
By: **Delegate Rosenberg**
Introduced and read first time: February 13, 2004
Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property - Recordation - Assignment of Option to Purchase Real**
3 **Property**

4 FOR the purpose of requiring recordation of a written instrument evidencing an
5 assignment of an option to purchase real property under certain circumstances;
6 and generally relating to the recordation of instruments evidencing assignments
7 of options to purchase real property.

8 BY repealing and reenacting, without amendments,
9 Article - Real Property
10 Section 3-101(a)
11 Annotated Code of Maryland
12 (2003 Replacement Volume and 2003 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article - Real Property
15 Section 3-101(f)
16 Annotated Code of Maryland
17 (2003 Replacement Volume and 2003 Supplement)

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

20 **Article - Real Property**

21 3-101.

22 (a) Except as otherwise provided in this section, no estate of inheritance or
23 freehold, declaration or limitation of use, estate above seven years, or deed may pass
24 or take effect unless the deed granting it is executed and recorded.

25 (f) (1) In this subsection, "option" includes any agreement or contract
26 creating:

1 (i) An option with respect to the purchase, lease, or grant of
2 property; or

3 (ii) A right of first refusal, a right of first offer, or similar right, with
4 respect to the purchase, lease, or grant of property.

5 (2) (I) [In] EXCEPT AS PROVIDED IN ITEM (II) OF THIS PARAGRAPH, IN
6 lieu of recording an option as prescribed above, a memorandum of the option,
7 executed by each person who is a party to the option, may be recorded with like effect.

8 (II) A WRITTEN INSTRUMENT EVIDENCING AN ASSIGNMENT FOR
9 GOOD AND VALUABLE CONSIDERATION OF AN OPTION WITH RESPECT TO THE
10 PURCHASE OF PROPERTY SHALL BE EXECUTED AND RECORDED.

11 (3) A memorandum of option thus entitled to be recorded shall contain at
12 least the following information with respect to the option:

13 (i) The name of the parties to the option;

14 (ii) Any addresses of the parties set forth in the option;

15 (iii) A reference to the option, with its date of execution;

16 (iv) A description of the property affected by the option in the form
17 contained in the option;

18 (v) The nature of the right or interest created;

19 (vi) If stated, the term of the option, with the date of commencement
20 and the date of termination of the term; and

21 (vii) If there is a right of extension or renewal, the maximum period
22 for which or date to which it may be renewed, and any date on which the right of
23 extension or renewal is exercisable.

24 (4) If any date is unknown, then the memorandum of option shall
25 contain the formula, if any, from which the date is to be computed.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2004.