

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 1997.

Approved May 22, 1997.

CHAPTER 729

(House Bill 1232)

AN ACT concerning

Real Property – Contracts of Sales

FOR the purpose of altering ~~the~~ a certain statement applicable to recordation and transfer taxes that must be contained in a contract for use in the sale of residential property used as a dwelling place for one or two single-family units; clarifying that certain contracts of sale shall comply with certain provisions of law; and generally relating to contracts of sale of real property.

BY repealing and reenacting, with amendments,

Article – Real Property

Section 14-117

Annotated Code of Maryland

(1996 Replacement Volume and 1996 Supplement)

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

Article – Real Property

14-117.

(a) A contract for the sale of real property subject to a ground rent shall contain the following:

(1) Notice of the existence of the ground rent; and

(2) Notice that if the ground rent is not timely paid the effect may be:

(i) That the reversionary owner of the ground rent may bring an action for possession against the ground rent tenant under § 8-402.2 of this article; and

(ii) As a result of the action for possession, the reversionary owner of the ground rent may own the property in fee, discharged from the lease.

(b) A contract for the initial sale of improved, residential real property to a member of the public who intends to occupy or rent the property for residential purposes shall disclose the estimated cost, as established by the appropriate water and sewer authority, of any deferred water and sewer charges for which the purchaser may become liable. If the appropriate water and sewer authority has not established a schedule of