy Attorney General  
Consumer Fraud Prosecution Section

Dated: September 22, 2016  
Newark, New Jersey

**RULE 1:38-7(c) CERTIFICATION OF COMPLIANCE**

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with Rule 1:38-7(b).

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs


By:   
\_\_\_\_\_  
Jesse J. Sierant  
Deputy Attorney General  
Consumer Fraud Prosecution Section

Dated: September 22, 2016  
Newark, New Jersey

**DESIGNATION OF TRIAL COUNSEL**

Pursuant to R. 4:25-4, Deputy Attorney General Jesse J. Sierant is hereby designated as trial counsel for the Plaintiffs in this action.

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

By:  \_\_\_\_\_  
Jesse J. Sierant  
Deputy Attorney General  
Consumer Fraud Prosecution Section

Dated: September 22, 2016  
Newark, New Jersey