

LEGAL ALERT

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WHEN THE CSPA DOESN'T APPLY: ORION V. KAEKA AND OHIO'S CONSTRUCTION SERVICE EXEMPTION

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CASE OVERVIEW: ORION MGT., INC. V. KAEKA, 2025-OHIO-1047 (9TH DIST. 2025)

In a recent Ohio Ninth District Court of Appeals decision, homeowners who experienced significant property damage from both a fallen tree and inadequate contractor work were left without the protection of Ohio's Consumer Sales Practices Act (CSPA). In *Orion Management, Inc. v. Kaeka*, the court clarified how the enactment of Ohio's Home Construction Service Suppliers Act (HCSSA) carved out a significant exception to consumer protections.

THE FACTS

After a tree crashed through homeowners' newly purchased home, they hired a contractor to repair the damage. The project was delayed for over two months, during which the tarps covering the exposed roof shifted and tore, causing further water damage to the home. Frustrated by the lack of progress and worsening conditions, the homeowners instructed the contractor to halt work and provide a bill for services rendered. When the homeowners failed to pay the bill, the contractor filed a mechanic's lien and sued for breach of contract. In response, the homeowners counterclaimed, alleging, among other things, violations of the CSPA and HCSSA.

The trial court found the CSPA did not apply because the contract involved construction services rather than a consumer transaction. At trial, the homeowners prevailed on their HCSSA counterclaim, with the jury awarding them \$118,848.37 in damages.

THE NINTH DISTRICT HOLDING

On appeal, the Ninth District Court of Appeals held that the CSPA does not apply to home construction service contracts, even when the work involves rebuilding after property damage rather

than new construction, and that the HCSSA exclusively applies to those contracts.¹ The court noted that the Ohio legislature enacted the HCSSA to address residential construction specifically and to provide a tailored framework for governing home construction suppliers.²

THE CONSUMER SALES PRACTICES ACT

Ohio's Consumer Sales Practices Act (CSPA), enacted in 1972, prohibits suppliers from committing unfair, deceptive, or unconscionable acts or practices in connection with consumer transactions.³ A "consumer transaction" is broadly defined but specifically excludes "transactions involving a home construction service contract as defined in section 4722.01 of the Revised Code."⁴

The CSPA prohibits deceptive practices such as misrepresenting goods or services⁵ and unconscionable practices that take advantage of consumers' vulnerabilities or involve excessive pricing.⁶ When violations occur, consumers may recover actual economic damages plus up to \$5,000 in noneconomic damages, or—if the violation was previously declared deceptive or unconscionable—rescission or treble (triple) damages (or at least \$200), plus up to \$5,000 in noneconomic damages, or appropriate relief through a class action.⁷ Courts may also award attorney fees against suppliers who knowingly violate the CSPA.⁸

Prior to 2012, the CSPA governed residential construction contracts. However, the Ohio legislature enacted the Home Construction Service Suppliers Act (HCSSA) to establish specialized laws for construction services, removing these transactions from CSPA coverage.

THE HOME CONSTRUCTION SERVICE SUPPLIERS ACT

Ohio's Home Construction Service Suppliers Act (HCSSA), enacted in 2012, specifically governs contracts for home construction services equal to or exceeding \$25,000.⁹ It defines "home construction service" as "the construction of a residential building, including the creation of a new structure and the repair, improvement, remodel, or renovation of an existing structure."¹⁰

The HCSSA generally prohibits suppliers from engaging in a wide range of deceptive, unfair, or substandard business practices.¹¹ It also requires that most home construction service contracts be in writing and include specific information such as the parties' contact details, address where service is to be performed, description of the work and goods to be furnished, anticipated start and end

¹ *Orion Mgmt., Inc. v. Kaeka*, 2025-Ohio-1047, ¶ 33 (9th Dist. 2025).

² *Orion Mgmt., Inc. v. Kaeka*, 2025-Ohio-1047, ¶ 32 (9th Dist. 2025).

³ R.C. 1345.02(A), 1345.03(A).

⁴ R.C. 1345.01(A).

⁵ R.C. 1345.02(B).

⁶ R.C. 1345.03(B).

⁷ R.C. 1345.09.

⁸ R.C. 1345.09(F).

⁹ R.C. 4722.01(C).

¹⁰ R.C. 4722.01(B).

¹¹ See R.C. 4722.03.

dates, estimated costs, copy of the supplier's certificated of insurance, and dated signatures of the parties.¹² Cost-plus contracts are exempt from many of these writing requirements.¹³

Like the CSPA, when a violation of the HCSSA occurs, the homeowner may seek rescission of the contract, or actual economic damages with up to \$5,000 in noneconomic damages.¹⁴ Courts may also award attorney fees against suppliers who knowingly violate the HCSSA.¹⁵ Importantly, homeowners suing under the HCSSA are not entitled to recover treble damages, a remedy that is available under the CSPA.

THE CONSTRUCTION EXCEPTION'S BROAD REACH

The Ninth District's interpretation of "home construction services" was notably broad, rejecting arguments that the HCSSA should only apply to *new* construction.¹⁶ The court held that restoration work after property damage constitutes "construction" within the meaning of the statute, even when rebuilding existing structures.¹⁷ This interpretation means that homeowners dealing with a broad range of renovations and repairs may find themselves outside CSPA protection, even when contractors engage in practices that would clearly violate the CSPA in other contexts.

PRACTICAL CONSIDERATIONS FOR HOMEOWNERS

The decision highlights the importance of:

- Careful contract drafting when working with construction contractors
- Understanding which legal protections apply to specific transactions
- Seeking legal counsel early when construction problems arise

While Ohio consumers retain broad CSPA protections for most transactions, home construction services costing \$25,000 or more fall under the HCSSA, which offers more limited remedies. The HCSSA does not provide for treble damages, a key remedy available under the CSPA.

Understanding which consumer protection laws apply to your specific situation is crucial for protecting your rights and obtaining appropriate remedies when things go wrong. Hahn Loeser's Construction Team is well-equipped to assist contractors. For CSPA or HCSSA questions or concerns, please contact Construction Partner [Aaron S. Evenchik](#).

¹² R.C. 4722.02(A)(1-9).

¹³ R.C. 4722.02(C), 4722.03(B).

¹⁴ R.C. 4722.08.

¹⁵ *Id.*

¹⁶ *See, Orion Mgt., Inc. v. Kaeka*, 2025-Ohio-1047, ¶ 25-32 (9th Dist. 2025).

¹⁷ *Id.* at ¶ 33.

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