



SPONSOR TESTIMONY

House Bill 693 - Renters' Rights and Stabilization Act of 2024

Dear Chair Korman, Vice Chair Boyce, and Distinguished Members of the House Environment and Transportation Committee,

Maryland is facing a housing crisis, and to address it we need both long-term and short-term solutions. Right now, we must ensure that renters in Maryland can afford their homes, expect stability, and have pathways to homeownership. That is exactly what the Renters' Rights and Stabilization Act of 2024 seeks to accomplish. Our bill proposes the following:

Establishment the Office of Tenants' Rights ("OTR")

This legislation seeks to establish the Office of Tenants' Rights within the Department of Housing and Community Development. The OTR will be responsible for serving as a resource for renters, providing renters with information about their rights under law, disseminating guidance on how to exercise those rights, and acting as an ombudsman to coordinate with relevant state, local, and federal offices as necessary.

Importantly, OTR will be required to create and disseminate a Maryland Tenants Bill of Rights which will serve as a major source of information on renters' rights and must be provided to all tenants as an addendum to their lease. OTR will not have the ability to create new rights. Rather, the Office will ensure that all tenants have access to their rights in plain language and with contact information for OTR.

Right of First Offer and Refusal for Renters

This section of our legislation seeks to create new and better pathways to homeownership by providing renters with a right of first offer and refusal upon sale of a rental property, allowing a renter the option to purchase the property themselves rather than it being sold to another landlord or potential inhabitant. This will prevent displacement, promote social cohesion, and preserve the essence of communities all while creating new pathways to homeownership and wealth creation for Marylanders in communities across the state.

After much collaboration with stakeholders, I am endorsing a compromise amendment to this section that strengthens this right. A recommended amendment is included as an addendum to this testimony. The requested amendments accomplish the following:

1. Tightens the definition of tenant to simplify processes;
2. Incorporates necessary exemptions;



-
3. Requires the Office of Tenants Rights to promulgate regulations to receive a copy of notices from the landlord;
 4. Requires notice to be delivered via a means that has tracked shipping;
 5. Cuts the applicability down from properties with 4 units to houses with 3 or fewer units;
 6. Creates a right of first offer. Between 60 and 120 days before placing a property on the market, a landlord shall provide an asking price to the tenant and provide 30 days of exclusive negotiation;
 7. If the offer from the tenant matches the terms offered by the landlord, the owner will move forward with a sale;
 8. If the offer deviates from the initial ask from the landlord, the owner will have 5 days to review and present a counteroffer, and the tenant will have 5 days to accept or reject that counteroffer. If the tenant is not interested in the property, they can waive their right of first refusal unless the final sale comes in 10% or less than the price offered to the tenant;
 9. If an offer comes in without listing the property on the market, a landlord may not close on the property without offering the same price to the tenant. Once notified, the tenant will then have 30 days to match the sales price. If the tenant does not respond, they waive their right. Likewise, if the tenant and owner enter into a contract of sale but it is terminated before settlement, the tenant waives their right of first refusal.

In designing this section, my administration analyzed other jurisdictions and created the following details:

1. This right will apply only to single-family properties and those with three or fewer units;
2. Tenants are not permitted to sale their right of first refusal as in Washington DC;
3. Tenants only obtain this right after residing in the property for 6 months;
4. The notification requirements follow a traditional offer and couter-offer structure; and
5. The proposed Office of Tenants Rights will help tenants navigate this process quickly so as to not create unnecessary delays in the buying process.

Eviction Filing Fee Alterations



This section addresses several issues with the status of Maryland's eviction filing fee.

First, the bill seeks to address the devastating impact that eviction filings in Maryland have on Maryland's families and Maryland's court system. Maryland has a **48.1%** eviction filing rate, by far the highest in the nation, compared to the national average of **7.3%**. The status quo increases families' housing costs and permanently stains tenant's records with an eviction filing record. This legislation raises the eviction filing fee from \$15 to a total of \$100, and prevents the passthrough of the increased fee to families. This will create a new status quo in Maryland where the legal eviction process is used as intended: as a last resort to repossess property.

