

ENROLLED

**CITY OF BALTIMORE
ORDINANCE _____
Council Bill 22-0250**

Introduced by: Councilmembers Ramos, Bullock, Cohen, Burnett, Dorsey, Porter,
Conway, Glover, Stokes, Torrence

Introduced and read first time: June 27, 2022

Assigned to: Economic and Community Development Committee

Committee Report: Favorable, with amendments

Council action: Adopted

Read second time: July 17, 2023

AN ORDINANCE CONCERNING

1 **The Councilmember Mary Pat Clarke Tenant Opportunity to Purchase Act**

2 FOR the purpose of repealing City Code, Article 13, Subtitle 6 {"Tenant's Right of First
3 Refusal"} as obsolete and replacing it with a subtitle establishing a tenant's opportunity to
4 purchase certain rental facilities dwelling units; defining certain terms; establishing certain
5 exemptions from the subtitle; providing for certain rules of interpretation; authorizing the
6 Commissioner of the Department of Housing and Community Development to adopt rules
7 and regulations to carry out the subtitle; requiring that a landlord provide a notice of offer of
8 sale to certain persons on deciding to sell a rental facility dwelling unit; establishing certain
9 procedures for landlords and tenants in instances where a party submits a statement of
10 interest to purchase a rental facility dwelling unit; allowing for the landlord to require certain
11 earnest money deposits; permitting the assignment of certain rights; prohibiting a waiver of
12 certain rights absent agreed-on consideration; requiring certain disclosures if a rental facility
13 dwelling unit is transferred to a party other than a tenant; requiring certain reports; providing
14 for certain penalties; and generally relating to providing tenants with the opportunity to
15 purchase certain rental facilities dwelling units.

16 BY repealing
17 Article 13 - Housing and Urban Renewal
18 Subtitle 6. Tenant's Right of First Refusal, in its entirety
19 Baltimore City Code
20 (Edition 2000)

21 BY adding
22 Article 13 - Housing and Urban Renewal
23 Sections 6-1 through 6-20, to be under the new subtitle,
24 "Subtitle 6. Opportunity to Purchase"
25 Baltimore City Code
26 (Edition 2000)

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.
Underlining indicates matter added to the bill by amendment.
~~Strike-out~~ indicates matter stricken from the bill by
amendment or deleted from existing law by amendment.
Underlined italics indicate matter added to the bill
by amendment after printing for third reading.

Council Bill 22-0250

1 SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That
2 Article 13, Subtitle 6 {"Tenant's Right of First Refusal"} is hereby repealed in its entirety.

3 SECTION 2. BE IT FURTHER ORDAINED BY THE MAYOR AND CITY COUNCIL OF
4 BALTIMORE, That the Laws of Baltimore City read as follows:

5 Baltimore City Code

6 Article 13. Housing and Urban Renewal

7 SUBTITLE 6. OPPORTUNITY TO PURCHASE

8 PART 1. DEFINITIONS; GENERAL PROVISIONS.

9 § 6-1. STATEMENT OF PUBLIC POLICY AND PURPOSE.

10 IT IS THE INTENT AND PURPOSE OF THIS SUBTITLE THAT BEFORE TITLE TO ANY SINGLE-FAMILY
11 RESIDENTIAL RENTAL PROPERTY IS VOLUNTARILY TRANSFERRED, THE TENANT OF THAT
12 PROPERTY SHALL HAVE THE OPPORTUNITY TO PURCHASE THE PROPERTY AND THAT
13 RESIDENTIAL PROPERTY OWNERS SHALL NOT BE UNREASONABLY IMPEDED IN SELLING THEIR
14 PROPERTIES NOR REQUIRED TO ACCEPT UNREASONABLE TERMS OF SALE.

15 § 6-2. ~~6-1.~~ DEFINITIONS.

16 (A) *IN GENERAL.*

17 IN THIS SUBTITLE, THE FOLLOWING TERMS HAVE THE MEANINGS STATED.

18 (B) *COMMISSIONER.*

19 "COMMISSIONER" MEANS THE COMMISSIONER OF THE DEPARTMENT OF HOUSING AND
20 COMMUNITY DEVELOPMENT, OR THE COMMISSIONER'S DESIGNEE.

21 (C) *DWELLING UNIT.*

22 "DWELLING UNIT" HAS THE MEANING STATED IN § ~~202.2.23~~ 202.2.22.24 OF THE
23 BALTIMORE CITY BUILDING CODE.

24 (D) *LANDLORD.*

25 (1) *IN GENERAL.*

26 "LANDLORD" MEANS ANY PERSON WHO IS THE OWNER OF A RENTAL FACILITY
27 DWELLING UNIT.

