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By: Delegate Rosenberg	
Introduced and read first time: February 13, 2004	
Assigned to: Environmental Matters	
Committee Report: Favorable with amendments	
House action: Adopted	
Read second time: March 26, 2004	
CHAPTER	
1 AN ACT concerning	
Real Property - Recordation - Assignment of Option to Purcha <u>Residential</u> Real Property	se <u>Improved</u>
4 FOR the purpose of requiring recordation of a written instrument evidencing an	
assignment of an option to purchase <u>improved residential</u> real property under	
6 certain circumstances; and generally relating to the recordation of instruments	
7 evidencing assignments of options to purchase <u>improved residential</u> real	
8 property.	
9 BY repealing and reenacting, without amendments,	
10 Article - Real Property	
11 Section 3-101(a)	
Annotated Code of Maryland	
13 (2003 Replacement Volume and 2003 Supplement)	
14 BY repealing and reenacting, with amendments, adding to	
15 Article - Real Property	
16 Section 3 101(f) 3-101(g)	
Annotated Code of Maryland	
18 (2003 Replacement Volume and 2003 Supplement)	
19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF	
20 MARYLAND, That the Laws of Maryland read as follows:	

1 Article - Real Property 2 3-101. 3 Except as otherwise provided in this section, no estate of inheritance or (a) 4 freehold, declaration or limitation of use, estate above seven years, or deed may pass 5 or take effect unless the deed granting it is executed and recorded. (1)In this subsection, "option" includes any agreement or contract 6 7 creating: 8 An option with respect to the purchase, lease, or grant of (i) 9 property; or 10 (ii) A right of first refusal, a right of first offer, or similar right, with 11 respect to the purchase, lease, or grant of property. 12 (I) [In] EXCEPT AS PROVIDED IN ITEM (II) OF THIS PARAGRAPH, IN 13 lieu of recording an option as prescribed above, a memorandum of the option, executed by each person who is a party to the option, may be recorded with like effect. A WRITTEN INSTRUMENT EVIDENCING AN ASSIGNMENT 15 $\frac{(II)}{(II)}$ (G) 16 FOR GOOD AND VALUABLE CONSIDERATION OF AN OPTION WITH RESPECT TO THE 17 PURCHASE OF IMPROVED RESIDENTIAL REAL PROPERTY SHALL BE EXECUTED AND 18 RECORDED. 19 (3)A memorandum of option thus entitled to be recorded shall contain at 20 least the following information with respect to the option: 21 (i) The name of the parties to the option; 22 (ii) Any addresses of the parties set forth in the option; 23 A reference to the option, with its date of execution; (iii) A description of the property affected by the option in the form 24 (iv) 25 contained in the option; 26 (v) The nature of the right or interest created; 27 (vi) If stated, the term of the option, with the date of commencement and the date of termination of the term; and 29 (vii) If there is a right of extension or renewal, the maximum period 30 for which or date to which it may be renewed, and any date on which the right of extension or renewal is exercisable. 32 (4)If any date is unknown, then the memorandum of option shall 33 contain the formula, if any, from which the date is to be computed.

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