

One day a man came for us and told us that some papers had to be signed downtown. He took us to a bank and notary public at 11th and H Streets NW. Before we got there the man said, "If anyone asks you if the work has been completed, tell them yes." I asked him why, because the work had not been completed. He said, "Well you know we are going to complete the work, and it will cut out a lot of red-tape." We did exactly what the man told us.

About 3 months later we received a bill from a banking and trust company in Maryland for \$5,250 instead of \$3,000. The monthly payments were \$76.66 instead of \$68. We had no idea as to what this bill was for. Finally we called and were told that the bill was for the work done on the house. I told the man that we had not signed any contract for \$5,250. He told me that the extra money was what the bank charged to finance the work. If I had been told this before, I would have never signed such a contract.

When we realized that we had been taken, we got a lawyer. He told us not to make any payments. After 3 or 4 months we learned that our home was about to be sold from under us. We then had to borrow \$400 to pay the back payments in order to save our home.

None of the work has been completed. We have been told that this home improvement company is out of business.

At present we are paying \$76.66 each month on a \$5,250 bill for work that has not been done. We are also paying \$25 per month on the \$400 we borrowed to keep from losing our home. By the way, the neighbor who recommended this company to us has since then lost her home for that same reason.

Senator TYDINGS. What was the name of the bank involved?

Mr. VAUGHN. The banking company? Well, it was Peoples Contracting Co.

Senator TYDINGS. That was the Home Improvement Co. Do you know the name of the bank that you pay your payments to now?

Mr. VAUGHN. Well, at present we have paid it to two different banks, but they won't accept our money. So I don't know nothing. We have to make our money out in money orders, and we keep it ourselves, because the bank that we have, my wife has all the names, and they told us they couldn't take it until further notice. So we are not paying any more. We are just getting our money orders, and keeping it ourselves.

Senator TYDINGS. You are not making any payments now?

Mr. VAUGHN. To not any bank.

Senator TYDINGS. Are you making any payments to anyone?

Mr. VAUGHN. We do not know who to make it to.

Senator TYDINGS. When did you stop making your payments?

Mr. VAUGHN. September.

Senator TYDINGS. Do you have any lawyers?

Mr. VAUGHN. Yes, sir.

Senator TYDINGS. Who?

Mr. VAUGHN. That lady there.

Senator TYDINGS. Miss Halloran.

Miss Halloran, what was the bank involved?

Miss HALLORAN. Right now we don't know who the present holder of the notice is. We are trying to find out. I cannot remember who