28 (2) *INCLUSION.*

29 "LANDLORD" INCLUDES ANY PERSON AUTHORIZED TO EXERCISE ANY ASPECT OF THE
30 MANAGEMENT OF THE RENTAL FACILITY DWELLING UNIT, EXCEPT THOSE PERSONS
31 ENGAGED SOLELY IN CUSTODIAL AND MAINTENANCE FUNCTIONS.

Council Bill 22-0250

1 (E) *OWNER.*

2 "OWNER" MEANS ANY PERSON RECORDED IN THE OFFICIAL RECORDS OF THE STATE OR
3 CITY AS HOLDING TITLE TO A RENTAL FACILITY DWELLING UNIT.

4 (F) *RENT.*

5 (1) *IN GENERAL.*

6 "RENT" MEANS THE CONSIDERATION, INCLUDING ANY BONUS, BENEFIT, OR GRATUITY,
7 DEMANDED OR RECEIVED PER DAY, WEEK, MONTH, YEAR, OR OTHER PERIOD OF TIME,
8 AS THE CASE MAY BE, FOR THE USE OR OCCUPANCY OF HOUSING ACCOMMODATIONS
9 OR THE TRANSFER OF A LEASE FOR THOSE ACCOMMODATIONS.

10 (2) *INCLUSION.*

11 "RENT" INCLUDES ANY CHARGE TO A TENANT UNDER A RENT-TO-OWN AGREEMENT IF
12 THE TENANT'S ACCEPTANCE OF THE AGREEMENT IS MANDATORY OR IF THE TENANT IS
13 NOT ENTITLED TO A REFUND OF THE CHARGE IF THE TENANT DOES NOT PURCHASE THE
14 UNIT.

15 ~~(G) *RENTAL FACILITY.*~~

16 ~~"RENTAL FACILITY" MEANS A SINGLE FAMILY DWELLING UNIT WHICH THE LANDLORD
17 PROVIDES TO A TENANT FOR RENT OR OTHER COMPENSATION.~~

18 ~~(G) (H) *STATEMENT OF INTEREST.*~~

19 "STATEMENT OF INTEREST" MEANS A WRITTEN AND CLEAR EXPRESSION OF INTEREST TO A
20 LANDLORD THAT THE PERSON WRITING THE STATEMENT IS INTERESTED IN PURCHASING
21 THE LANDLORD'S RENTAL FACILITY DWELLING UNIT.

22 ~~(H) (I) *TENANT.*~~

23 "TENANT" MEANS ANY PERSON WHO:

24 (I) OCCUPIES A RENTAL FACILITY DWELLING UNIT AS A RESIDENCE WITH THE CONSENT
25 OF THE LANDLORD; AND

26 (II) HAS AN OBLIGATION TO PAY RENT OR PROVIDE OTHER CONSIDERATION TO THE
27 LANDLORD FOR THOSE ACCOMMODATIONS.

28 **§ 6-3. ~~6-2.~~ SCOPE OF SUBTITLE.**

29 THE FOLLOWING TRANSFERS OF TITLE ARE EXEMPT FROM THE REQUIREMENTS OF THIS
30 SUBTITLE:

31 (1) TRANSFER OF TITLE TO A SPOUSE, CHILD OR CHILDREN, PARENTS, SIBLINGS, OR
32 IN-LAWS OF THE LANDLORD;

Council Bill 22-0250

1 (2) TRANSFER OF TITLE BY WILL OR THROUGH INHERITANCE UNDER THE STATE ESTATES
2 AND TRUSTS ARTICLE;

3 (3) A GIFT TO ANY RELIGIOUS, CHARITABLE, OR BENEVOLENT, TAX-EXEMPT DONEE;

4 (4) TRANSFER OF TITLE IN A MORTGAGE OR DEED OF TRUST;

5 (5) TRANSFER OF TITLE TO A GOVERNMENT AGENCY;

6 (6) TRANSFER OF, OR FOR THE SOLE PURPOSE OF CREATING, A REVERSIONARY (GROUND
7 RENT) INTEREST, IF THE LEASEHOLD IS RETAINED BY, OR WAS NOT OWNED BY, THE
8 TRANSFEROR;

9 (7) TRANSFER OF TITLE IN LIEU OF FORECLOSURE OF A MORTGAGE OR DEED OF TRUST;

10 (8) ANY SALE AT PUBLIC AUCTION OF A PROPERTY INDIVIDUALLY, IF THE LANDLORD HAS
11 OFFERED THE PROPERTY TO THE PERSONS REQUIRED UNDER THIS SUBTITLE, AND
12 THOSE PERSONS HAVE FAILED TO EXERCISE THE OPPORTUNITY TO PURCHASE BEFORE
13 THE AUCTION SALE;

