

MEDIA CONTACTS:
PRESS@OAG.STATE.MD.US
410-576-7009

PRESS RELEASE

AG Frosh Secures Settlement with Land Sales Company over Cabin Advertisements Businesses advertised new homes at Deep Creek Lake

Baltimore, MD (June 29, 2017) – Maryland Attorney General Brian E. Frosh announced today that his Consumer Protection Division entered into a settlement with Deep Creek Mountain Land Company, LLC, NLP of Maryland, LLC, and Harry Patten (together, "NLP"), to resolve allegations that NLP's advertisements deceived and misled consumers in order to entice them to respond. The Division alleged that NLP placed ads that offered consumers a new log cabin and plot of land near Deep Creek Lake for as little as \$119,000, but failed to inform consumers that what they would actually receive was either a partially-completed cabin or a kit containing the materials to construct a log cabin, and that consumers would have to pay over \$200,000 to complete the home.

The Division alleged that another of NLP's advertising campaigns offered consumers a "lake access" home site with a free boat and boat slip, when in fact what NLP was offering was a land-locked plot miles from Deep Creek Lake, and the "free boat slip" was actually a dry slip in a marina parking lot that would cost the consumer over \$1,900 per year to access.

"Businesses cannot lure consumers in with false promises and exaggerated claims," said Attorney General Frosh. "Consumers should be able to trust that what they see in an advertisement is what they'll get, not be subject to a bait and switch."

The Division also alleged that though NLP was never registered with the Division's Home Builder Registration Unit (HBRU), NLP displayed a home builder registration number in some of its advertisements. The number NLP used belonged to an unaffiliated home builder. In Maryland, any company that sells or builds new homes must register with the HBRU, and it is illegal to use the home builder registration number of another builder as your own.

The settlement requires NLP to change its advertising practices and to arbitrate any consumer complaints through the Division's free arbitration program. NLP must pay consumers that took advantage of NLP's free boat and boat slip offer \$19,000 each. The companies must also pay civil penalties of \$200,000 and a further \$10,000 for the costs of the Division's investigation.

For more information about the settlement, Marylanders can contact the Consumer Protection Division at 410-576-6569.



