

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1986.

Approved May 27, 1986.

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CHAPTER 834

(Senate Bill 307)

AN ACT concerning

Maryland Cooperative Housing Corporation Act

FOR the purpose of establishing the Maryland Cooperative Housing Corporation Act; defining terms; providing for certain conditions to be met before a contract for the initial sale of a cooperative interest may be enforceable; providing for certain statements required in the public offering statement; providing for a public offering statement to be given to an initial purchaser at or before the time of contract of sale; providing that the sales contract contain a notice of the purchaser's rescission rights and right to receive a public offering statement; providing that the purchaser may rescind the sales contract in certain circumstances within a certain time limit and receive the deposit made on account of the contract; providing for the liability of a developer to a purchaser for untrue statements or omissions of material fact; providing that certain purchasers' rights may not be waived; requiring an implied warranty on certain structural elements of a building; providing for terms of the warranty; requiring notice of conversion to be given to a tenant in certain circumstances; providing requirements and a form for proper notice before a tenant must vacate a residence; providing terms for vacation of a residence; providing certain defenses to civil actions; providing for tenants' options to purchase; requiring a cooperative housing corporation to adopt uniform objective standards concerning financial responsibility to apply to all tenants and initial purchasers; conditioning a tenant's acceptance of an owner's offer on the tenant meeting certain financial standards; prohibiting a developer from selling a cooperative interest affecting certain designated households occupied by handicapped or senior citizens without offering a lease extension for a certain period to the tenant; granting local government the right to provide by law that local government have the first right to purchase a rental facility or cooperative interest on substantially the same terms offered by the owner to a private purchaser under certain circumstances; providing for local government to have the option of taking certain actions to protect consumers from displacement during a rental housing emergency; requiring