
**Maryland Contract Lien Act
And Selected Real Property Statutes**

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§ 14-201. Definitions

(a) *In general.* -- In this subtitle the following words have the meanings indicated unless the context requires otherwise.

(b) *Contract.* --

(1) “Contract” means a real covenant running with the land or a contract recorded among the land records of a county or Baltimore City.

(2) “Contract” includes a declaration or bylaws recorded under the provisions of the Maryland Condominium Act or the Maryland Real Estate Time-Sharing Act.

(c) *Damages.* --

(1) “Damages” means unpaid sums due under a contract, plus interest accruing on the unpaid sums due under a contract or as provided by law, including fines levied under the Maryland Condominium Act or the Maryland Real Estate Time-Sharing Act.

(2) “Damages” does not include consequential or punitive damages.

(d) *Lien.* -- “Lien” means a lien created under this subtitle.

(e) *Party.* -- “Party” means any person who:

(1) Is a signatory to a contract;

(2) Is described in a contract as having the benefit of any provision of the contract;
or

(3) Owns property subject to the provisions of a contract.

(f) *Statement of lien.* -- “Statement of lien” means the statement described under § 14-203 (j) of this subtitle.

§ 14-202. Creation of lien by contract

a) *In general.* -- A lien on property may be created by a contract and enforced under this subtitle if:

(1) The contract expressly provides for the creation of a lien; and

(2) The contract expressly describes:

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(i) The party entitled to establish and enforce the lien; and

(ii) The property against which the lien may be imposed.

(b) *Lien as security.* -- A lien may only secure the payment of:

(1) Damages;

(2) Costs of collection;

(3) Late charges permitted by law; and

(4) Attorney's fees provided for in a contract or awarded by a court for breach of a contract.

§ 14-203. Creation of lien as a result of breach of contract

(a) *Notice.* --

(1) A party seeking to create a lien as the result of a breach of contract shall, within 2 years of a breach of contract, give written notice to the party against whose property the lien is intended to be imposed.

(2) Except as provided in paragraph (3) of this subsection, notice under this subsection shall be served by:

(i) Certified or registered mail, return receipt requested, addressed to the owner of the property against which the lien is sought to be imposed at the owner's last known address; or

(ii) Personal delivery to the owner by the party seeking a lien or the party's agent.

(3) If a party seeking to create a lien is unable to serve an owner under paragraph (2) of this subsection, notice under this subsection shall be served by:

(i) The mailing of a notice to the owner's last known address; and

(ii) Posting notice in a conspicuous manner on the property by the party seeking to create a lien or the party's agent in the presence of a competent witness. In the instance of a contractual lien on a building, the notice shall be posted in a conspicuous manner on the door or other front part of the building.

(b) *Notice requirements.* -- A notice under subsection (a) of this section shall include:

- (1) The name and address of the party seeking to create the lien;
- (2) A statement of intent to create a lien;
- (3) An identification of the contract;
- (4) The nature of the alleged breach;
- (5) The amount of alleged damages;

(6) A description of the property against which the lien is intended to be imposed sufficient to identify the property, and stating the county or counties in which the property is located; and

(7) A statement that the party against whose property the lien is intended to be imposed has the right to a hearing under subsection (c) of this section.

(c) *Filing of complaint by party against whom lien is to be imposed.* --

(1) A party to whom notice is given under subsection (a) of this section may, within 30 days after the notice is served on the party, file a complaint in the circuit court for the county in which any part of the property is located to determine whether probable cause exists for the establishment of a lien.

(2) A complaint filed under this subsection shall include:

(i) The name of the complainant and the name of the party seeking to establish the lien;

(ii) A copy of the notice served under subsection (a) of this section; and

(iii) An affidavit containing a statement of facts that would preclude establishment of the lien for the damages alleged in the notice.

(3) A party filing a complaint under this subsection may request a hearing at which any party may appear to present evidence.

(d) *Burden of proof.* -- If a complaint is filed, the party seeking to establish the lien has the burden of proof.

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(e) *Docketing and process.* -- The clerk of the circuit court shall docket the proceedings under this section, and all process shall issue out of and all pleadings shall be filed in a single action.

(f) *Supplemental affidavit.* -- Before any hearing held under subsection (c) of this section, the party seeking to establish a lien may supplement, by means of an affidavit, any information contained in the notice given under subsection (a) of this section.

(g) *Action on complaint by circuit court.* --

(1) If a complaint is filed under subsection (c) of this section, the court shall review any pleadings filed, including any supplementary affidavit filed under subsection (f) of this section, and shall conduct a hearing if requested under subsection (c) (3) of this section.

(2) If the court determines that probable cause exists to establish a lien, it shall order the lien imposed.

