

SENATE BILL 649

N1

5lr2462

By: **Senator Muse**

Introduced and read first time: February 6, 2015

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Contract for Sale of New Home**

3 FOR the purpose of repealing a certain exception to the requirement that a contract for the
4 initial sale of a new home be contingent on the purchaser obtaining a written
5 commitment for a loan secured by the property; making a conforming change; and
6 generally relating to contracts for the sale of property.

7 BY repealing and reenacting, with amendments,
8 Article – Real Property
9 Section 14–117(j–1)
10 Annotated Code of Maryland
11 (2010 Replacement Volume and 2014 Supplement)

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

14 **Article – Real Property**

15 14–117.

16 (j–1) (1) A contract for the initial sale of a new home, as defined in the Maryland
17 Home Builder Registration Act, shall be contingent on the purchaser obtaining a written
18 commitment for a loan secured by the property[, unless the contract contains a provision
19 expressly stating that it is not contingent].

20 (2) [If the contract is contingent on the purchaser obtaining a written
21 commitment for a loan secured by the property, the] **THE** contract shall state the maximum
22 loan interest rate the purchaser is obligated to accept.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2015.