If this legislation does not include a prohibition on passing the surcharge on to the tenant, there are two anticipated impacts. First, landlords will continue their existing practice to use Maryland courts as a rent collection tool, as they will know that the filing fee will ultimately be recoverable. Second, it will significantly increase the housing costs of low- and moderate-income tenants who are struggling to pay rent on time and need to exercise the right to redemption. Without being punitive to either party, this Maryland-unique solution of blocking the pass through fits appropriately in Maryland's legal ecosystem.

The median rent across all unit sizes in Maryland is [\\$1,819](#). A 5% late fee is equivalent to \$90 that the landlord will be able to recover still but blocking the pass through of the eviction filing fee removes an additional financial barrier on tenants who are simply trying to pay their bills and stay in their homes.

In addition to directly lowering eviction rates, the higher filing fee is anticipated to generate \$25 to \$30 million in increased annual revenue for key housing stability programs in the state, which is proposed to be dedicated as follows:

- 50% of to the Maryland Legal Services Corporation to assist in their representation of Marylanders in eviction cases; and
- 50% to help fund the state's new rental voucher program created by the General Assembly last year.

The overall objective of the Renters Rights and Stabilization Act is to increase housing security in Maryland. Both the State Rental Assistance Voucher Program and the Right to Access to Counsel created by the Maryland General Assembly are key interventions that keep families housed. The proposed eviction filing fee increase creates an increased revenue stream for these key initiatives of the MGA.



Removes Barriers to Becoming Housed

This section creates a number of renter protections that will help Marylanders become housed and stay housed.

The bill seeks to reduce the allowable security deposit for renters in Maryland from two month's rent to one month's rent. This change closes the "first and last month's rent" loophole by limiting the tenant costs to occupy the premises to the security deposit and first month's rent.

The median rent across all unit sizes in Maryland is \$1,819, meaning a tenant can be required to come up with roughly \$5,400, or more, to move in. According to the Federal Reserve, the median American family has [about \\$8,000](#) accessible in savings accounts and [the typical renter has only about \\$3,400 in total savings](#), amounts that could be nearly or entirely used up to pay a two-month security deposit and the first month's rent on a rental unit in Maryland. For many renters, even those with incomes at or above the area median, this places a new home out of reach, and these high up-front costs affect renter mobility and can force renters to stay with landlords despite unreasonable rent increases and/or inadequate housing.

Protections for Renters

The bill seeks to bar evictions in extreme weather or other dangerous conditions. This section builds upon an existing right for administrative judges to stay an eviction in extreme weather conditions by making this a requirement in cases of:

- Temperatures below 32 degrees fahrenheit;
- Winter storm or blizzard;
- Hurricane or tropical storm;
- Excessive heat warning issued by the National Weather Service;
- Public health emergency; or
- Any other state of emergency declared.



Better Data

This section expands the data required to be submitted in an Eviction Data Report to include:

- Street address and city;
- Date the owner filed for warrant of restitution with the court;
- Date of hearing;
- Date warrant was issued by the court;
- Name of property owner;
- Amount of rent and fees owed at time of possession judgment;
- Whether the renter had right to redemption;
- Outcome of warrant (tenant paid to stay, tenant moved, sheriff executed eviction, etc);
- Whether tenant had legal representation at hearing; and
- Whether the tenant appeared at the hearing.

Given the need to address issues that are creating true problems and instability for renters in our state, I respectfully request that the committee issue a favorable report for House Bill 693, the renters' Rights and Stabilization Act of 2024.

Sincerely,
Governor Wes Moore



ATTACHMENT: RIGHT OF FIRST REFUSAL PROPOSED AMENDMENT

Article – Housing and Community Development

5-104.

