SENATE BILL 968

N1 2lr3069 CF HB 1331

By: Senator Conway

Introduced and read first time: February 15, 2012

Assigned to: Rules

Re-referred to: Judicial Proceedings, February 20, 2012

Committee Report: Favorable with amendments Senate action: Adopted with floor amendments

Read second time: March 28, 2012

CHAPTER	

1 AN ACT concerning

2

Residential Property Sales - Disclosure of Utility Consumption

- 3 FOR the purpose of requiring a vendor of certain single family residential property to 4 display or make available certain utility information under certain 5 circumstances; requiring a vendor to make available certain utility information 6 in a certain manner; authorizing a vendor to provide to prospective purchasers a 7 certain home energy rating score; providing that certain information is provided 8 without warranties; providing that the failure of a seller to provide certain 9 information to the purchaser does not give the purchaser the right to rescind a 10 contract of sale based on the failure of the seller to comply with this Act; providing that this Act does not apply to certain sales or transfers of property; 11 12 providing for the application of this Act; and generally relating to disclosure of utility consumption prior to the sale of single family residential property. 13
- 14 BY repealing and reenacting, without amendments,
- 15 Article Real Property
- 16 Section 1–101(l) and (n)
- 17 Annotated Code of Maryland
- 18 (2010 Replacement Volume and 2011 Supplement)
- 19 BY adding to
- 20 Article Real Property
- 21 Section 10–702.1
- 22 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



- (2010 Replacement Volume and 2011 Supplement) 1 2 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 3 MARYLAND, That the Laws of Maryland read as follows: Article - Real Property 4 1-101.5 6 "Purchaser" has the same meaning as buyer or vendee. (1)7 (n) "Vendor" has the same meaning as seller. 10-702.1. 8 (A) 9 **(1)** THIS SECTION **APPLIES** ONLY TO **SINGLE FAMILY** 10 RESIDENTIAL REAL PROPERTY IMPROVED BY FOUR OR FEWER SINGLE FAMILY 11 UNITS IF THE OWNER OF THE PROPERTY HAS OWNED AND RESIDED AT THE PROPERTY FOR AT LEAST 12 MONTHS BEFORE THE PROPERTY IS FIRST 12 13 MARKETED FOR SALE BY THE OWNER. **(2)** 14 THIS SECTION DOES NOT APPLY TO: 15 **(I)** THE INITIAL SALE OF SINGLE FAMILY RESIDENTIAL 16 **REAL PROPERTY:** 17 THAT HAS NEVER BEEN OCCUPIED; OR 1. FOR WHICH A CERTIFICATE OF OCCUPANCY HAS 18 2. 19 BEEN ISSUED WITHIN 1 YEAR BEFORE THE VENDOR AND PURCHASER ENTERED 20 INTO A CONTRACT OF SALE; 21(II) A TRANSFER THAT IS EXEMPT FROM THE TRANSFER TAX
- 22 UNDER § 13–207 OF THE TAX PROPERTY ARTICLE, EXCEPT LAND 23 INSTALLMENT CONTRACTS OF SALE UNDER § 13–207(A)(11) OF THE 24 TAX – PROPERTY ARTICLE AND OPTIONS TO PURCHASE REAL PROPERTY
- 25 UNDER § 13–207(A)(12) OF THE TAX PROPERTY ARTICLE;
- 26 (III) A SALE BY A LENDER OR AN AFFILIATE OR A 27 SUBSIDIARY OF A LENDER THAT ACQUIRED REAL PROPERTY BY FORECLOSURE 28 OR DEED IN LIEU OF FORECLOSURE;
- 29 (IV) A SHERIFF'S SALE, TAX SALE, OR SALE BY 30 FORECLOSURE, PARTITION, OR COURT-APPOINTED TRUSTEE;

- 1 (V) A TRANSFER BY A FIDUCIARY IN THE COURSE OF THE 2 ADMINISTRATION OF A DECEDENT'S ESTATE, GUARDIANSHIP, 3 CONSERVATORSHIP, OR TRUST;
- 4 (VI) A TRANSFER OF SINGLE FAMILY RESIDENTIAL REAL 5 PROPERTY TO BE CONVERTED BY THE BUYER INTO A USE OTHER THAN 6 RESIDENTIAL USE OR TO BE DEMOLISHED; OR

7 (VII) A SALE OF UNIMPROVED REAL PROPERTY.

