

CHAPTER 569

(House Bill 780)

AN ACT concerning

Real Property – New and Custom Homes – Escrow Accounts

FOR the purpose of making a violation of certain escrow and trust provisions relating to construction of new and custom homes a felony; increasing the penalties for a violation of certain escrow and trust provisions relating to construction of new and custom homes; establishing that in order to be found in violation of ~~the~~ certain new and custom home provisions, an individual must have acted with a certain intent; requiring a person convicted of a violation of certain new and custom home provisions to make restitution to the purchaser as determined by the court; making ~~these~~ certain violations an unfair or deceptive trade practice subject to certain provisions of the Consumer Protection Act; requiring the Division of Consumer Protection of the Office of the Attorney General to create a certain disclosure form that advises new home buyers of buyers' rights; requiring a builder to provide a certain disclosure form to new home buyers; ~~eliminating certain qualifications relating to the circumstances in which a custom home builder must need not place a buyer's consideration in an escrow account~~; ~~allowing a custom home buyer to require the builder to establish an individual escrow account for the buyer's contract~~; requiring the vendor or builder of a custom home to periodically provide certain information to the buyer ~~and the buyer's financial institution~~; repealing a requirement that the buyer make a written request in order to receive certain information; requiring a custom home builder to disclose certain information in the contract relating to the buyer's rights; making stylistic changes; and generally relating to contracts for new and custom homes.

BY repealing and reenacting, with amendments,

Article – Real Property

Section 10-305 and 10-504 through 10-507

Annotated Code of Maryland

(1988 Replacement Volume and 1994 Supplement)

BY adding to

Article – Real Property

Section 10-306

Annotated Code of Maryland

(1988 Replacement Volume and 1994 Supplement)

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