

## **Zelle LLP Files Class Action Lawsuit Alleging Illegal North Texas Roof Repair Scheme**

April 14, 2016

Zelle LLP, along with co-counsel Patel Law, PLLC, has filed a lawsuit on behalf of a class of Texas homeowners alleging the existence of an illegal scheme to induce homeowners to file hail damage insurance claims.

The lawsuit alleges the defendants have engaged in certain improper conduct related to a door-to-door sales scheme to induce North Texas area homeowners to allow defendants to file claims with the homeowners' insurance carriers for alleged roof and other damage resulting from hail and wind events. The suit contends that the defendants then act on behalf of the homeowners in negotiating resolution of their insurance claims and collecting the claim payments, with some homeowners receiving new roofs and other homeowners receiving nothing. Often, the alleged scheme includes retaining public adjusters, estimators, and lawyers to recover additional payments from the homeowners' insurance carriers through litigation.

"Texas law is crystal clear – roofing contractors cannot negotiate insurance claims," said Steven Badger, a partner in Zelle's Dallas office who is representing plaintiffs. "And more importantly, when the contractor collects the insurance proceeds it can't just pocket the money."

The class plaintiff is Ambrocia Ortega, a 93 year old widow from Oak Cliff. Ortega alleges she was approached by defendants' door-to-door canvasser and promised a "free roof". Ortega signed the agreement presented to her and the defendants negotiated her insurance claim. According to Naval Patel, co-counsel for Ortega and the class, "the defendants collected the insurance proceeds from Ms. Ortega, but they never delivered on the promises of a free roof – or any roof." Patel advises that he has been contacted by other homeowners with similar circumstances.

"This scheme is being employed all across Texas," according to Badger. "Our suit alleges that all homeowners having executed such contracts, whether they received a new roof or not, are entitled to the return of all amounts paid to the

roofing contractor and its affiliated companies.”

It is believed that several thousand North Texas homeowners are victims of the scheme.

The lawsuit, *Ortega v. Jorge Garcia, et al.*, was filed in the District Court of Dallas County, Texas.