

Section 8-110

Annotated Code of Maryland

(1996 Replacement Volume)

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

Article – Real Property

8-110.

(a) (1) This section does not apply to leases of property leased for business, commercial, manufacturing, mercantile, or industrial purposes or any other purpose which is not primarily residential, where the term of the lease, including all renewals provided for, does not exceed 99 years. A lease of the entire property improved or to be improved by any apartment, condominium, cooperative, or other building for multiple-family use on the property constitutes a business and not a residential purpose. The term "multiple-family use" does not apply to any duplex or single-family structure converted to a multiple-dwelling unit.

(2) This section does not apply to irredeemable leases executed before April 9, 1884.

(3) THIS SECTION DOES NOT APPLY TO LEASES OF THE GROUND OR SITE UPON WHICH DWELLINGS OR MOBILE HOMES ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT IN THE STATE OR MOBILE HOME PARK.

(b) Except for apartment and cooperative leases, any reversion reserved in a lease for longer than 15 years is redeemable, at the option of the tenant, after a notice of one month to the landlord:

(1) For a sum equal to the annual rent reserved multiplied by:

(i) 25, which is capitalization at 4 percent, if the lease was executed from April 8, 1884 to April 5, 1888, both inclusive;

(ii) 8.33, which is capitalization at 12 percent, if the lease was or is created after July 1, 1982; or

(iii) 16.66, which is capitalization at 6 percent, if the lease was created at any other time;

(2) For a lesser sum if specified in the lease; or

(3) For a sum to which the parties may agree at the time of redemption.

(c) If the lease is executed on or after July 1, 1971, the reversion is redeemable at the expiration of 3 years from the date of the lease. If the lease is executed on or after July 1, 1982 or between July 1, 1969 and July 1, 1971, the reversion is redeemable at the expiration of 5 years from the date of the lease. If the lease is executed before July 1, 1969, the reversion is redeemable at any time.