(3) The order to impose a lien shall state that the owner of the property against which the lien is imposed may file a bond of a specified amount to have the lien against the property removed.

(h) *Recording lien; removal of lien upon filing bond.* --

(1) If the court orders a lien to be imposed under subsection (g) of this section, or if the owner of the property against which a lien is intended to be imposed fails to file a complaint under subsection (c) of this section the party seeking to create the lien may file a statement of lien among the land records of each county in which any portion of the property is located.

(2) The party seeking to create the lien may file the lien statement in the county land records:

(i) If a complaint was filed under subsection (c) of this section, 30 days after the date of the court order allowing the creation of the lien; or

(ii) If a complaint was not filed under subsection (c) of this section, 30 days after the owner was served under subsection (a) (2) or (3) of this section.

(3) Unless the party seeking to create the lien and the owner agree otherwise, if the party seeking to create the lien fails to file the lien statement within 90 days after the expiration of the applicable time period described in paragraph (2) of this subsection, the party seeking to create the lien may:

(i) Not file the lien statement in the county land records; and

(ii) File for a new lien by complying with the requirements of subsections (a) through (h) of this section.

(4) A lien imposed under this subtitle has priority from the date the statement of lien is filed.

(5) Until an order imposing a lien is entered by the court, the owner of the property against which the lien is imposed may have the lien removed at any time by filing with the clerk of the circuit court a bond in the amount specified by the court under subsection (g) (3) of this section.

(i) *Trial; costs.* --

(1) Until an order is entered by the court either establishing or denying a lien, the action shall proceed to trial on any matter at issue.

(2) The court may award costs and reasonable attorney's fees to any party under this subtitle.

(j) *Statement of lien.* -- A statement of lien is sufficient for purposes of this subtitle if it is in substantially the following form:

STATEMENT OF LIEN

This is to certify that the property described as _____, is subject to a lien under Title 14, Subtitle 2 of the Real Property Article, Maryland Annotated Code, in the amount of \$ _____. The property is owned by _____. I hereby affirm under the penalty of perjury that notice was given under § 14-203 (a) of the Real Property Article, and that the information contained in the foregoing statement of lien is true and correct to the best of my knowledge, information, and belief.

(name of party claiming lien)

(k) *Releasing lien.* -- If an order is entered under subsection (i) of this section denying a lien, or if a bond is filed under subsection (h) of this section, the clerk of the circuit court shall enter a notation in the land records releasing the lien.

§ 14-204. Enforcement and Foreclosure of Lien.

(a) *Manner of enforcement and foreclosure.* -- A lien may be enforced and foreclosed by the party who obtained the lien in the same manner, and subject to the same requirements, as the foreclosure of mortgages or deeds of trust on property in this State containing a power of sale or an assent to a decree.

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(b) *Suits for deficiency and unpaid damages.* -- If the owner of property subject to a lien is personally liable for alleged damages, suit for any deficiency following foreclosure may be maintained in the same proceeding, and suit for a monetary judgment for unpaid damages may be maintained without waiving any lien securing the same.

(c) *Time limit.* -- Any action to foreclose a lien shall be brought within 12 years following recordation of the statement of lien.

§ 14-205. Exemptions.

The provisions of this subtitle do not apply to land installment contracts or to deeds of trust or mortgages on property in this State.

§ 14-206. Short Title.

This subtitle may be cited as the Maryland Contract Lien Act.

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§ 2-119. Solar Collector Systems – Restriction on Use and Solar Easement

(a)(1) In this section, the following words have the meanings indicated.

(2) “Restriction on use” includes any covenant, restriction, or condition contained in:

- (i) A deed;
- (ii) A declaration
- (iii) A contract
- (iv) The bylaws or rules of a condominium or homeowners association;
- (v) A security instrument; or
- (vi) Any other instrument affecting:

1. The transfer or sale of real property; or

2. Any other interest in real property.

3. “Solar collector system” means a solar collector or other solar energy device, the primary purpose of which is to provide for the collection, storage, and distribution of solar energy for electricity generation, space heating, space cooling, or water heating.

4. “Solar easement” means an interest in land that:

(i) Is conveyed or assigned in perpetuity; and

(ii) Limits the use of the land to preserve the receipt of sunlight across the land for the use of a property owner’s solar collector system.

(b)(1) A restriction on use regarding land use may not impose or act to impose unreasonable limitations on the installation of a solar collector system on the roof or exterior walls of improvements, provided that the property owner owns or has the right to exclusive use of the roof or exterior walls.

(2) For purposes of paragraph (1) of this subsection, an unreasonable limitation includes a limitation that:

- (i) Significantly increases the cost of the solar collector system; or

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(ii) Significantly decreases the efficiency of the solar collector system.

