N1 9lr2227

By: **Delegate Holmes**

Introduced and read first time: February 12, 2009

Assigned to: Environmental Matters

A BILL ENTITLED

1	AN ACT concerning			
2 3	Real Property - Protection of Homeowners in Foreclosure - Tenancy Agreement - Exception			
4 5 6 7	FOR the purpose of providing that a requirement that the purchaser of a residence in default provide a certain statement about tenancy to the homeowner under certain circumstances does not apply to a certain tenancy; and generally relating to sales or transfers of residences in default.			
8 9 10 11 12	BY repealing and reenacting, with amendments, Article – Real Property Section 7–313 Annotated Code of Maryland (2003 Replacement Volume and 2008 Supplement)			
13 14	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:			
15	Article - Real Property			
16	7–313.			
17 18 19 20 21	(a) This section does not apply to a tenancy arising after the sale of owner-occupied residential property where the seller and purchaser agree that the seller may remain in possession of the property for a period of not more than 60 days after the settlement.			
22 23 24	(B) (1) If a tenancy agreement is included in a contract for the sale or transfer of a residence in default, the purchaser shall provide the homeowner with a document entitled "STATEMENT ABOUT TENANCY" at the time the contract is			

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executed.



1	(2)	The c	locument entitled "STATEMENT ABOUT TENANCY" shall:	
$\frac{2}{3}$	(i) Be on a separate sheet of paper attached to the contract for the sale or transfer of a residence in default;			
4 5 6	(ii) Be dated and personally signed by the homeowner and the purchaser and be witnessed and acknowledged by a notary public appointed and commissioned by the State;			
7 8	homeowner's right	(iii) to a c	Contain a statement informing the homeowner of the opy of a signed lease; and	
9 10	type:	(iv)	Contain the following statement printed in at least 15 point	
11			"STATEMENT ABOUT TENANCY	
12	(Date of Contract)			
13 14 15 16 17 18	I agree to sell my home. I understand that I will no longer have an ownership interest in or any other right to own this property. Even though I may be able to live on the premises as a tenant, I will have no right to repurchase this property or to obtain any other kind of ownership interest. If I do not pay the rent as agreed, I may be subject to eviction. As a tenant, I am entitled to receive a written lease from the new owner of the property.".			
19 20 21	[(b)] (C) The purchaser shall provide the homeowner with a signed and dated copy of the document entitled "STATEMENT ABOUT TENANCY" immediately upon execution of the contract for the sale or transfer of the residence in default.			
22 23 24	[(c)] (D) The time during which the homeowner may rescind the contract for the sale or transfer of a residence in default under § 7–310 of this subtitle does not begin to run until the purchaser has complied with this section.			
25 26	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2009.			