A few days later a man from a home-improvement company, who was recommended to us by a neighbor, came to see us. I did not call this company. I showed this salesman the list of improvements which the District of Columbia inspectors left. The man talked so nice and showed us how his company could also do many other things including consolidate my bills for a few dollars more. As a result, my wife and I decided to let this company do the following things also:

1. Put in new kitchen floor and put tile over it.
1. Replace back door.
3. Consolidate bills which amounted to $300.
4. Plaster walls in boilerroom and kitchen.
5. Replace hand rail on stairway.
6. Repair banister on front porch.

After listing all of the work to be done, the salesman told my wife and me that our total bill including everything would be $3,000. He did not mention any other company financing the work. We thought that we would be making our monthly payments to them. He did not say anything about interest rates or extra charges for credit. He said our monthly payments would be $68. He did not tell us when the payments would start or how many monthly payments we would have to pay. As a result, my wife and I thought that the $3,000 included the work, materials and all other charges. We assumed that we would pay $68 each month until the $3,000 was paid.

About 3 days later a man came with a contract for us to sign. He told us there was no need to read it because he had taken care of everything. My wife asked him if the jobs should not be itemized with prices of each job.

Senator TYDINGS. If I may interrupt you there. I would like to have the privilege of hearing the rest of your statement. I have to go to the floor to vote. I will be right back and we will continue the hearing. If you will pardon the inconvenience, we will recess for a few minutes.

(Recess.)

Senator TYDINGS. I apologize for the interruption.

Mr. Vaughn, will you continue, please.

Mr. VAUGHN. He took the contract out of her hand and pointed out what he wanted us to see. He told us to sign the contract, and we did. Later my wife called the company asking for an itemized list of jobs and prices. The company sent a list of the jobs to be done, but no prices.

One day the salesman said to my wife, "You know, you don't own this home." My wife immediately went and got a piece of paper showing that we do own the home. This man told my wife that he had to have that piece of paper to take downtown. He said that he would bring it back the next day. He never brought it back. This means that they now have the deed to our home.

One night the salesman came by and said he wanted us to sign some insurance papers. He said that insurance would cost $250. We told him that we did not need any insurance. He talked for a while and led us to believe that we almost had to take out the insurance. He said that he was in a hurry and told us that we did not need to read the contract. We signed.