(c)(1) A property owner who has installed or intends to install a solar collector system may negotiate to obtain a solar easement in writing.

(2) Any written instrument creating a solar easement shall include:

(i) A description of the dimensions of the solar easement expressed in measurable terms, including vertical or horizontal angles measured in degrees or the hours of the day on specified dates when direct sunlight to a specified surface of a solar collector system may not be obstructed;

(ii) The restrictions placed on vegetation, structures, and other objects that would impair the passage of sunlight through the solar easement; and

(iii) The terms under which the solar easement may be revised or terminated.

(3) A written instrument creating a solar easement shall be recorded in the land records of the county where the property is located.

(d) This section does not apply to a restriction on use on historic property that is listed in, or determined by the Director of the Maryland Historical Trust to be eligible for inclusion in, the Maryland Register of Historic Properties.

§ 3-105.2. Release of mortgage, deed of trust, or lien instrument.

(a) In this section, "lien instrument" means:

(1) A lien created under the Maryland Contract Lien Act;

(2) An instrument creating or authorizing the creation of a lien in favor of a homeowners' association, a condominium council of unit owners, a property owners association, or a community association;

(3) A security agreement; or

(4) A vendor's lien.

(b) A mortgage, deed of trust, or lien instrument may be released validly in accordance with this section.

(c) When the debt secured by a mortgage, deed of trust, or lien instrument is paid fully or satisfied by a settlement agent licensed by the Maryland Insurance Administration as a title insurance producer under Title 10, Subtitle 1 of the Insurance Article, a title insurer, or a lawyer admitted to the Maryland Bar, and the party satisfied fails to provide a release suitable

for recording, the settlement agent, title insurer, or lawyer may prepare and record a statutory release affidavit that:

(1) May be received by the clerk and indexed and recorded as any other instrument in the nature of a release or certificate or satisfaction; and

(2) Has the same effect as a release of the property for which the mortgage, deed of trust, or lien instrument is the security, as if a release were executed by the mortgagee, named trustees, or secured party.

(d) Before the settlement agent, title insurer, or lawyer may record a statutory release affidavit under this section, that person shall:

(1) Allow at least a 60-day waiting period from the date the mortgage, deed of trust, or lien instrument is paid fully or satisfied for the party satisfied to provide a release suitable for recording;

(2) Send by certified mail, with or without a return receipt, to the party satisfied:

(i) A copy of this section;

(ii) A copy of the proposed statutory release affidavit that the person intends to record; and

(iii) A notice that unless a release suitable for recording is provided within 30 days, the person will obtain a release in accordance with the provisions of this section;

(3) After the mailing of the notice under item (2) of this subsection, allow an additional waiting period of at least 30 days for the party satisfied to provide a release suitable for recording.

(e) A statutory release affidavit recorded under this section shall:

(1) Be in substantially the following form:

STATUTORY RELEASE AFFIDAVIT

I hereby declare or affirm, under the penalties of perjury, that:

(1) On (insert date), I caused to be paid off the debt secured by the mortgage, deed of trust, or lien instrument, found in Liber/Book _____, at Folio/Page _____, in the land records of _____ County/Baltimore City, Maryland.

(2) I obtained a written payoff statement from the person to whom the debt was owed or the person's agent, the funds paid to the person or the person's agent were sufficient

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to pay off the debt in full, and, as authorized by the obligor on the account, I instructed the person or the person's agent to close the account.

(3) On (insert date), I sent the notice required under § 3-105.2(d)(2) of the Real Property Article to the person satisfied by certified mail.

(4) The person satisfied has failed to provide a release suitable for recording.

(5) I am:

_____ A settlement agent who holds a title insurance producer license in good standing from the Maryland Insurance Administration;

_____ An officer of a title insurer; or

_____ A member of the Maryland Bar.

(6) The payoff of the debt was accomplished by:

_____ The original check, written on an escrow account controlled by the undersigned individual, which is attached to this affidavit and incorporated by reference;

_____ A check, written on an escrow account controlled by the undersigned individual, a check facsimile of which is attached to this affidavit and incorporated by reference, and which has been certified as a true copy of the original check by the issuing bank; or

_____ A wire transfer, the wire transfer remittance advice for which contains the information required under § 3-105.2(e)(2)(iii)2 of the Real Property Article and is attached to this affidavit and incorporated by reference.

