

ADVERSE ADJUDICATION(S):

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UNSATISFIED JUDGMENT(S):

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(C) (1) A CUSTOM HOME BUILDER SHALL INCLUDE IN EACH CUSTOM HOME CONTRACT AN ESCROW ACCOUNT REQUIREMENT NOTICE UNDER PARAGRAPH (3) OF THIS SUBSECTION.

(2) THE ESCROW ACCOUNT REQUIREMENT NOTICE UNDER PARAGRAPH (3) OF THIS SUBSECTION SHALL:

(I) BE ON A SEPARATE PAGE OF THE CUSTOM HOME CONTRACT; AND

(II) BE SEPARATELY SIGNED BY THE BUYER.

(3) THE ESCROW ACCOUNT REQUIREMENT NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL STATE:

"ESCROW ACCOUNT REQUIREMENT

MARYLAND LAW REQUIRES THAT ALL CONSIDERATION EXCEEDING 5 PERCENT OF THE TOTAL CONTRACT PRICE WHICH IS PAID BY A BUYER TO A CUSTOM HOME BUILDER IN ADVANCE OF THE COMPLETION OF THE LABOR, OR THE RECEIPT OF THE MATERIALS FOR WHICH THE CONSIDERATION IS PAID SHALL BE DEPOSITED IN AN ESCROW ACCOUNT AND PAID OUT OF THAT ACCOUNT ONLY FOR CERTAIN PURPOSES SPECIFIED BY LAW. TO ENSURE THIS, THE LAW REQUIRES THAT YOUR BUILDER MAY ONLY ACCEPT SUCH PAYMENT IN THE NAME OF THE ESCROW ACCOUNT. THUS, YOU SHOULD MAKE OUT YOUR CHECK TO "(NAME OF BUILDER), ESCROW ACCOUNT". RECORDS OF PAYMENTS OUT OF THIS ACCOUNT MUST BE CAREFULLY MAINTAINED BY YOUR BUILDER, AND THE BUILDER MUST PERMIT YOU REASONABLE ACCESS TO ESCROW ACCOUNT RECORDS. YOUR BUILDER, HOWEVER, MAY CHOOSE TO ESTABLISH A SEPARATE ESCROW ACCOUNT FOR YOUR PROJECT WHICH WILL REQUIRE YOUR SIGNATURE FOR ANY WITHDRAWALS."

10-507.

(A) IN ADDITION TO ANY OTHER PENALTY PROVIDED ELSEWHERE IN THE ANNOTATED CODE, ANY CONDUCT THAT FAILS TO COMPLY WITH THIS SUBTITLE, OR ANY BREACH OF ANY TRUST CREATED BY THIS SUBTITLE, IS:

(1) AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE MEANING OF TITLE 13 OF THE COMMERCIAL LAW ARTICLE; AND

(2) IS SUBJECT TO ALL OF THE PROVISIONS OF THAT TITLE.

(B) ANY CONDUCT THAT FAILS TO COMPLY WITH THIS SUBTITLE, OR ANY BREACH OF ANY TRUST CREATED BY THIS SUBTITLE, IS A MISDEMEANOR, AND ON CONVICTION, ANY VIOLATOR IS SUBJECT TO A FINE NOT EXCEEDING \$1,000 OR IMPRISONMENT NOT EXCEEDING 1 YEAR, OR BOTH.