

**IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO**

STATE OF OHIO ex rel.)	
ATTORNEY GENERAL)	
DAVE YOST)	Case No:
30 E. Broad St., 14 th Floor)	
Columbus, Ohio 43215)	
)	Judge:
Plaintiff,)	
v.)	
)	
614 CUSTOM HOMES, INC.,)	COMPLAINT AND REQUEST FOR
c/o United States Corporation Agents, Inc.,)	DECLARATORY JUDGMENT,
Statutory Agent)	INJUNCTIVE RELIEF, CONSUMER
411 Wolf Ledges Parkway, Suite 201)	RESTITUTION, CIVIL PENALTIES,
Akron, OH 44311)	AND OTHER APPROPRIATE RELIEF
)	
and)	
)	
MARK A. KOVAL)	
1235 Fareharm Drive)	
New Albany, OH 43054)	
)	
Defendants.)	

JURISDICTION AND VENUE

1. Plaintiff, State of Ohio, by and through its counsel, the Attorney General of Ohio, Dave Yost, having reasonable cause to believe that violations of Ohio’s consumer protection laws have occurred, brings this action in the public interest and on behalf of the State of Ohio under the authority vested in him by the Consumer Sales Practices Act, (“CSPA”) R.C. 1345.01 *et seq.*

2. The actions of 614 Custom Homes, Inc. and Mark A. Koval, individually and doing business as 614 Custom Homes, Inc. (“Defendants”), hereinafter described, have occurred in Franklin

County and other counties in the State of Ohio and, as set forth below, are in violation of the CSPA, R.C. 1345.01, *et seq.*, its Substantive Rules, O.A.C. 109:4-3-01 *et seq.*, the Home Solicitation Sales Act (“HSSA”), R.C. 1345.21 *et seq.*, and the Home Construction Service Suppliers Act (“HCSSA”), R.C. 4722.01 *et seq.*

3. Jurisdiction over the subject matter of this action lies with this Court pursuant to R.C. 1345.04 of the CSPA.
4. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(C)(3) in that Franklin County is the county where Defendants conducted activity that gave rise to the claims for relief.

DEFENDANTS

5. Defendant 614 Custom Homes, Inc. (“614”) is an incorporated company registered with the Ohio Secretary of State on August 11, 2020.
6. Defendant Mark A. Koval is a natural person residing at 1235 Fareharm Drive, New Albany, OH 43054.
7. Defendants are “suppliers,” as that term is defined in R.C. 1345.01(C), as they engaged in the business of effecting “consumer transactions” by soliciting consumers either directly or indirectly for the home improvement goods and services, including home improvement remodels and additions, within the meaning of R.C. 1345.01(A).
8. Defendants are “sellers” engaging in “home solicitation sales” of “consumer goods or services” as those terms are defined in the HSSA, R.C. 1345.21(A), (C) and (E), because Defendants engaged in personal solicitations at the residences of consumers, including solicitations in response to or following invitations by consumers.

9. Defendants are “home construction service suppliers” engaged in “home construction services” as those terms are defined in the HCSSA, R.C. 4722.01(B) and (D), because Defendants contracted with owners to construct a “residential building” for compensation.
10. Defendant Mark A. Koval at all times pertinent hereto controlled and directed the business activities and sales conduct of Defendant 614 causing, personally participating in, or ratifying the acts and practices of Defendant 614, including the conduct giving rise to the violations described herein.

STATEMENT OF FACTS

11. Defendants’ businesses operated out of Defendant Koval’s home at 1235 Fareharm Drive, New Albany, OH 43054.
12. Defendants did not have a retail business establishment having a fixed permanent location where goods are exhibited or services are offered for sale on a continuing basis.
13. Defendants provided home improvement goods and services to consumers, including soliciting and selling home improvement remodels and additions.
14. Defendants entered into contracts with consumers to provide home improvement and repair services.
15. Defendants accepted down payments for home improvement and repair services.
16. Defendants advertised or promised prompt delivery and failed to take reasonable action to insure prompt delivery.
17. Defendants represented to consumers that they would provide the contracted goods and services within an estimated time and then failed to provide such goods and services in the time promised, if at all.

18. After receiving a down payment, Defendants sometimes failed to deliver the product at all.
19. In some instances, after receiving payment, Defendants began work but thereafter abandoned the worksite and failed to complete the work.
20. In some instances, Defendants provided shoddy and substandard home improvement services to consumers and then failed to correct such services.
21. Defendants failed to offer a three day right of rescission to consumers on their contracts in the manner required by Ohio law.
22. In addition to providing home improvement and repair services, Defendants sometimes contracted with consumers to construct home improvement remodels or additions, the cost of which exceeded \$25,000.
23. On these home construction contracts, Defendants accepted down payments for contracts exceeding \$25,000, and the down payments taken exceeded ten percent (10%) of the contract price.
24. The home construction contracts failed to include certain required information including, but not limited to, Defendants' taxpayer identification number, the anticipated start and completion dates and a copy of Defendants' certificate of general liability coverage in an amount not less than \$250,000.
25. For some home construction services, Defendants failed to deliver the work contracted for, and failed to provide a full refund within a reasonable time period.
26. For some home construction services, Defendants performed the work in a shoddy or unworkmanlike manner.

27. Defendants' failure to perform contracted home improvement and home construction services in a proper manner has resulted in harm to consumers.

PLAINTIFF'S FIRST CAUSE OF ACTION: VIOLATIONS OF THE CSPA

CSPA COUNT 1 - FAILURE TO DELIVER

28. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.

