ON THE SUBSEQUENT SALE OF THE IMPROVEMENT BY THE INTERMEDIATE PURCHASER AS IF THE SUBSEQUENT SALE HAD BEEN EFFECTUATED BY THE VENDOR WITHOUT REGARD TO THE INTERVENING GRANT.

REVISOR'S NOTE: This section presently appears as Art. 21, §10-205 of the Code. The only changes are in style.

SUBTITLE 3. DEPOSITS ON NEW HOMES.

10-301. ESCROW ACCOUNT AND SURETY BOND TO BE MAINTAINED BY VENDOR RECEIVING DEPOSIT.

(A) WHEN ESCROW ACCOUNT OR SURETY BOND REQUIRED.

IF THE VENDOR OR BUILDER, IN CONNECTION WITH THE SALE AND PURCHASE OF A NEW SINGLE FAMILY RESIDENTIAL UNIT WHICH IS NOT COMPLETED AT THE TIME OF CONTRACTING THE SALE, OBLIGATES THE PURCHASER TO PAY AND THE VENDOR OR BUILDER RECEIVES ANY SUM OF MONEY PRIOR TO COMPLETION OF THE UNIT AND GRANT OF THE REALTY TO THE PURCHASER, THE BUILDER OR VENDOR SHALL:

(1) DEPOSIT OR HOLD THE SUM IN AN ESCROW ACCOUNT SEGREGATED FROM ALL OTHER FUNDS OF THE VENDOR OR PURCHASER TO ASSURE THE RETURN OF THE SUM TO THE PURCHASER IN THE EVENT THE PURCHASER BECOMES ENTITLED TO A RETURN OF THE SUM; OR

(2) OBTAIN AND MAINTAIN A CORPORATE SURETY BOND IN THE FORM AND IN THE AMOUNTS SET FORTH IN §10-302 CONDITIONED ON THE RETURN OF THE SUM TO THE PURCHASER IN THE EVENT THE PURCHASER [[BEOMES]] <u>BECOMES</u> ENTITLED TO THE RETURN OF THE MONEY.

(B) ESCROW ACCOUNT OR SURETY BOND MAINTAINED UNTIL CERTAIN EVENTS.

THE VENDOR OR BUILDER SHALL MAINTAIN THE ESCROW ACCOUNT OR SURETY BOND UNTIL THE HAPPENING OF THE EARLIER OF:

(1) THE GRANTING OF A DEED TO THE [[REALTY]] <u>PROPERTY</u> ON WHICH THE RESIDENTIAL UNIT IS LOCATED TO THE PURCHASER;

(2) THE RETURN OF THE SUM OF MONEY TO THE PURCHASER; OR

(3) THE FORFEITURE OF THE SUM BY THE PURCHASER, UNDER THE TERMS OF THE CONTRACT OF SALE RELATING TO THE PURCHASE OF THE RESIDENTIAL UNIT.