- 8 (B) (1) AS PROVIDED IN THIS SUBSECTION, A VENDOR OF SINGLE
 9 FAMILY RESIDENTIAL REAL PROPERTY SHALL DISPLAY OR MAKE AVAILABLE TO
 10 PROSPECTIVE PURCHASERS AT THE LOCATION OF THE RESIDENTIAL REAL
 11 PROPERTY COPIES OF ELECTRIC, GAS, AND HOME HEATING OIL BILLS, OR A
 12 DOCUMENT DETAILING THE MONTHLY ELECTRIC, GAS, AND HOME HEATING OIL
 13 USAGE OF THE RESIDENTIAL PROPERTY, FOR THE 12-MONTH PERIOD BEFORE
 14 THE PROPERTY WAS FIRST MARKETED FOR SALE.
- 15 (2) THE INFORMATION REQUIRED UNDER PARAGRAPH (1) OF 16 THIS SUBSECTION SHALL BE:
- 17 (I) DISPLAYED OR MADE AVAILABLE DURING ANY SCHEDULED PERIOD OF TIME WHEN THE RESIDENTIAL PROPERTY IS HELD OPEN FOR PUBLIC VIEWING OR FOR VIEWING BY AN INDIVIDUAL PROSPECTIVE PURCHASER; AND
- 21 (II) INCLUDED IN OR WITH ANY DOCUMENTS THAT INCLUDE 22 DESCRIPTIONS OF THE RESIDENTIAL PROPERTY AND ARE MADE AVAILABLE TO 23 A PROSPECTIVE PURCHASER AT THE LOCATION OF THE RESIDENTIAL 24 PROPERTY.
- 25 (3) IN ADDITION TO THE INFORMATION REQUIRED UNDER
 26 PARAGRAPH (1) OF THIS SUBSECTION, A VENDOR MAY PROVIDE TO
 27 PROSPECTIVE PURCHASERS A HOME ENERGY RATING (HERS INDEX), A U.S.
 28 <u>DEPARTMENT OF ENERGY HOME ENERGY SCORE, OR EQUIVALENT</u> SCORE
 29 <u>FROM A HOME ENERGY AUDIT OF THE RESIDENTIAL PROPERTY CONDUCTED</u>
 30 <u>OBTAINED</u> DURING THE 12-MONTH PERIOD BEFORE THE PROPERTY WAS FIRST
 31 MARKETED FOR SALE.
- 32 (4) THIS SUBSECTION MAY NOT BE CONSTRUED TO LIMIT THE 33 VENDOR FROM MAKING UTILITY INFORMATION AVAILABLE TO PROSPECTIVE PURCHASERS IN A SALE LISTING ON THE MULTIPLE LISTING SERVICE.

1 2 3	(5) ANY INFORMATION PROVIDED UNDER THIS SUBSECTION IS PROVIDED WITHOUT WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING AS TO THE ACCURACY, COMPLETENESS, OR SUITABILITY OF THE INFORMATION.
4 5 6 7	(C) THE FAILURE OF A SELLER TO PROVIDE A PURCHASER WITH THE INFORMATION LISTED UNDER SUBSECTION (B) OF THIS SECTION DOES NOT GIVE THE PURCHASER THE RIGHT TO RESCIND A CONTRACT OF SALE BASED ON THE FAILURE OF THE SELLER TO COMPLY WITH THIS SECTION.
8 9 10 11	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any single family residential property marketed for sale before the effective date of this Act.
12 13	SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2012.
	Approved:
	Governor.
	President of the Senate.
	Speaker of the House of Delegates.