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1999 Regular Session 9lr0179

By: Chairman, Economic Matters Committee (Departmental - Secretary of State) Introduced and read first time: January 15, 1999 Assigned to: Economic Matters Committee Report: Favorable House action: Adopted	
	CHAPTER
1 4	AN ACT concerning
2	Condominium Warranties
4 5	implied warranties may not be excluded or modified; clarifying that certain warranties apply to certain condominium sales; and generally relating to
8 9 10	Article - Real Property Section 10-203 Annotated Code of Maryland

Annotated Code of Maryland (1996 Replacement Volume and 1998 Supplement)

18 MARYLAND, That the Laws of Maryland read as follows:

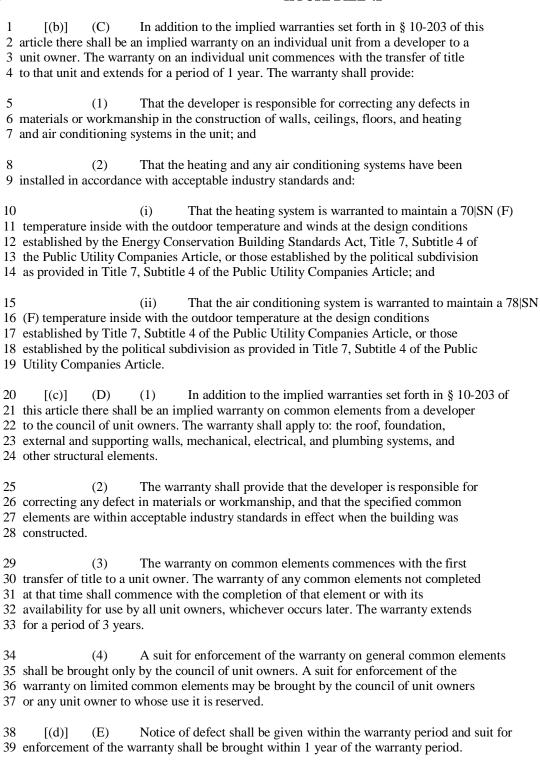
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

2 **HOUSE BILL 42** 1 Article - Real Property 2 10-203. 3 (a) Except as provided in subsection (b) or unless excluded or modified pursuant to subsection (d), in every sale, warranties are implied that, at the time of the delivery of the deed to a completed improvement or at the time of completion of an 6 improvement not completed when the deed is delivered, the improvement is: 7 (1)Free from faulty materials; 8 (2) Constructed according to sound engineering standards; 9 (3) Constructed in a workmanlike manner; and 10 (4) Fit for habitation. 11 The warranties of subsection (a) do not apply to any condition that an 12 inspection of the premises would reveal to a reasonably diligent purchaser at the time 13 the contract is signed. 14 If the purchaser, expressly or by implication, makes known to the vendor 15 the particular purpose for which the improvement is required, and it appears that the purchaser relies on the vendor's skill and judgment, there is an implied warranty that 17 the improvement is reasonably fit for the purpose. 18 Neither words in the contract of sale, nor the deed, nor merger of the 19 contract of sale into the deed is effective to exclude or modify any implied warranty. 20 However, if the contract of sale pertains to an improvement then completed, an 21 implied warranty may be excluded or modified wholly or partially by a written 22 instrument, signed by the purchaser, setting forth in detail the warranty to be 23 excluded or modified, the consent of the purchaser to exclusion or modification, and 24 the terms of the new agreement with respect to it. 25 11-131. THE IMPLIED WARRANTIES PROVIDED IN THIS SECTION MAY NOT BE 26 (A) 27 EXCLUDED OR MODIFIED. 28 (B) The [provisions of] WARRANTIES PROVIDED IN §§ 10-202 and [(a)](1) 29 10-203 of this article apply to all sales by developers under this title. For the 30 purposes of this article, a newly constructed dwelling unit means a newly constructed 31 or newly converted condominium unit and its appurtenant undivided fee simple 32 interest in the common areas. 33 If a developer grants an improvement to an intermediate purchaser 34 to evade any liability to a purchaser imposed by the provisions of this section, or by §

35 10-202 or § 10-203 of this article, the developer is liable on the subsequent sale of the 36 improvement by the intermediate purchaser as if the subsequent sale had been

37 effectuated by the developer without regard to the intervening grant.

HOUSE BILL 42



- 3 (2) The provisions of this section do not apply to a condominium that is 4 occupied and used solely for nonresidential purposes.
- 5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take 6 effect October 1, 1999.