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## PRESS RELEASE

## Harford County Home Builder Ordered to Pay More Than \$700,000 for Violating Consumer Protection Laws

**BALTIMORE, MD** (June 23, 2020) – Maryland Attorney General Brian E. Frosh announced today that his Consumer Protection Division issued a <u>Final Order</u> finding that Clark P. Turner and Clark Turner Homes, LLC, of Harford County, violated Maryland's Consumer Protection Act, New Home Deposits Act, and Custom Home Protection Act. The Order requires Turner and Clark Turner Homes to pay more than \$559,000 in restitution to consumers, \$75,000 in civil penalties, and more than \$72,000 in costs. In addition, the Order imposed cease and desist provisions to prevent future violations by Turner and Clark Turner Homes.

The Division found that Turner and Clark Turner Homes accepted over \$1.2 million from or on behalf of at least 15 consumers, but either failed to begin construction on their homes or failed to complete construction of their homes. The Division also determined that Turner and Clark Turner Homes violated the laws protecting new home purchasers in Maryland by, among other things, failing to protect consumer deposits, breaching the trust created for the benefit of the buyer, misappropriating the money paid by consumers to Clark Turner Homes, and failing to include required disclosures in contracts with consumers.

The Division also issued a Final Order awarding over \$370,000.00 from the Home Builder Guaranty Fund to 19 injured consumers for their actual losses resulting from Clark Turner Homes' failure to return deposits when construction never began, failure to complete consumers' homes, or defective workmanship. 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 begin or complete their home or for defective workmanship, up to a total of \$300,000.00 per builder, which is increasing to \$500,000 as of October 1, 2020. In addition to the protection provided to consumers through the Guaranty Fund, under certain circumstances, builders are also required to maintain a bond with the State for the protection of consumers. Here, the builder maintained a \$75,000 bond, which may benefit some of the consumers.

"Purchasing a new home is the largest investment most people make in their lives. My office will pursue sanctions against builders who treat consumers unfairly and fail to protect consumer deposits," said Attorney General Frosh. "Consumers should make sure that any deposits are protected by an escrow account, bond, or letter of credit."

Consumers who have had problems with homes built by these or other builders should contact the Home Builder Registration Unit (HBRU) at 410-576-6573 in Baltimore or call toll free at 877-259-4525. The Attorney General's Office encourages home buyers to check whether their builder is registered before entering into a contract by calling the HBRU or visiting <a href="https://www.marylandattorneygeneral.gov/pages/cpd/homebuilder">www.marylandattorneygeneral.gov/pages/cpd/homebuilder</a>.