(A) THE OFFICE SHALL:

(1) DEVELOP RESOURCES TO AID TENANTS IN UNDERSTANDING AND EXERCISING THE LEGAL RIGHTS OF TENANTS, INCLUDING:

(I) A MARYLAND TENANTS' BILL OF RIGHTS, SUMMARIZING THE EXISTING RIGHTS AND REMEDIES AVAILABLE TO RESIDENTIAL TENANTS UNDER STATE AND FEDERAL LAW; AND

(II) A PUBLICLY ACCESSIBLE WEBSITE TO PROVIDE ACCESS TO THE MARYLAND TENANTS' BILL OF RIGHTS AND OTHER RELEVANT INFORMATIONAL RESOURCES;

(2) ESTABLISH POINTS OF CONTACT WITHIN THE OFFICE BY WHICH A TENANT MAY REPORT A VIOLATION BY A LANDLORD OR A PERSON ACTING ON BEHALF OF A LANDLORD FOR REFERRAL TO APPROPRIATE ENFORCEMENT AGENCIES; AND

(3) PROVIDE RESOURCES TO FACILITATE ACCESS BY TENANTS TO CREDIT COUNSELING.

(4) **RECEIVE NOTICES AND OTHER DOCUMENTS RELATED TO A TENANT'S EXCLUSIVE NEGOTIATION PERIOD OR RIGHT OF FIRST REFUSAL PURSUANT TO § 8-119 OF THE REAL PROPERTY ARTICLE.**

(5) **PROMULGATE REGULATIONS RELATED TO THE REQUIREMENTS FOR CONTENT AND DELIVERY OF NOTICES RELATED TO A TENANT'S EXCLUSIVE NEGOTIATION PERIOD OR RIGHT OF FIRST REFUSAL PURSUANT TO § 8-119 OF THE REAL PROPERTY ARTICLE.**

5-105.

(A) (1) IN THIS SECTION "PUBLICLY DISCLOSABLE DATA" MEANS DATA THAT IS NOT REQUIRED TO BE WITHHELD FROM DISCLOSURE UNDER THE PUBLIC INFORMATION ACT OR ANY OTHER LAW.

(B) THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT SHALL:



(1) PUBLISH THE PUBLICLY DISCLOSABLE DATA RECEIVED BY THE DEPARTMENT PURSUANT TO § 8–119 OF THE REAL PROPERTY ARTICLE IN A DATA DASHBOARD ON THE DEPARTMENT’S WEBSITE; AND

(2) MAKE THE PUBLICLY DISCLOSABLE DATA AVAILABLE FOR DOWNLOAD IN OPEN DATA SETS THAT ALLOW AUTOMATED SEARCHING, SPATIAL ANALYSIS, VISUALIZATION, AND PROCESSING, ON REQUEST BY:

(I) A STATE AGENCY;

(II) AN AGENCY OF A COUNTY OR MUNICIPAL CORPORATION;

OR

(III) AN ACADEMIC INSTITUTION LOCATED IN THE STATE.

Article – Real Property

8–119.

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

(2) “FAMILY MEMBER” MEANS A SPOUSE, FORMER SPOUSE, DOMESTIC PARTNER, FORMER DOMESTIC PARTNER, SON, DAUGHTER, STEPSON, STEPDAUGHTER, PARENT, STEPPARENT, SIBLING, STEPSIBLING, SON-IN-LAW, DAUGHTER-IN-LAW, STEPSON-IN-LAW, STEPDAUGHTER-IN-LAW, PARENT-IN-LAW, STEPPARENT-IN LAW, GRANDPARENT, STEPGRANDPARENT, GRANDCHILD, OR STEPGRANDCHILD.

(3) “OFFER TO PURCHASE” MEANS A GOOD FAITH OFFER TO PURCHASE A RESIDENTIAL RENTAL PROPERTY FOR A PRICE AT WHICH A WILLING SELLER WOULD SELL AND A WILLING BUYER WOULD PURCHASE IN AN ARM’S LENGTH TRANSACTION.

(4) “TENANT” MEANS A LESSEE OF A RESIDENTIAL RENTAL PROPERTY WHO HAS RESIDED AT THE RESIDENTIAL RENTAL PROPERTY FOR NOT LESS THAN 6 MONTHS WHO:

(I) IS A NAMED LESSEE IN THE WRITTEN LEASE; OR

(II) HAS PAID TO THE LESSOR RENTAL PAYMENTS THAT THE LESSOR HAS ACCEPTED UNDER AN UNWRITTEN LEASE AGREEMENT.

