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§3–101.

(a) Except as otherwise provided in this section, no estate of inheritance or freehold, declaration or limitation of use, estate above seven years, or deed may pass or take effect unless the deed granting it is executed and recorded.

(b) Subsection (a) of this section does not limit any other method of transferring or creating an estate, declaration, or limitation which is permitted by the law of the State except to the extent required by law.

(c) The recording requirement of subsection (a) of this section does not apply to any lease for an initial term not exceeding seven years if each renewal term under the lease (i) is for seven years or less, and (ii) by the provisions of the lease, may be effected or prevented by a party to the lease or his assigns.

(d) If a lease required to be executed and recorded under the provisions of subsection (a) of this section is executed but not recorded, the lease is valid and fully effective both at law and in equity (i) between the original parties to the lease and their personal representatives, (ii) against their creditors, and (iii) against and for the benefit of any other person who claims by, through, or under an original party and who acquires the interest claimed with actual notice of the lease or at a time when the tenant, or anyone claiming by, through, or under the tenant, is in such actual occupancy as to give reasonable notice to the person.

(e) In lieu of recording a lease as prescribed above, a memorandum of the lease, executed by every person who is a party to the lease, may be recorded with like effect. A memorandum of lease thus entitled to be recorded shall contain at least the following information with respect to the lease: (1) the name of the lessor and the name of the lessee; (2) any addresses of the parties set forth in the lease; (3) a reference to the lease, with its date of execution; (4) a description of the leased premises in the form contained in the lease; (5) the term of the lease, with the date of commencement and the date of termination of the term; and (6) if there is a right of extension or renewal, the maximum period for which or date to which it may be renewed, and any date on which the right of extension or renewal is exercisable. If any date is unknown, then the memorandum of lease shall contain the formula from which the date is to be computed. When a memorandum of lease is presented for recording, the lease also shall be submitted to the recording office for the purpose of examination to determine whether or not the lease or the memorandum authorized by this section is subject to any transfer or other tax or requires any recording stamp. The clerk shall stamp the lease when submitted so that it may be identified as the

instrument presented to the clerk at the time of recording the memorandum, and the clerk shall collect any required tax.

(f) (1) In this subsection, "option" includes any agreement or contract creating:

(i) An option with respect to the purchase, lease, or grant of property; or

(ii) A right of first refusal, a right of first offer, or similar right, with respect to the purchase, lease, or grant of property.

(2) In lieu of recording an option as prescribed above, a memorandum of the option, executed by each person who is a party to the option, may be recorded with like effect.

(3) A memorandum of option thus entitled to be recorded shall contain at least the following information with respect to the option:

(i) The name of the parties to the option;

(ii) Any addresses of the parties set forth in the option;

(iii) A reference to the option, with its date of execution;

(iv) A description of the property affected by the option in the form contained in the option;

(v) The nature of the right or interest created;

(vi) If stated, the term of the option, with the date of commencement and the date of termination of the term; and

(vii) If there is a right of extension or renewal, the maximum period for which or date to which it may be renewed, and any date on which the right of extension or renewal is exercisable.

(4) If any date is unknown, then the memorandum of option shall contain the formula, if any, from which the date is to be computed.

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