

AN ACT concerning

 Sales of Property - Custom Home Protection Act

FOR the purpose of altering a requirement that a custom home builder, under certain circumstances, place certain consideration into an escrow account; providing that the requirement does not apply when the custom home contract is financed by certain financial ~~or-fiduciary~~ institutions or when certain moneys are paid in advance to a real estate broker and held in the broker's escrow account; requiring certain notice in certain custom home contracts; providing for the effective date of this Act; and generally relating to custom home contracts.

BY repealing and reenacting, with amendments,

 Article - Real Property
 Section 10-504 and 10-506
 Annotated Code of Maryland
 (1981 Replacement Volume and 1986 Supplement)

BY repealing

 Article - Real Property
 Section 10-508
 Annotated Code of Maryland
 (1981 Replacement Volume and 1986 Supplement)

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

 Article - Real Property

10-504.

(a) (1) Except as provided under paragraph (4) of this subsection AND SUBSECTION (E) OF THIS SECTION, a custom home builder who receives consideration from a buyer in connection with the performance of a custom home contract shall place the consideration into an escrow account to the extent that the consideration is a payment in advance of the completion of the labor or the receipt of the materials for which the consideration is paid.

(2) The escrow account under paragraph (1) of this subsection shall be separate and apart from the regular funds of