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## Attorney General Frosh Announces Settlement with Queen Anne's and Baltimore County Based Builders Resolving Charges Related to Sale of New Homes

Builders Agree to Pay Nearly \$343,000 in Damages and Restitution to Consumers Who Didn't Receive the Homes Promised to Them

BALTIMORE, MD (November 23, 2022) – Maryland Attorney General Brian E. Frosh announced today that his Consumer Protection Division has reached a settlement with Serenity Investments, LLC, Crab Alley, LLC, JSE Investment Properties, LLC, and their principal Sandra S. Eshelman (Serenity Homes) who built homes in Maryland. The settlement addresses charges that Serenity Homes violated the Consumer Protection Act and related home builder laws by accepting thousands of dollars from consumers, but, in some instances, either failing to begin or complete construction of their homes or failing to repair defects in some of the homes.

According to the <u>Statement of Charges</u>, Serenity Homes violated the laws protecting new home purchasers in Maryland by, among other things, breaching the trust created for the benefit of the buyer, and misappropriating the money paid by consumers. The charges also allege that Serenity Homes used contracts that lacked required disclosures and notices. Additionally, the charges allege JSE Investment Properties, LLC, entered into a contract to build a new home in Maryland without registering as a home builder.

"Serenity Homes and Sandra Eshelman took money from consumers and promised to build new homes for them," said Attorney General Frosh. "Instead, they used that money for other purposes and failed to deliver on their promises. We hope that this settlement will bring relief to all consumers who did not get what they paid for."

The settlement also requires Serenity Homes to pay \$3,000.00 in costs and \$60,000.00 in civil penalties, with all but \$30,000.00 being waived if Serenity Homes complies with the terms of the Final Order by Consent. The Final Order by Consent also contains injunctive relief and requires Serenity Homes to submit to binding arbitration any consumer complaint that cannot be resolved through mediation, promptly comply with any arbitration decision entered against them, and provide the Division with a \$500,000.00 performance bond prior to engaging in any home building activity.

Consumers who 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 toll free at 877-259-4525. The Attorney General's Office encourages home buyers to check whether their builder is registered by calling or visiting <a href="https://www.marylandattorneygeneral.gov/pages/cpd/homebuilder">www.marylandattorneygeneral.gov/pages/cpd/homebuilder</a>.

https://www.marylandattorneygeneral.gov/press/2022/112322.pdf