

HOUSE BILL 1070

N1

0lr3290
CF 0lr3605

By: **Delegate Holmes**

Introduced and read first time: February 6, 2020

Assigned to: Environment and Transportation

Committee Report: Favorable

House action: Adopted

Read second time: March 6, 2020

CHAPTER _____

1 AN ACT concerning

2 **Maryland Condominium Act – Implied Warranties From Developers – Common**
3 **Amenities**

4 FOR the purpose of requiring that common amenities of a condominium be covered under
5 an implied warranty on common elements from a developer to a council of unit
6 owners; and generally relating to condominiums and implied warranties from
7 developers.

8 BY repealing and reenacting, with amendments,
9 Article – Real Property
10 Section 11–131(d)
11 Annotated Code of Maryland
12 (2015 Replacement Volume and 2019 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

15 **Article – Real Property**

16 11–131.

17 (d) (1) **(I)** In addition to the implied warranties set forth in § 10–203 of this
18 article there shall be an implied warranty on common elements from a developer to the
19 council of unit owners.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



(II) The warranty shall apply to: [the]

1. THE roof, foundation, external and supporting walls, mechanical, electrical, and plumbing systems, and other structural elements; AND

2. POOLS, TENNIS AND BASKETBALL COURTS, COMMUNITY CENTERS, AND OTHER COMMON AMENITIES.

(2) The warranty shall provide that the developer is responsible for correcting any defect in materials or workmanship, and that the specified common elements are within acceptable industry standards in effect when the building was constructed.

(3) (i) The warranty on common elements commences with the first transfer of title to a unit owner.

(ii) The warranty of any common elements not completed at the first transfer of title to a unit owner shall commence with the completion of that element OR AMENITY or with its availability for use by all unit owners, whichever occurs later.

(iii) The warranty extends for a period of 3 years from commencement under subparagraph (i) or (ii) of this paragraph or 2 years from the date on which the unit owners, other than the developer and its affiliates, first elect a controlling majority of the members of the board of directors for the council of unit owners, whichever occurs later.

(4) A suit for enforcement of the warranty on general common elements shall be brought only by the council of unit owners. A suit for enforcement of the warranty on limited common elements may be brought by the council of unit owners or any unit owner to whose use it is reserved.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.