(5) “MATERIAL TERMS”:

(I) INCLUDES THE SALES PRICE, SETTLEMENT DATE, AND OTHER CONTINGENCIES;



(II) SHALL NOT INCLUDE THE METHOD OF FINANCING OR WAIVING OF A HOME INSPECTION; AND

(III) SHALL BE COMMERCIALY REASONABLE, FAIR, DONE IN GOOD FAITH, AND ADHERE TO GENERALLY ACCEPTED RESIDENTIAL REAL ESTATE PRACTICES.

(6) “RESIDENTIAL RENTAL PROPERTY” MEANS A TENANT-OCCUPIED RESIDENTIAL RENTAL PROPERTY IMPROVED BY THREE OR FEWER INDIVIDUAL DWELLING UNITS.

(7) “TENANT’S EXCLUSIVE NEGOTIATION PERIOD” MEANS A PERIOD OF TIME IN WHICH A TENANT IS NOTIFIED ABOUT THE TENANT’S RIGHT TO PURCHASE THE PROPERTY AND NEGOTIATE EXCLUSIVELY WITH THE OWNER OF THE RESIDENTIAL RENTAL PROPERTY TO ENTER INTO A CONTRACT OF SALE.

(8) “THIRD PARTY” MEANS A PARTY WHO IS NOT LISTED UNDER SUBSECTION (B) AND IS NOT THE TENANT OF THE RESIDENTIAL RENTAL PROPERTY.

(B) THIS SECTION DOES NOT APPLY TO:

- (1) A TRANSFER OF TITLE TO A FAMILY MEMBER OF THE OWNER;
- (2) A TRANSFER OF TITLE TO A BUSINESS ENTITY OWNED IN WHOLE BY THE OWNER;
- (3) A TRANSFER OF TITLE THROUGH A SHERIFF’S SALE, TAX SALE, ORDER FORECLOSING RIGHT OF REDEMPTION, OR SALE BY FORECLOSURE, PARTITION, OR BY COURT APPOINTED TRUSTEE;
- (4) A TRANSFER BY A FIDUCIARY IN THE COURSE OF THE ADMINISTRATION OF DECEDENT’S ESTATE, GUARDIANSHIP, CONSERVATORSHIP, OR TRUST;
- (5) A TRANSFER OF TITLE PURSUANT TO A TESTAMENTARY DOCUMENT, A TRUST INSTRUMENT OR THROUGH INHERITANCE;
- (6) A TRANSFER OF BARE LEGAL TITLE INTO A REVOCABLE TRUST, WITHOUT ACTUAL CONSIDERATION FOR THE TRANSFER, WHERE THE TRANSFEROR IS THE CURRENT BENEFICIARY OF THE TRUST;
- (7) A TRANSFER OF TITLE TO A GOVERNMENT AGENCY;
- (8) A TRANSFER OF TITLE IN LIEU OF FORECLOSURE OF A MORTGAGE OR DEED OF TRUST;

STATE OF MARYLAND
OFFICE OF THE GOVERNOR



(9) A TRANSFER OF TITLE PURSUANT TO A COURT ORDER, RECEIVERSHIP OR COURT-APPROVED SETTLEMENT;

(10) A TRANSFER OF TITLE PURSUANT TO THE ORDER OF A BANKRUPTCY COURT OR SALE BY A BANKRUPTCY TRUSTEE OR DEBTOR IN POSSESSION;

(11) A GIFT TRANSFER OF TITLE TO ANY NONPROFIT ORGANIZATION EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE;

(12) A TRANSFER OF TITLE BY A PUBLIC HOUSING AUTHORITY; OR

(13) RESIDENTIAL RENTAL PROPERTY WITH FOUR OR MORE INDIVIDUAL DWELLING UNITS.