(Signature)

(Printed or typed name)

(Date)

; and

(2) Be accompanied by:

(i) The canceled check evidencing final payment, which shall contain the name of the party whose debt is being satisfied, the debt account number, if any, and words indicating that the check is intended as payment in full of the debt being satisfied;

(ii) If the canceled check is unavailable, a check facsimile, as defined in § 5-513 of the Financial Institutions Article, that contains the information required under item (i) of this item, accompanied by a certification from an authorized agent of the institution on which the check was drawn stating the check facsimile is a true and genuine image of the original check; or

(iii) If the debt securing the mortgage, deed of trust, or lien instrument was paid off by a wire transfer, the wire transfer remittance advice, which shall:

1. Be accompanied by a certification from an authorized agent of the institution from which the wire transfer was initiated stating that the document is a true and genuine image of the original wire transfer confirmation order issued by the institution; and

2. Contain the name of the person for whom the payoff was made, the name of the institution that was paid the money, a truncated version of the number of the account from which the funds were transferred, a truncated version of the number of the account to which the funds were transferred, the Federal Reserve Bank's reference numbers for the wire transfer, the loan number for the note that was paid off, the amount of the payoff made by the wire transfer, and the date and time of the wire transfer.

§ 14-117. Contracts for sale of property.

(a) *Disclosure* -- Property subject to ground rent. -- A contract for the sale of real property subject to a ground rent shall contain the following:

(1) Notice of the existence of the ground rent; and

(2) Notice that if the ground rent is not timely paid the effect may be:

(i) That the reversionary owner of the ground rent may bring an action for possession against the ground rent tenant under § 8-402.2 of this article; and

(ii) As a result of the action for possession, the reversionary owner of the ground rent may own the property in fee, discharged from the lease.

(b) *Same -- Estimated deferred water and sewer charges.* --

(1) In this subsection, "water and sewer authority" includes a person to which the duties and responsibilities of the Washington Suburban Sanitary Commission have been delegated by a written agreement or in accordance with a local ordinance.

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(2) A contract for the initial sale of improved, residential real property to a member of the public who intends to occupy or rent the property for residential purposes shall disclose the estimated cost, as established by the appropriate water and sewer authority, of any deferred water and sewer charges for which the purchaser may become liable. If the appropriate water and sewer authority has not established a schedule of charges for the water and sewer project that benefits the property or if a local jurisdiction has adopted a plan to benefit the property in the future, the contract of sale shall disclose that fact.

(c) *Violation of subsection (b).* -- Violation of subsection (b) of this section entitles the initial purchaser to recover from the seller:

(1) Two times the amount of deferred charges the purchaser would be obligated to pay during the 5 years of payments following the sale;

(2) No amount greater than actually paid thereafter; and

(3) Any deposit moneys actually paid by the purchaser that were lost as a result of violation of subsection (b) of this section.

(d) *Notice of costs of recordation or transfer taxes.* --

(1) A contract for use in the sale of residential property used as a dwelling place for one or two single-family units shall contain, in the manner provided under paragraph (2) of this subsection, the following statement:

“Section 14-104 of the Real Property Article of the Annotated Code of Maryland provides that, unless otherwise negotiated in the contract or provided by State or local law, the cost of any recordation tax or any State or local transfer tax shall be shared equally between the buyer and seller.”

(2) The statement required under paragraph (1) of this subsection shall be printed in conspicuous type or handwritten in the contract or an addendum to the contract.

(e) *“Critical area” notice required.* -- A contract or an addendum to the contract for the sale of real property shall contain in conspicuous type the following statement:

“Notice to buyer concerning the Chesapeake and Atlantic Coastal Bays Critical Area

Buyer is advised that all or a portion of the property may be located in the “critical area” of the Chesapeake and Atlantic Coastal Bays, and that additional zoning, land use, and resource protection regulations apply in this area. The “critical area” generally consists of all land and water areas within 1,000 feet beyond the landward boundaries of State or private wetlands, the Chesapeake Bay, the Atlantic Coastal Bays, and all of their tidal tributaries. The “critical area” also includes the waters of and lands under the Chesapeake Bay, the Atlantic Coastal Bays, and all of their tidal tributaries to the head of tide. For information as

to whether the property is located within the critical area, buyer may contact the local department of planning and zoning, which maintains maps showing the extent of the critical area in the jurisdiction. Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington counties do not include land located in the critical area.”.