29. Defendants committed unfair or deceptive acts or practices in violation of the Failure to Deliver Rule, O.A.C. 109:4-3-09(A), and the CSPA, R.C. 1345.02(A), by accepting money from consumers for goods and services and then permitting eight weeks to elapse without making shipment or delivery of the goods and services ordered, making a full refund, advising the consumers of the duration of an extended delay and offering to send a refund within two weeks if so requested, or furnishing similar goods or services of equal or greater value as a good faith substitute.

CSPA COUNT 2 – SHODDY AND SUBSTANDARD WORK

30. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.

31. Defendants committed unfair or deceptive acts and practices in violation of the CSPA, R.C. 1345.02(A), by providing home improvement services in an incomplete, shoddy, substandard and unworkmanlike manner and then failing to correct such work.

32. The acts or practices described above have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01, *et seq.* Defendants committed said violations after such decisions were made available for public inspection pursuant to R.C. 1345.05(A)(3).

**CSPA COUNT 3 - ABANDONING THE WORKSITE
AFTER PARTIAL PERFORMANCE**

33. Plaintiff incorporates by reference, as if rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
34. Defendants violated the CSPA, R.C. 1345.02(A), by accepting partial payment from consumers and beginning work at consumers' residences, but abandoning the work site and refusing to complete performance of the contracted work.
35. The acts and practices described above have been previously determined by Ohio Courts to violate the CSPA, R.C. 1345.01 *et seq.* Defendants committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

**PLAINTIFF'S SECOND CAUSE OF ACTION:
VIOLATION OF THE HSSA**

FAILURE TO OFFER THREE DAY RIGHT TO CANCEL

36. Plaintiff incorporates by reference, as if completely rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
37. Defendants committed unfair or deception acts or practices in violation of the CSPA, R.C. 1345.02(A), and the HSSA, R.C. 1345.23, by failing to offer the proper notice of a consumer's right to cancel the home solicitation sale before three business days after the consumers signed an agreement.
38. The acts or practices described above have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 *et seq.*, and the HSSA, R.C. 1345.21 *et seq.* Defendants committed said violations after such decisions were made available for public inspection pursuant to R.C. 1345.05(A)(3).

PLAINTIFF'S THIRD CAUSE OF ACTION: VIOLATIONS OF THE HCSSA

**HCSSA COUNT 1 - FAILURE TO PROVIDE SERVICE CONTRACTS
CONTAINING ALL STATUTORILY REQUIRED INFORMATION**

39. Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
40. Defendants violated the HCSSA, R.C. 4722.02, by entering into home construction services contracts with owners, and not including all of the required information in the contracts, such as Defendants' taxpayer identification number, the anticipated start and completion dates for the project, and providing a copy of Defendants' certificate of general liability coverage in an amount not less than \$250,000.

HCSSA COUNT 2 - FAILURE TO DELIVER

41. Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
42. Defendants violated the HCSSA, R.C. 4722.03(A)(3)(f), by entering into home construction services contracts with owners, failing to deliver services in accordance with the terms and conditions of the contract, and failing to provide a full refund within a reasonable time period.

HCSSA COUNT 3 – EXCESSIVE DOWN PAYMENT

43. Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in the preceding paragraphs of this Complaint.
44. Defendants violated the HCSSA, R.C. 4722.04, by taking as a down payment, more than ten per cent of the contract price before the supplier's performance that is required by the contract begins.

HCSSA COUNT 4 - PERFORMING SERVICES IN AN UNWORKMANLIKE MANNER

45. Plaintiff incorporates by reference, as if rewritten herein, the allegations set forth previously in this Complaint.
46. Defendants violated the HCSSA, R.C. 4722.03(A)(3)(d), by entering into home construction services contracts with owners, and failing to perform the services in a workmanlike manner.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that this Court grant the following relief:

- A. ISSUE A DECLARATORY JUDGMENT that each act or practice complained of herein violates the CSPA, R.C. 1345.01 *et seq.*, and its Substantive Rules, O.A.C. 109:4-3-01 *et seq.*, the HSSA, R.C. 1345.21 *et seq.*, and the HCSSA, R.C. 4722.01 *et seq.*, in the manner set forth in the Complaint.
- B. ISSUE A PERMANENT INJUNCTION enjoining the Defendants, their agents, employees, successors or assigns, and all persons acting in concert and participation with them, directly or indirectly, through any corporate device, partnership, or other association, under these or any other names, from engaging in the acts and practices of which Plaintiff complains and from

further violating the CSPA, R.C. 1345.01 *et seq.*, and its Substantive Rules, O.A.C. 109:4-3-01 *et seq.*, the HSSA, R.C. 1345.21 *et seq.*, and the HCSSA, R.C. 4722.01 *et seq.*

- C. ISSUE A PERMANENT INJUNCTION enjoining Defendants from engaging in business as a supplier in any consumer transaction in the State of Ohio until such time as they have satisfied all monetary obligations ordered by this Court, and any other Court in Ohio in connection with a consumer transaction.
- D. ORDER Defendants, pursuant to R.C. 1345.07(B), to pay damages to all consumers injured by the Defendants' conduct as set forth in this Complaint.
- E. ASSESS, FINE and IMPOSE upon Defendants a civil penalty of up to \$25,000.00 for each separate and appropriate violation of the CSPA and the HCSSA described herein pursuant to R.C. 1345.07(D) and 4722.07(D).
- F. GRANT Plaintiff its costs incurred in bringing this action, including but not limited to, the cost of collecting on any judgment awarded.
- G. ORDER Defendants to pay all court costs associated with this matter.
- H. GRANT such other relief as the court deems to be just, equitable, and appropriate.

Respectfully submitted,

DAVE YOST
Attorney General



KEVIN R. WALSH (0073999)
Assistant Attorney General
Counsel for Plaintiff, State of Ohio
Consumer Protection Section
615 W. Superior Avenue, 11th Floor
Cleveland, OH 44113

216-787-3030
Kevin.Walsh@ohioago.gov