(C) (1) AS PROVIDED IN THIS SUBSECTION, BEFORE A RESIDENTIAL RENTAL PROPERTY MAY BE OFFERED FOR SALE TO THE PUBLIC OR ANY THIRD PARTY, THE OWNER AND TENANT SHALL ENTER INTO A TENANT'S EXCLUSIVE NEGOTIATION PERIOD FOR THE PURCHASE OF THE PROPERTY.

(2) (I) AT LEAST 60 DAYS, BUT NO MORE THAN 120 DAYS BEFORE A RESIDENTIAL RENTAL PROPERTY MAY BE LISTED FOR SALE WITH A REAL ESTATE BROKER OR OTHERWISE OFFERED FOR SALE TO THE PUBLIC OR ANY THIRD PARTY, THE OWNER OF THE PROPERTY SHALL CAUSE TO BE SENT TO EACH TENANT OF THE PROPERTY, A WRITTEN NOTICE OF THE TENANT'S RIGHT TO DELIVER AN OFFER TO PURCHASE THE PROPERTY.

(II) THE NOTICE SHALL:

1. BE IN THE FORM THAT THE SECRETARY OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PRESCRIBES BY REGULATION;

2. BE DELIVERED BY:

A. UNITED STATES POSTAL SERVICE CERTIFIED MAIL, RETURN RECEIPT REQUESTED; OR

B. DELIVERY SERVICE PROVIDING DELIVERY TRACKING AND CONFIRMATION;

3. CONTAIN MATERIAL TERMS THAT THE OWNER WOULD AGREE TO INCORPORATE IN A RESULTING CONTRACT OF SALE WITH THE TENANT;

4. STATE, IN A CONSPICUOUS MANNER, THAT THE NOTICE IS A SOLICITATION OF AN OFFER TO PURCHASE AND IS NOT INTENDED,



AND MAY NOT BE CONSTRUED TO RESULT IN A BINDING CONTRACT OF SALE;
AND

5. STATE ANY INFORMATION REGARDING DEADLINES
FOR THE TENANT TO SUBMIT AN OFFER TO PURCHASE.

(III) THE OWNER SHALL SEND A COPY OF THE NOTICE TO
THE OFFICE OF TENANTS' RIGHTS BY A METHOD THAT THE SECRETARY OF THE
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PRESCRIBES BY
REGULATION.

(3) (I) WITHIN 30 DAYS AFTER RECEIPT OF THE NOTICE, THE
TENANT MAY DELIVER TO THE OWNER A WRITTEN OFFER TO PURCHASE THE
PROPERTY.

(II) IF MULTIPLE TENANTS DELIVER OFFERS TO PURCHASE
THE PROPERTY, THE OWNER MAY SELECT THE MORE FAVORABLE
OFFER WITHOUT LIABILITY TO ANY OTHER TENANT.

(III) WITHIN 5 DAYS AFTER RECEIPT OF THE OFFER TO
PURCHASE, THE OWNER SHALL:

1. ACCEPT THE OFFER IF THE OFFER CONTAINS THE
SAME OR MORE FAVORABLE MATERIAL TERMS AS CONTAINED IN THE NOTICE,
AND NOTIFY THE OFFICE OF TENANTS' RIGHTS; OR

2. DELIVER A COUNTEROFFER TO THE TENANT,
WITH AN EXPLANATION OF HOW THE OFFER DEVIATES FROM THE NOTICE, IF
THE OFFER CONTAINS MATERIAL TERMS THAT DEVIATE FROM THE TERMS OF
THE NOTICE.

(4) (I) WITHIN 5 DAYS AFTER RECEIPT OF THE
COUNTEROFFER, THE TENANT MAY:

1. ACCEPT THE COUNTEROFFER; OR

2. REJECT THE COUNTEROFFER.

(II) IF THE TENANT FAILS TO RESPOND TO THE
COUNTEROFFER WITHIN 5 DAYS AFTER RECEIPT OF THE COUNTEROFFER, THE
COUNTEROFFER IS DEEMED TO BE REJECTED AND THE OWNER SHALL NOTIFY
THE OFFICE OF TENANTS' RIGHTS.

