**Home improvement, construction issues top list of worst complaints in 2018**



by [Adrian D. Garcia](https://www.bankrate.com/home-equity/top-consumer-complaints-2018/)[Adrian D. Garcia's Twitter profile](https://twitter.com/%40adriandgarcia)

* 4 min read/
* Jul. 30, 2019

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Problems with home improvement and new-home construction topped the list of worst complaints received last year, according to a new report from the Consumer Federation of America.

The [2018 Consumer Complaint Survey Report](https://consumerfed.org/wp-content/uploads/2019/07/Top-Consumer-Complaints-Report.pdf) looked at information related to 1.1 million complaints from agencies in 21 states. **Home improvement and construction issues generated the second-most complaints in 2018, behind trouble related to vehicles.**

The CFA asked the 35 state and local consumer agencies that participated in the report what they considered to be the worst complaints characterized by the volume of complaints, the financial cost to consumers, the impact on vulnerable consumers or the “sheer outrageousness” of the reports. Home improvement and construction issues rose to the top of the list.

Consumers can end up spending tens of thousands of dollars to rectify issues they encounter during a new-home build or remodeling project. And those expenses can lead to big headaches.

“The financial loss that consumers suffer when they pay for work that is shoddy, incomplete or never performed is bad enough, but these problems can also make their homes unlivable and cause emotional distress,” according to the report.

**Top 10 US consumer complaints by topic**

1. **Auto:** Misrepresentations in advertising or sales of new and used cars; lemons; faulty repairs; auto leasing; rentals; and towing disputes.
2. **Home improvement/construction:** Shoddy work; and failure to start or complete the job.
3. **Retail sales:** False advertising and other deceptive practices; defective merchandise; problems with rebates, coupons, gift cards and gift certificates; and failure to deliver.
4. **Services:** Misrepresentations; shoddy work; failure to have required licenses; and failure to perform.
5. **(Tie) Landlord/tenant:** Unhealthy or unsafe conditions; failure to make repairs or provide promised amenities; deposit and rent disputes; and illegal eviction tactics.
**Utilities:** Complaints about gas, electric, water and cable billing and service.
6. **Health products/services:** Misleading claims; unlicensed practitioners; failure to deliver; and medical billing issues.
7. **(Tie) Credit/debt:** Billing and fee disputes; mortgage modifications and mortgage-related fraud; credit repair; debt relief services; predatory lending; and illegal or abusive debt collection tactics.
**Communications:** Misleading offers; installation issues; service problems; and billing disputes with telephone and internet services.
8. **Internet sales:** Misrepresentations or other deceptive practices; and failure to deliver online purchases.
9. **Home solicitations:** Misrepresentations; abusive sales practices; failure to deliver in door-to-door, telemarketing or mail solicitations; and do-not-call violations
10. **(Tie) Household goods:** Misrepresentations; failure to deliver; and faulty repairs in connection with furniture or appliances.
**Fraud:** Bogus sweepstakes and lotteries; work-at-home schemes; grant offers; fake check scams; and imposter scams and other common frauds.

**Worst complaints in 2018**

1. **Home improvement/construction:** Shoddy work; and failure to start or complete the job.
2. **Services:** Misrepresentations; shoddy work; failure to have required licenses; and failure to perform.
3. **Fraud:** Bogus sweepstakes and lotteries; work-at-home schemes; grant offers; fake check scams; and imposter scams and other common frauds.

**Complaints related to home improvement and construction**

“Home improvement and construction have always been in the top three of our survey,” says Susan Grant, director of consumer protection and privacy at CFA, adding “that is because, along with auto sales, these are very expensive transactions, and if something goes wrong, consumers are more likely to complain than if their toaster breaks down or they have some other minor problem.”

Home remodeling and improvement activity has increased in [recent years,](https://www.bankrate.com/mortgages/home-renovations-record/) creating more potential for consumers to run into problems. [Mortgage rates](https://www.bankrate.com/mortgages/mortgage-rates/?pointsChanged=false&searchChanged=true&mortgageType=Refinance&zipCode=10019&partnerId=br3&ttcid=&userCreditScore=740&userVeteranStatus=NoMilitaryService&userHadPriorVaLoan=false&userHasVaDisabilities=false&userFirstTimeHomebuyer=false&userQuickClosing=false&userFha=false&userLowUpfrontCosts=false&userLowPayment=false&purchasePrice=360000&purchaseDownPayment=72000&purchasePropertyType=SingleFamily&purchasePropertyUse=PrimaryResidence&purchaseLoanTerms=30yr&purchasePoints=All&refinancePropertyValue=325000&refinanceLoanAmount=260000&refinancePropertyType=SingleFamily&refinancePropertyUse=PrimaryResidence&refinanceCashOutAmount=0&refinancePoints=All&refinanceLoanTerms=30yr) have also fallen in recent months, which means homebuyers and homeowners who want to refinance might save on monthly interest payments.

“It’s hard to say what will affect the rate of home improvement,” Grant says. “Certainly, low-interest rates puts more money in consumers’ pockets to do home improvements as well as programs like PACE (Property Assessed Clean Energy) which provide easily attainable loans for consumers to do certain kinds of energy-efficient home improvements.”

Rising home equity can also spur homeowners into renovating their homes. [Home prices have boosted American’s overall home equity to record-setting levels](https://www.bankrate.com/home-equity/americans-have-record-home-equity/) in recent years. Some buyers tap into that equity with a [home equity loan or home equity line of credit](https://www.bankrate.com/home-equity/home-equity-loan-vs-line-of-credit/) to pay for major remodeling projects or home repairs.

“One of the lessons in the report is if you are taking any kind of home improvement loan that involves a lien on your property, you need to understand what that means and the ramifications of it if you want to sell your home,” Grant says.