
By: **Senator McFadden**

Introduced and read first time: February 2, 2006

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Ground Rents - Actions for Ejectment - Reasonable Efforts to Locate Tenant**

3 FOR the purpose of requiring that a landlord under a certain ground lease who seeks
4 to serve process in an action for ejectment in a certain manner show by affidavit
5 that the efforts to locate the tenant included a certain search; and generally
6 relating to an action for ejectment of a tenant in arrears under a ground lease.

7 BY repealing and reenacting, with amendments,
8 Article - Real Property
9 Section 8-402.2
10 Annotated Code of Maryland
11 (2003 Replacement Volume and 2005 Supplement)

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

14 **Article - Real Property**

15 8-402.2.

16 (a) Whenever, in a case that involves a 99-year ground lease renewable
17 forever, at least 6 months ground rent is in arrears and the landlord has the lawful
18 right to reenter for the nonpayment of the rent, the landlord, no less than 45 days
19 after sending to the tenant by certified mail, return receipt requested, at the tenant's
20 last known address, and also by first class mail to the title agent or attorney listed on
21 the deed to the property or the intake sheet recorded with the deed, a bill for the
22 ground rent due, may bring an action for possession of the property under § 14-108.1
23 of this article; if the tenant cannot be personally served or there is no tenant in actual
24 possession of the property, service by posting notice on the property may be made in
25 accordance with the Maryland Rules. IF THE LANDLORD SEEKS TO SERVE PROCESS
26 UNDER MARYLAND RULE 2-122 BECAUSE THE WHEREABOUTS OF THE TENANT ARE
27 UNKNOWN, THE LANDLORD SHALL SHOW BY AFFIDAVIT THAT THE EFFORTS TO
28 LOCATE THE TENANT INCLUDED A DILIGENT PERSON SEARCH USING A RECOGNIZED
29 NATIONAL SKIP-TRACE DATABASE. Personal service or posting in accordance with the
30 Maryland Rules shall stand in the place of a demand and reentry.

1 (b) (1) Before entry of a judgment the landlord shall give written notice of
2 the pending entry of judgment to each mortgagee of the lease, or any part of the lease,
3 who before entry of the judgment has recorded in the land records of each county
4 where the property is located a timely request for notice of judgment. A request for
5 notice of judgment shall:

6 (i) Be recorded in a separate docket or book that is indexed under
7 the name of the mortgagor;

8 (ii) Identify the property on which the mortgage is held and refer to
9 the date and recording reference of that mortgage;

10 (iii) State the name and address of the holder of the mortgage; and

11 (iv) Identify the ground lease by stating:

12 1. The name of the original lessor;

13 2. The date the ground lease was recorded; and

14 3. The office, docket or book, and page where the ground
15 lease is recorded.

16 (2) The landlord shall mail the notice by certified mail return receipt
17 requested to the mortgagee at the address stated in the recorded request for notice of
18 judgment. If the notice is not given, judgment in favor of the landlord does not impair
19 the lien of the mortgagee. Except as otherwise provided in subsection (b) of this
20 section, the property is discharged from the lease and the rights of all persons
21 claiming under the lease are foreclosed unless, within 6 calendar months after
22 execution of the judgment for possession, the tenant or any other person claiming
23 under the lease:

24 (i) Pays the ground rent, arrears, and all costs awarded against
25 that person; and

26 (ii) Commences a proceeding to obtain relief from the judgment.

27 (c) This section does not bar the right of any mortgagee of the lease, or any
28 part of the lease, who is not in possession at any time before expiration of 6 calendar
29 months after execution of the judgment awarding the landlord possession, to pay all
30 costs and damages sustained by the landlord and to perform all the covenants and
31 agreements that are to be performed by the tenant.

32 (d) Except as otherwise provided by law, a landlord may not receive
33 reimbursement for any additional costs or expenses related to collection of the back
34 rent unless the notice requirements of this section and § 8-402.3 of this subtitle are
35 met.

36 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
37 October 1, 2006.

