

WHEREAS, Section 7-105(f)(2) of the Real Property Article currently permits a tenancy to continue after a foreclosure sale of a mortgage or deed of trust which is entered into before the foreclosure sale only if the mortgage or deed of trust so provides; and

WHEREAS, There may be situations in which it would be beneficial to both the beneficiary under the mortgage or deed of trust and the tenant to have the tenancy continue after the foreclosure sale; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Real Property

7-105.

(f) (2) If [the mortgage or deed of trust so authorizes and] the required advertisement of sale so discloses, a foreclosure sale shall be made subject to one or more of the tenancies entered into subsequent to the recording of the mortgage or deed of trust OR OTHERWISE SUBORDINATED THERETO. Any lease so continuing is unaffected by the sale, except the purchaser shall become the landlord, as of the date of the sale, on ratification of the sale.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act applies to all foreclosure sales held on or after January 1, 1986.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 1986.

Approved May 21, 1985.

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CHAPTER 362

(House Bill 818)

AN ACT concerning

Corporations and Associations - Action by Directors

FOR the purpose of defining the minimum number of directors that will constitute a quorum pursuant to the bylaws if the number of directors is 3 or less.

BY repealing and reenacting, without amendments,