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PRESS RELEASE

Attorney General Frosh Sues Montgomery County Home Builders Charges Filed Against Mitchell & Best Homes, LLC for Alleged Violations of Home Builder Registration Act, Maryland Express and Implied Warranties Act, and Consumer Protection Act

Baltimore, MD (April 27, 2016) -- Attorney General Brian E. Frosh announced today that his Consumer Protection Division's Home Builder Registration Unit ("Unit") filed charges against Mitchell & Best Homebuilders, LLC of Rockville, Maryland and related entities and individuals for alleged violations of the Home Builder Registration Act, the Maryland Express and Implied Warranties Act, and the Consumer Protection Act.

Three of these entities, owned by related principals and corporate entities, entered into contracts to construct new homes for consumers in Maryland without being registered. The contracts that the companies entered into with consumers to construct their homes included provisions that improperly attempted to waive implied warranties and the consumer's right to consequential damages. In addition, some of the homes delivered by one entity had defects that allowed water infiltration, which the companies have failed to remedy.

In addition to Mitchell & Best Homebuilders, LLC, the Unit charged Mitchell Best Homes, LLC; MB Maple Lawn, LLC; MB Oak Creek, LLC; and MB Holly House Meadows, LLC and their principals, R. Michael Boies, John B. Corgan, Linda M. Ellington, Robert L. Mitchell, Jr., and Kristine M. Sullivan.

A hearing on the statement of charges is scheduled for August 9, 2016 at the Office of Administrative Hearings. The Home Builder Registration Unit is seeking injunctive relief, restitution, damages, and civil penalties against these builders for the alleged violations of the law.

"The law in Maryland is very clear: home builders must be registered prior to entering into contracts with consumers and constructing their homes," said Attorney General Frosh. "My office will seek sanctions against builders who fail to provide consumers with the protections offered by registration with my office."

Consumers who may have had problems with homes built by these or other builders should contact the Home Builder Registration Unit at (410) 576-6573 in Baltimore or call toll free at (877) 259-4525. Consumers can also email that unit at <u>homebuilder@oag.state.md.us</u>.

The Attorney General's Office encourages new home buyers to check whether their builder is registered by calling the Unit or by visiting <u>our Home Builder page</u>. New home buyers may also verify whether builders have a surety bond or letter of credit by contacting the Unit.