(f) *Additional requirements.* -- A contract of sale shall also comply with the following provisions, if applicable:

(1) Section 17-405 of the Business Occupations and Professions Article (notice of purchaser’s protection by the Real Estate Guaranty Fund in an amount not to exceed \$ 25,000);

(2) Section 17-504 of the Business Occupations and Professions Article (notice by real estate broker pertaining to deposit in noninterest bearing account);

(3) Section 17-523 of the Business Occupations and Professions Article (notice by real estate broker about recordation and transfer taxes);

(4) Section 17-524 of the Business Occupations and Professions Article (notice of purchaser’s right to select title company, settlement company, escrow company, mortgage lender, or financial institution);

(5) Section 8A-605 of this article (notice of park rules to be given to buyer pertaining to sales of mobile homes);

(6) Section 10-103 of this article (notices and disclosures pertaining to land installment contracts);

(7) Sections 10-301 and 10-306 of this article (requirements and disclosures pertaining to deposits on new homes);

(8) Sections 10-505 and 10-506 of this article (requirements and disclosures pertaining to contracts between custom home builders and buyers);

(9) Sections 10-602, 10-603, 10-604(b), and 10-605 of this article (notices, disclosures, and requirements pertaining to new home warranties);

(10) Section 10-701 of this article (notice pertaining to sale of real property in Prince George’s County creating subdivision);

(11) Section 10-702 of this article (disclosure or disclaimer statements pertaining to single-family residential real property);

(12) Section 10-703 of this article (notice pertaining to land use in county land-use plans in Anne Arundel County);

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(13) Section 11-126 of this article (notice pertaining to initial sale of condominium unit);

(14) Section 11-135 of this article (notice pertaining to resale of condominium unit);

(15) Sections 11A-112, 11A-115, and 11A-118 of this article (statements and requirements pertaining to time-shares);

(16) Section 11B-105 of this article (notice pertaining to initial sale of lot in development containing more than 12 lots);

(17) Section 11B-106 of this article (notice pertaining to resale of any lot or initial sale of lot in development containing 12 or fewer lots);

(18) Section 11B-107 of this article (notice pertaining to initial sale of lot not intended to be occupied or rented for residential purposes);

(19) Section 5-6B-02 of the Corporations and Associations Article (notice pertaining to initial sale of cooperative interests);

(20) Section 13-308 of the Tax - Property Article (notice of liability for agricultural land transfer tax);

(21) Section 13-504 of the Tax - Property Article (notice of liability for agricultural land transfer tax in Washington County); and

(22) Section 6-824 of the Environment Article (disclosure pertaining to obligations to perform risk reduction).

(g) *Validity of contract.* -- Unless otherwise specifically provided, a contract of sale is not rendered invalid by the omission of any statement referred to in this section.

(h) *Development impact fees.* --

(1) This subsection applies to Prince George's County.

(2) A contract for the sale of real property on which a development impact fee has been imposed shall contain a notice to the purchaser stating:

(i) That a development impact fee has been imposed on the property;

(ii) The total amount of the impact fee that has been imposed on the property; and

(iii) The amount of the impact fee, if any, that is unpaid on the date of the contract for the sale of the property.

(3) Violation of paragraph (2) of this subsection entitles the initial purchaser to recover from the seller:

(i) Two times the amount of development impact fees the purchaser would be obligated to pay following the sale;

(ii) No amount greater than actually paid thereafter; and

(iii) Any deposit moneys actually paid by the purchaser that were lost as a result of violation of paragraph (2) of this subsection.

(i) *Agriculturally assessed property; applicability.* --

(1) This subsection applies to St. Mary's and Charles counties.

(2) A contract for the sale of agriculturally assessed real property shall include the following information:

"Notice: under § 9-241 of the Environment Article of the Annotated Code of Maryland, the Department of the Environment is required to maintain permanent records regarding every permit issued for the utilization of sewage sludge, including the application of sewage sludge on farm land. A prospective buyer has the right to ascertain all such information regarding the property being sold under this transaction."

(3) Omission of the notice required under paragraph (2) of this subsection may not be a basis for invalidation of the contract for sale.

(j) *Contract for initial sale of new home.* --

(1) This subsection applies to Baltimore City and all other counties except Montgomery County.

(2) A contract for the initial sale of a new home, as defined in the Maryland Home Builder Registration Act, shall include the following:

(i) The builder registration number of the seller of the new home;

(ii) A provision stating that the new home shall be constructed in accordance with all applicable building codes in effect at the time of the construction of the new home;

(iii) A provision referencing all performance standards or guidelines:

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1. That the seller shall comply with in the construction of the new home; and
2. That shall prevail in the performance of the contract and any arbitration or adjudication of a claim arising from the contract;
 - (iv) A provision detailing the purchaser's right to receive a consumer information pamphlet as provided under the Home Builder Registration Act.
- (3) The performance standards or guidelines described in paragraph (2) of this subsection shall be:
 - (i) The performance standards or guidelines adopted at the time of the contract:
 1. By the National Association of Home Builders; or
 2. Under the federal National Manufactured Housing and Safety Standards Act, to the extent applicable;
 - (ii) Any performance standards or guidelines adopted by the home builder and incorporated into the contract that are equal to or more stringent than the performance standards or guidelines adopted at the time of the contract:
 1. By the National Association of Home Builders; or
 2. Under the federal National Manufactured Housing and Safety Standards Act, to the extent applicable; or
 - (iii) Any performance standards or guidelines adopted at the time of the contract by a county or municipal corporation that are equal to or more stringent than the performance standards or guidelines adopted at the time of the contract:
 1. By the National Association of Home Builders; or
 2. Under the federal National Manufactured Housing and Safety Standards Act, to the extent applicable.
- (4) The information required by paragraph (2) of this subsection shall be printed in conspicuous type.
 - (j) (1) A contract for the initial sale of a new home, as defined in the Maryland Home Builder Registration Act, shall be contingent on the purchaser obtaining a written commitment for a loan secured by the property, unless the contract contains a provision expressly stating that it is not contingent.

(2) If the contract is contingent on the purchaser obtaining a written commitment for a loan secured by the property, the contract shall state the maximum loan interest rate the purchaser is obligated to accept.

(k) (1) This subsection does not apply in Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington counties.

(2) A contract for the sale of residential real property shall contain the following statement:

“Buyer is advised that the property may be located near a military installation that conducts flight operations, munitions testing, or military operations that may result in high noise levels.

(3) All local laws requiring a statement or notice substantially similar to the statement required under Paragraph 2 of this subsection prevail over the requirements of this subsection.

§ 14-120. Abatement of nuisance actions where property used for controlled dangerous substance offenses.

(a) *Definitions.* --

(1) In this section the following words have the meanings indicated.

(2) “Commercial property” does not include residential rental property.

(3) “Community association” means:

(i) A nonprofit association, corporation, or other organization that is:

1. Comprised of residents of a community within which a nuisance is located;
2. Operated exclusively for the promotion of social welfare and general neighborhood improvement and enhancement; and
3. Exempt from taxation under § 501(c) (3) or (4) of the Internal Revenue Code; or

(ii) A nonprofit association, corporation, or other organization that is:

1. Comprised of residents of a contiguous community that is defined by specific geographic boundaries, within which a nuisance is located; and
2. Operated for the promotion of the welfare, improvement and enhancement of that community.

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(4) "Controlled dangerous substance" means a substance listed in Schedule I or Schedule II under § 5-402 or § 5-403 of the Criminal Law Article.

(5) "Nuisance" means a property that is used:

(i) By persons who assemble for the specific purpose of illegally administering a controlled dangerous substance;

(ii) For the illegal manufacture, or distribution of:

1. A controlled dangerous substance; or
2. Controlled paraphernalia, as defined in § 5-101 of the Criminal Law Article; or

(iii) For the illegal storage or concealment of a controlled dangerous substance in sufficient quantity to reasonably indicate under all the circumstances an intent to manufacture, distribute, or dispense:

1. A controlled dangerous substance; or
2. Controlled paraphernalia, as defined in § 5-101 of the Criminal Law Article.

(6) (i) "Operator" means a person that exercises control over property.

(ii) "Operator" includes a property manager or any other person that is authorized to evict a tenant.

(7) "Owner" includes an owner-occupant.

(8) "Owner-occupant" includes an owner of commercial property that conducts business in any part of the property.

(9) "Property" includes a mobile home.

(10) (i) "Tenant" means the lessee or a person occupying property, whether or not a party to a lease.

(ii) "Tenant" includes a lessee or a person occupying a mobile home, whether or not a party to a lease.

(iii) "Tenant" does not include:

1. The owner of the property; or

2. A mobile home owner who leases or rents a site for residential use and resides in a mobile home park.

(b) *Plaintiffs.* -- An action under § 4-401 of the Courts Article to abate a nuisance may be brought by:

- (1) The State's Attorney of the county in which the nuisance is located;
- (2) The county attorney or solicitor of the county in which the nuisance is located;
- (3) A community association within whose boundaries the nuisance is located; or
- (4) A municipal corporation within whose boundaries the nuisance is located.

(c) *Defendants.* -- An action under § 4-401 of the Courts Article to abate a nuisance may be brought against:

- (1) A tenant of the property where the nuisance is located;
- (2) An owner of the property where the nuisance is located; or
- (3) An operator of the property where the nuisance is located.

(d) *Notice of existence of nuisance; timeliness of action.* --

(1) (i) Except as provided in subparagraph (ii) of this paragraph, an action may not be brought under this section concerning a commercial property until 30 days after the tenant, if any, and owner of record receive notice from a person entitled to bring an action under this section that a nuisance exists.

(ii) In Baltimore City, an action may not be brought under this section concerning a commercial property until 15 days after the tenant, if any, and owner of record receive notice from a person entitled to bring an action under this section that a nuisance exists.