(5) IF THE TENANT DOES NOT DELIVER AN OFFER TO PURCHASE
AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION OR IF THE PARTIES DO
NOT ENTER INTO A CONTRACT OF SALE AS PROVIDED IN PARAGRAPH (4) OF THIS



SUBSECTION, THE TENANT'S RIGHT OF FIRST REFUSAL IS TERMINATED AND THE OWNER SHALL NOTIFY THE OFFICE OF TENANT'S RIGHTS.

(D) (1) A TENANT HAS A RIGHT OF FIRST REFUSAL TO PURCHASE RESIDENTIAL RENTAL PROPERTY AS PROVIDED IN THIS SUBSECTION.

(2) A TENANT HAS A RIGHT OF FIRST REFUSAL TO PURCHASE RESIDENTIAL RENTAL PROPERTY IF:

(I) THE OWNER INTENDS TO ACCEPT AN OFFER FROM A THIRD PARTY TO PURCHASE THE PROPERTY THAT IS AT LEAST 10 PERCENT LESS THAN THE LOWEST PRICE OFFERED TO THE TENANT IN ANY PREVIOUS NOTICE, OFFER OR COUNTEROFFER PURSUANT TO SUBSECTION (C) OF THIS SECTION; OR

(II) THE OWNER, WITHOUT HAVING LISTED THE PROPERTY FOR SALE WITH A REAL ESTATE BROKER OR OTHERWISE OFFERED THE PROPERTY FOR SALE TO THE PUBLIC OR ANY THIRD PARTY, RECEIVES FROM A THIRD PARTY AN OFFER TO PURCHASE THE PROPERTY.

(3) (I) IF THE OWNER RECEIVES AN OFFER TO PURCHASE THE PROPERTY FROM A THIRD PARTY AS SPECIFIED IN SUBSECTION (D)(2) OF THIS SECTION, THE OWNER MAY NOT ACCEPT THE OFFER UNTIL:

1. THE OWNER PROVIDES WRITTEN NOTICE TO THE TENANT OF THE TENANT'S RIGHT OF FIRST REFUSAL; AND
2. THE TENANT HAS AN OPPORTUNITY TO EXERCISE THE RIGHT OF FIRST REFUSAL.

(II) THE WRITTEN NOTICE TO THE TENANT OF THE TENANT'S RIGHT OF FIRST REFUSAL SHALL:

1. BE IN THE FORM THAT THE SECRETARY OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PRESCRIBES BY REGULATION;

2. BE DELIVERED BY:
- A. UNITED STATES POSTAL SERVICE CERTIFIED MAIL, RETURN RECEIPT REQUESTED; OR
 - B. DELIVERY SERVICE PROVIDING DELIVERY TRACKING AND CONFIRMATION;

3. CONTAIN THE SAME SALES PRICE AS THE THIRD-PARTY OFFER TO PURCHASE.



4. STATE, IN A CONSPICUOUS MANNER, THAT THE NOTICE IS A SOLICITATION OF AN OFFER TO PURCHASE AND IS NOT INTENDED, AND MAY NOT BE CONSTRUED TO RESULT IN A BINDING CONTRACT OF SALE;

5. STATE ANY INFORMATION REGARDING DEADLINES FOR THE TENANT TO SUBMIT AN OFFER TO PURCHASE;

(III) THE OWNER SHALL SEND A COPY OF THE NOTICE TO THE OFFICE OF TENANTS' RIGHTS BY A METHOD THAT THE SECRETARY OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PRESCRIBES BY REGULATION.

(4) (I) THE TENANT MAY, WITHIN 30 DAYS OF RECEIPT OF THE NOTICE UNDER PARAGRAPH (D)(3) OF THIS SUBSECTION, DELIVER AN OFFER TO PURCHASE THE PROPERTY TO THE OWNER.

(II) IF A TENANT DELIVERS AN OFFER TO PURCHASE AT THE SAME SALES PRICE AS THE THIRD-PARTY PURCHASER'S OFFER AS PROVIDED IN THIS PARAGRAPH, THE OWNER SHALL ACCEPT THE OFFER AND NOTIFY THE OFFICE OF TENANTS' RIGHTS.

