



## PRESS RELEASE

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### **Queen Anne’s Co. Home Builder Ordered to Pay More Than \$425,000 for Consumer Protection Violations**

**BALTIMORE, MD (April 13, 2017)** – Maryland Attorney General Brian E. Frosh’s announced today that his Consumer Protection Division issued a final order finding that Nexus EnergyHomes, Inc., a home builder from Queen Anne’s County, violated the Home Builder Registration Act, the Custom Home Protection Act, the New Home Deposits Act, and the Consumer Protection Act. The Order requires the builder to pay restitution of \$151,010.13, economic damages of \$235,567.60, penalties of \$32,000.00, and costs of \$6,446.10.

The Division found that Nexus EnergyHomes, and its principals, Vincent Paul Zanecki and Michael W. Murphy, entered into contracts with twelve families to construct new homes in Anne Arundel, Frederick, Howard, and Queen Anne’s Counties but then failed to begin or complete construction of the homes after taking substantial deposits and payments from the consumers. The Division also determined that the company and its principals failed to provide proper protection for the consumers’ deposits and payments by either placing them in an escrow account or having a surety bond or letter of credit for their protection and failed to pay subcontractors for work performed. The Division found numerous instances in which consumers had to pay subcontractors to avoid potential liens being placed against their homes as a result of the company’s failure to pay its obligations. The Division’s final order further bars Nexus EnergyHomes, Inc., and its principals from acting as a home builder in the State of Maryland unless they meet requirements set by the Division in order to be registered as a home builder under Maryland’s Home Builder Registration Act.

The Division also issued final orders providing that injured consumers may obtain recovery from the Home Builder Guaranty Fund for their actual losses resulting from the builder’s failure to complete their homes. Under Maryland law, consumers may seek recovery from the Home Builder Guaranty Fund for actual losses of up to \$50,000.00 resulting from the failure of a registered builder to complete their home, up to a total of \$300,000 per builder.

“Before any money changes hands for a new home, you need to protect the biggest investment of your lifetime,” said Attorney General Frosh. “Make sure that your home is built by a registered home builder and that any deposits are protected by an escrow account, bond or letter of credit.”

The Attorney General’s Office encourages new home buyers to check whether their builder is registered by contacting the Division’s Home Builder Registration Unit at (410) 576-6573 or toll-free at (877) 259-4525, or by visiting [www.marylandattorneygeneral.gov/Pages/CPD/Homebuilder/](http://www.marylandattorneygeneral.gov/Pages/CPD/Homebuilder/). New home buyers may also

verify whether builders have a surety bond or letter of credit by contacting the Home Builder Registration Unit.