(2) The notice shall specify:

- (i) The date and time of day the nuisance was first discovered; and
- (ii) The location on the property where the nuisance is allegedly occurring.

(3) The notice shall be:

- (i) Hand delivered to the tenant, if any, and the owner of record; or
- (ii) Sent by certified mail to the tenant, if any, and the owner of record.

(e) *Posted notices.* --

(1) In addition to any service of process required by the Maryland Rules, the plaintiff shall cause to be posted in a conspicuous place on the property no later than 48 hours before the hearing the notice required under paragraph (2) of this subsection.

(2) The notice shall indicate:

(i) The nature of the proceedings;

(ii) The time and place of the hearing; and

(iii) The name and telephone number of the person to contact for additional information.

(f) *Jurisdiction.* -- A plaintiff is entitled to relief under this section whether or not an adequate remedy exists at law.

(g) *Remedies.* --

(1) If, after a hearing, the court determines that a nuisance exists, the court may order any appropriate injunctive or other equitable relief.

(2) Notwithstanding any other provision of law, and in addition to or as a component of any remedy ordered under paragraph (1) of this subsection, the court may order:

(i) A tenant who knew or should have known of the existence of the nuisance to vacate the property within 72 hours; or

(ii) An owner or operator of the property to submit for court approval a plan of correction to ensure, to the extent reasonably possible, that the property will not again be used for a nuisance if:

1. The owner or operator is a party to the action; and

2. The owner or operator knew or should have known of the existence of the nuisance.

(h) *Restitution of possession.* --

(1) (i) If a tenant fails to comply with an order under subsection (g) of this section and the owner or operator, and tenant, are parties to the action, the court, after a hearing, may order restitution of the possession of the property to the owner or operator.

(ii) If the court orders restitution of the possession of the property under subparagraph (i) of this paragraph, the court shall immediately issue its warrant to the sheriff or constable commanding execution of the warrant within 5 days after issuance of the warrant.

(2) If an owner, including an owner-occupant, fails to comply with an order under subsection (g) of this section, after a hearing the court may, in addition to issuing a contempt order or an order for any other relief, order that:

(i) The property be sold, at the owner's expense, in accordance with the Maryland Rules governing judicial sales; or

(ii) The property be demolished if the property is unfit for habitation and the estimated cost of rehabilitation significantly exceeds the estimated market value of the property after rehabilitation.

(3) If an owner-occupant fails to comply with an order under subsection (g) of this section regarding a nuisance in the owner-occupied unit of the property, after a hearing the court may, in addition to issuing a contempt order or an order for any other relief, order that:

(i) The owner-occupied unit be vacated within 72 hours; and

(ii) The owner-occupied unit remain unoccupied for a period not to exceed 1 year or until the property is sold in an arm's length transaction.

(i) *Knowledge of defendant.* -- Except as provided in paragraph (g)(2) of this section, the court may order appropriate relief under subsection (g) of this section without proof that a defendant knew of the existence of the nuisance.

(j) *Reputation of property -- Admissible evidence.* -- In any action brought under this section:

(1) Evidence of the general reputation of the property is admissible to corroborate testimony based on personal knowledge or observation, or evidence seized during the execution of a search and seizure warrant, but shall not, in and of itself, be sufficient to establish the existence of a nuisance under this section; and

(2) Evidence that the nuisance had been discontinued at the time of the filing of the complaint or at the time of the hearing does not bar the imposition of appropriate relief by the court under subsection (g) of this section.

(k) *Payment of costs and attorney's fees.* -- The court may award court costs and reasonable attorney's fees to a community association that is the prevailing plaintiff in an action brought under this section.

(l) *Action to be heard.* -- An action under this section shall be heard within 14 days after service of process on the parties.

(m) *Other rights or remedies.* -- This section does not abrogate any equitable or legal right or remedy under existing law to abate a nuisance.

(n) *Appeal; requests for oral arguments.* --

(1) An appeal from a judgment or order under this section shall be filed within 10 days after the date of the order or judgment.

(2) If either party files a request for oral argument, the court shall hear the oral argument within 7 days after the request is filed.

(3) (i) If the appellant files a request for oral argument, the request shall be filed at the time of the filing of the appeal.

(ii) If the appellee files a request for oral argument, the request shall be filed within 2 days of receiving notice of the appeal.

(o) *Applicability of landlord and tenant provisions.* -- Provisions of this article or public local laws applicable to actions between a landlord and tenant are not applicable to actions brought against a landlord or a tenant under this section.

(p) *Nature of proceedings.* -- All proceedings under this section are equitable in nature.