(III) IF MULTIPLE TENANTS DELIVER OFFERS TO PURCHASE THE PROPERTY, THE OWNER MAY SELECT THE MORE FAVORABLE OFFER WITHOUT LIABILITY TO ANY OTHER TENANT.

(5) IF THE TENANT DOES NOT DELIVER AN OFFER TO PURCHASE THE PROPERTY AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, THE OWNER MAY ACCEPT THE THIRD-PARTY PURCHASER'S OFFER OF SALE AND THE TENANT'S RIGHT OF FIRST REFUSAL IS WAIVED AND THE OWNER SHALL NOTIFY THE OFFICE OF TENANTS' RIGHTS.

(6) IF THE TENANT AND THE OWNER HAVE ENTERED INTO A CONTRACT OF SALE UNDER PARAGRAPH (4) OF THIS SUBSECTION, BUT THE CONTRACT IS TERMINATED BEFORE SETTLEMENT, THE TENANT'S RIGHT OF FIRST REFUSAL IS WAIVED AND THE OWNER SHALL NOTIFY THE OFFICE OF TENANT'S RIGHTS.

(7) IF A THIRD PARTY DELIVERS AN OFFER TO PURCHASE, THE OWNER SHALL PROVIDE NOTICE TO THE THIRD PARTY ABOUT THE TENANT'S RIGHT OF FIRST REFUSAL UNDER THIS SUBSECTION.

(E) THIS SECTION SHALL NOT BE CONSTRUED AS PROHIBITING AN INDIVIDUAL FROM SUBMITTING AN OFFER TO PURCHASE A PROPERTY LEASED BY THE INDIVIDUAL THAT IS LISTED FOR SALE WITH A LICENSED REAL ESTATE BROKER.



(F) THIS SECTION SHALL NOT BE CONSTRUED AS PROHIBITING MULTIPLE TENANTS FROM JOINTLY DELIVERING AN OFFER TO PURCHASE, OR FROM JOINTLY CONTRACTING TO PURCHASE, RESIDENTIAL RENTAL PROPERTY.

(G) THIS SECTION PREEMPTS ANY LOCAL LAW OR ORDINANCE GOVERNING THE RIGHT OF FIRST REFUSAL OF A JURISDICTION OR TENANT FOR THE PURCHASE OF A RESIDENTIAL RENTAL PROPERTY.

(H) THE RIGHTS OF A TENANT UNDER THIS SECTION MAY NOT BE WAIVED OR ASSIGNED AND ANY ATTEMPTED WAIVER OR ASSIGNMENT IS VOID.

(I) AN OWNER OF RESIDENTIAL REAL PROPERTY WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE OF NOT MORE THAN \$1,000 PER VIOLATION.

(J) A TENANT MAY SEEK RELIEF FROM A COURT OF COMPETENT JURISDICTION TO RESTRAIN OR ENJOIN ANY VIOLATION OF THIS SECTION PRIOR TO THE CLOSING OF A CONTRACT OF SALE BETWEEN THE OWNER AND TENANT.

(K) (1) FOLLOWING CLOSING ON A CONTRACT OF SALE BETWEEN OWNER AND TENANT, LIABILITY FOR FAILURE TO COMPLY WITH THIS SUBSECTION SHALL LIE SOLELY WITH THE OWNER AND SHALL NOT ATTACH TO THE PROPERTY THAT IS THE SUBJECT OF THE REQUIRED NOTICE OR AFFECT THE RIGHTS OF THE PURCHASER.

(2) A TENANT WHO BRINGS AN ACTION AFTER CLOSING ON A CONTRACT OF SALE BETWEEN OWNER AND TENANT IN ANY COURT OF LAW AGAINST AN OWNER FOR FAILING TO PROVIDE THE NOTICE REQUIRED BY THIS SECTION MAY NOT FILE A NOTICE OF LIS PENDENS PURSUANT TO MARYLAND RULE 12-102; UPON MOTION OF A PARTY IN INTEREST THE COURT SHALL STRIKE A WRONGFULLY FILED NOTICE OF LIS PENDENS WITHOUT NEED FOR A HEARING.