

HOUSE BILL 465

N1

7lr2796
CF SB 511

By: **Delegate James**

Introduced and read first time: February 6, 2007

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Conservation Easements – Notification of Buyers**

3 FOR the purpose of requiring a seller of real property to provide copies of any
4 conservation easements encumbering the property to the buyer within a certain
5 time; requiring a contract for the sale of real property encumbered by a
6 conservation easement to contain a certain notice; requiring the buyer of certain
7 real property to provide certain notice to the owner of a conservation easement;
8 providing that the seller and buyer are entitled to rely on a conservation
9 easement recorded in the land records in satisfying certain requirements;
10 providing for certain exceptions; defining certain terms; and generally relating
11 to the sale of real property encumbered by a conservation easement.

12 BY adding to

13 Article – Real Property

14 Section 10-705

15 Annotated Code of Maryland

16 (2003 Replacement Volume and 2006 Supplement)

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

19 **Article – Real Property**

20 **10-705.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
2 MEANINGS INDICATED.

7 (I) THE MARYLAND ENVIRONMENTAL TRUST;

8 (II) THE MARYLAND HISTORICAL TRUST;

11 (IV) THE MARYLAND DEPARTMENT OF NATURAL
12 RESOURCES; OR

13 (v) A LAND TRUST.

14 (3) "LAND TRUST" MEANS AN ORGANIZATION THAT:

18 (II) HAS EXECUTED A COOPERATIVE AGREEMENT WITH THE
19 MARYLAND ENVIRONMENTAL TRUST.

20 (B) A CONTRACT FOR THE SALE OF PROPERTY ENCUMBERED BY A
21 CONSERVATION EASEMENT IS NOT ENFORCEABLE BY THE SELLER UNLESS:

26 (2) THE CONTRACT OF SALE CONTAINS A STATEMENT IN
27 CONSPICUOUS TYPE, IN A FORM SUBSTANTIALLY THE SAME AS THE FOLLOWING:

1 **“THIS PROPERTY IS ENCUMBERED BY ONE OR MORE**
2 **CONSERVATION EASEMENTS OR OTHER RESTRICTIONS LIMITING OR AFFECTING**
3 **USES OF THE PROPERTY AND OWNED BY THE MARYLAND ENVIRONMENTAL**
4 **TRUST, THE MARYLAND HISTORICAL TRUST, THE MARYLAND AGRICULTURAL**
5 **LAND PRESERVATION FOUNDATION, THE MARYLAND DEPARTMENT OF**
6 **NATURAL RESOURCES, OR A LAND TRUST (THE “CONSERVATION EASEMENTS”).**
7 **MARYLAND LAW REQUIRES THAT THE SELLER DELIVER TO THE BUYER COPIES**
8 **OF ALL CONSERVATION EASEMENTS ON OR BEFORE THE DAY THE CONTRACT IS**
9 **ENTERED INTO, OR WITHIN 20 CALENDAR DAYS AFTER ENTERING INTO THE**
10 **CONTRACT. IF THE BUYER HAS NOT RECEIVED ALL CONSERVATION EASEMENTS**
11 **AT LEAST 5 CALENDAR DAYS BEFORE ENTERING INTO THE CONTRACT, THE**
12 **BUYER HAS 5 CALENDAR DAYS TO CANCEL THE CONTRACT AFTER RECEIVING**
13 **ALL OF THE CONSERVATION EASEMENTS. THE BUYER MUST CANCEL THE**
14 **CONTRACT IN WRITING. THE BUYER IS NOT REQUIRED TO STATE A REASON FOR**
15 **CANCELLATION. THE BUYER SHOULD REVIEW ALL CONSERVATION EASEMENTS**
16 **CAREFULLY TO ASCERTAIN THE BUYER’S RIGHTS, RESPONSIBILITIES, AND**
17 **OBLIGATIONS UNDER EACH CONSERVATION EASEMENT, INCLUDING ANY**
18 **REQUIREMENT THAT AFTER THE TRANSFER THE BUYER MUST INFORM THE**
19 **OWNER OF THE CONSERVATION EASEMENT OF THE TRANSFER OF THE**
20 **PROPERTY.”.**

21 **(C) (1) WITHIN 30 CALENDAR DAYS AFTER A TRANSFER OF**
22 **PROPERTY ENCUMBERED BY A CONSERVATION EASEMENT, THE PURCHASER**
23 **SHALL NOTIFY THE OWNER OF A CONSERVATION EASEMENT OF THE TRANSFER.**

24 **(2) THE NOTIFICATION SHALL INCLUDE, TO THE EXTENT**
25 **REASONABLY AVAILABLE:**

26 **(I) THE NAME AND ADDRESS OF THE PURCHASER;**

27 **(II) THE NAME AND FORWARDING ADDRESS OF THE SELLER;**
28 **AND**

29 **(III) THE DATE OF THE TRANSFER.**

30 **(D) IN SATISFYING THE REQUIREMENTS OF SUBSECTIONS (B) AND (C)**
31 **OF THIS SECTION, THE SELLER AND PURCHASER SHALL BE ENTITLED TO RELY**

1 **ON THE CONSERVATION EASEMENT RECORDED IN THE LAND RECORDS OF THE**
2 **COUNTY WHERE THE PROPERTY IS LOCATED.**

3 **(E) THE PROVISIONS OF SUBSECTIONS (B) AND (C) OF THIS SECTION DO**
4 **NOT APPLY TO THE SALE OF PROPERTY IN AN ACTION TO FORECLOSE A**
5 **MORTGAGE OR DEED OF TRUST.**

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 October 1, 2007.