(q) *Disclosure of contents.* --

(1) Except as provided in paragraph (2) of this subsection, when necessary to accomplish the purposes of this section, a law enforcement officer, an attorney in a municipal or county attorney's office, or an attorney in an office of the State's Attorney may disclose the contents of an executed search warrant and papers filed in connection with the search warrant to:

(i) An officer or director of the community association in which the nuisance is located, or the attorney representing the community association;

(ii) An owner, tenant, or operator of the searched property or an agent of the owner, tenant, or operator of the searched property; or

(iii) An attorney in a municipal or county attorney's office.

(2) An affidavit may not be disclosed under this subsection while under seal in accordance with § 1-203 of the Criminal Procedure Article.

§ 14-126. Notice and disclosure requirements for foreclosure sales

(a) *Notice to county or municipal corporation.* -- In addition to any other foreclosure requirements under the law, after the commencement of an action to foreclose a lien on real property and before making a sale of the property subject to the lien, the person authorized to make the sale shall notify the county or municipal corporation where the property subject to the lien is located, not less than 15 days prior to sale, of:

(1) The name, address, and telephone number of the person authorized to make the sale; and

(2) The time, place, and terms of sale.

(b) *Notice of outstanding liens, charges, taxes, or assessments.* -- A county or municipal corporation that receives the notice described under subsection (a) of this section shall notify the person authorized to make the sale of any outstanding liens, charges, taxes, or assessments that the county or municipal corporation has against the property not more than 10 days after receiving the notice of sale.

(c) (1) In this subsection, "residential property" has the meaning stated in § 7-105.1 of this article.

(2) A county or municipal corporation may enact a local law requiring that notice be given to a county or municipal agency or official when an order to docket or a complaint to foreclose a mortgage or deed of trust is filed on residential property located within the county or municipal corporation.

(3) A local law enacted under this subsection shall require that within five days after filing an order to docket or a complaint to foreclose a mortgage or deed of trust on residential property, the person authorized to make the sale shall give notice of the filing to the county or municipal agency or official designated by the local law.

(4) The notice required under paragraph (3) of this subsection shall include:

(i) The street address of the residential property subject to the foreclosure action;

(ii) The names and addresses, if known, of all owners of the residential property subject to the foreclosure action; and

(iii) The name, address, and telephone number of the person authorized to make the sale.

§ 14-128. Display of United States flag by homeowner or tenant

(a) *Application of section.* -- The provisions of this section shall apply to any residential property, including property that is subject to the provisions of:

- (1) Title 8, Title 8A, Title 11, Title 11A, or Title 11B of this article; or
- (2) Title 5, Subtitle 6B of the Corporations and Associations Article.

(b) *Homeowner or tenant may not be prohibited from displaying flag.* -- Regardless of the terms of any contract, deed, covenant, restriction, instrument, declaration, rule, bylaw, lease agreement, rental agreement, or any other document concerning the display of flags or decorations by a homeowner or tenant on residential property, a homeowner or tenant may not be prohibited from displaying on the premises of the property in which the homeowner or tenant is entitled to reside one portable, removable flag of the United States in a respectful manner, consistent with 4 U.S.C. §§ 4 through 10, as amended, and subject to reasonable rules and regulations adopted pursuant to subsection (d) of this section.

(c) *Terms of contract may not prohibit display of flag.* -- The terms of any contract, deed, covenant, restriction, instrument, declaration, rule, bylaw, lease agreement, rental agreement, or any other document concerning the display of flags or decorations by a homeowner or tenant on residential property may not prohibit or unduly restrict the right of a homeowner or tenant to display on the premises of the property in which the homeowner or tenant is entitled to reside one portable, removable flag of the United States in a respectful manner, consistent with 4 U.S.C. §§ 4 through 10, as amended, and subject to reasonable rules and regulations adopted under subsection (d) of this section.

(d) *Rules and regulations.* --

(1) Subject to paragraph (2) of this subsection, the board of directors of a condominium, homeowners association, or housing cooperative, or a landlord may adopt reasonable rules and regulations regarding the placement and manner of display of the flag of the United States and a flagpole used to display the flag of the United States on the premises of the property in which the homeowner or tenant is entitled to reside.

(2) Before adopting any rules or regulations under paragraph (1) of this subsection, the board of directors of the condominium, homeowners association, or housing cooperative, or the landlord shall:

(i) Hold an open meeting on the proposed rules and regulations for the purpose of providing affected homeowners and tenants an opportunity to be heard; and

(ii) Provide advance notice of the time and place of the open meeting by publishing the notice in a community newsletter, on a community bulletin board, by means provided in the documents governing the condominium, homeowners association, or housing

cooperative, or in the lease, or by other means reasonably calculated to inform the affected homeowners and tenants.