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By: **Delegates Frush, Menes, and Moe**  
Introduced and read first time: February 2, 2006  
Assigned to: Environmental Matters

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Committee Report: Favorable  
House action: Adopted  
Read second time: March 8, 2006

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CHAPTER\_\_\_\_\_

1 AN ACT concerning

2 **Residential Property - Municipalities - Authority to Establish Condominium**  
3 **Regimes**

4 FOR the purpose of authorizing a municipal corporation to establish a condominium  
5 regime on residential property owned by the municipal corporation; and  
6 generally relating to the authority of municipal corporations to establish  
7 condominium regimes.

8 BY repealing and reenacting, with amendments,  
9 Article - Real Property  
10 Section 11-102(a)  
11 Annotated Code of Maryland  
12 (2003 Replacement Volume and 2005 Supplement)

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

15 **Article - Real Property**

16 11-102.

17 (a) (1) The fee simple owner or lessee under a lease that exceeds 60 years of  
18 any property in the State may subject the property to a condominium regime by  
19 recording among the land records of the county where the property is located, a  
20 declaration, bylaws, and condominium plat that comply with the requirements  
21 specified in this title.

1                   (2)     (i)     Notwithstanding the provisions of paragraph (1) of this  
2 subsection, a leasehold estate may not be subjected to a condominium regime if it is  
3 used for residential purposes unless the State, a county that has adopted charter  
4 home rule under Article XI-A of the Maryland Constitution, A MUNICIPAL  
5 CORPORATION, or, subject to the provisions of subparagraph (ii) of this paragraph, the  
6 Washington Metropolitan Area Transit Authority is the owner of the reversionary fee  
7 simple estate.

8                                 (ii)     The Washington Metropolitan Area Transit Authority may  
9 establish a leasehold estate for a condominium regime that is used for residential  
10 purposes under subparagraph (i) of this paragraph if, when the initial term of the  
11 lease expires, there is a provision in the lease that allows the lessee to automatically  
12 renew the lease for another term.

13                   (3)     Notwithstanding paragraph (2) of this subsection or any declaration,  
14 rule, or bylaw, a developer or any other person may not be prohibited from granting a  
15 leasehold estate in an individual unit used for residential purposes.

16     SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 June 1, 2006.