

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

**Article - Real Property**

8-111.1.

(a) This section applies to all residential leases or subleases in effect on or after October 1, 1999, which have an initial term of 99 years and which create a leasehold estate, or subleasehold estate, subject to the payment of an annual ground rent.

(b) In any suit, action, or proceeding by a landlord, or the transferee of the reversion in leased property, to recover back rent, the landlord, or the transferee of the reversion in leased property is entitled to demand or recover not more than 3 years back rent.

~~(c) In addition to rent payable under subsection (b) of this section, a landlord may not receive reimbursement for any additional costs or expenses related to collection of the back rent [unless the notice requirements of §§ 8-402.2 and 8-402.3 of this title are met].~~

8-111.2.

**(A) THIS SECTION DOES NOT APPLY TO PROPERTY:**

**(1) LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;**

**(2) IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR**

**(3) LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.**

**(B) On or after January 22, 2007, the owner of a fee simple or leasehold estate in residential property that is OR WAS used, intended to be used, or authorized to be used for four or fewer dwelling units may not create a reversionary interest in the property under a ground lease or a ground sublease for a term of years renewable forever subject to the payment of a periodic ground rent.**

14-108.1.