14 (9) ANY TRANSFER BY A PERSONAL REPRESENTATIVE FROM A DECEDENT'S ESTATE MADE
15 IN THE COURSE OF THE ADMINISTRATION OF THE ESTATE; [AND]

16 (10) A TRANSFER OF TITLE BY A BONA FIDE GIFT TO A RELATIVE OF THE TRANSFEROR OR
17 RELATIVE OF THE TRANSFEROR'S SPOUSE, SUBJECT TO THE FOLLOWING:

18 (I) "RELATIVES" MEANS ONLY THOSE RELATIVES SET FORTH IN § 267(C)(4) OF THE
19 INTERNAL REVENUE CODE AND ALL LINEAL DESCENDANTS AND SPOUSES OF
20 THOSE RELATIVES TO THE EXTENT NOT ALREADY INCLUDED IN THAT SECTION;

21 (II) "ANCESTORS" AS DEFINED IN § 267(C)(4) ARE LIMITED TO THE LEVELS OF
22 PARENTS AND GRANDPARENTS; AND

23 (III) "LINEAL DESCENDANTS" INCLUDE ALL BIOLOGICAL CHILDREN AND
24 STEPCHILDREN, AND FULL EFFECT SHALL BE GIVEN TO LEGAL ADOPTION[.];
25 AND

26 (11) A TRANSFER OF TITLE BY THE HOUSING AUTHORITY OF BALTIMORE CITY.

27 **§ 6-4. ~~6-3.~~ RULES OF INTERPRETATION.**

28 (A) *IN GENERAL.*

29 IN THIS SUBTITLE, THE FOLLOWING RULES OF INTERPRETATION APPLY.

30 (B) *TIME LIMITS.*

31 THE TIME PERIODS SPECIFIED IN THIS SUBTITLE ARE MINIMUM PERIODS. A LANDLORD MAY
32 PROVIDE A TENANT WITH REASONABLE EXTENSIONS OF TIME TO PURCHASE THE RENTAL
33 FACILITY DWELLING UNIT.

Council Bill 22-0250

1 (C) *PRESUMPTION OF KNOWLEDGE.*

2 POTENTIAL THIRD-PARTY PURCHASERS ARE PRESUMED TO ACT WITH FULL KNOWLEDGE OF
3 THE RIGHTS AND PROCEDURES ESTABLISHED IN THIS SUBTITLE.

4 (D) *MANNER OF DELIVERY.*

5 UNLESS OTHERWISE EXPRESSLY STATED IN THIS SUBTITLE, DELIVERY OF ITEMS REQUIRED
6 BY THIS SUBTITLE SHALL BE MADE EITHER BY FIRST-CLASS MAIL OR HAND-DELIVERY TO
7 THE REQUIRED PARTY.

8 (E) *RESOLUTION OF DEFECTS OR AMBIGUITIES.*

9 TO THE EXTENT POSSIBLE, ANY DEFECT OR AMBIGUITY IN THIS SUBTITLE SHALL BE
10 RESOLVED IN FAVOR OF TENANTS.

11 **§ 6-5. ~~6-4.~~ RULES AND REGULATIONS.**

12 SUBJECT TO TITLE 4 {"ADMINISTRATIVE PROCEDURE ACT – REGULATIONS"} OF THE CITY
13 GENERAL PROVISIONS ARTICLE, THE COMMISSIONER MAY ADOPT RULES AND REGULATIONS
14 TO CARRY OUT THIS SUBTITLE.

15 **§ 6-6. ~~6-5.~~ {RESERVED}**

16 *PART 2. OPPORTUNITY TO PURCHASE – PROCEDURES AND REQUIREMENTS*

17 **§ 6-7. ~~6-6.~~ OPPORTUNITY TO PURCHASE – GENERALLY.**

18 BEFORE A LANDLORD MAY SETTLE ON THE SALE OF A RENTAL ~~FACILITY-DWELLING UNIT~~, THE
19 LANDLORD SHALL GIVE THE TENANT AN OPPORTUNITY TO PURCHASE THE RENTAL ~~FACILITY~~
20 DWELLING UNIT AT A PRICE AND UNDER TERMS THAT CONSTITUTE AN OFFER OF SALE IN
21 ACCORDANCE WITH THE REQUIREMENTS OF THIS SUBTITLE.

22 **§ 6-8. ~~6-7.~~ OFFER OF SALE.**

23 (A) *IN GENERAL.*

24 PRIOR TO ~~SETTLE ON THE SALE OF A RENTAL FACILITY DWELLING UNIT~~ OFFER THE RENTAL
25 DWELLING UNIT FOR SALE TO ANOTHER PARTY, A LANDLORD SHALL PROVIDE A WRITTEN
26 OFFER OF SALE TO:

27 (1) THE TENANT WITHIN THE RENTAL ~~FACILITY~~ DWELLING UNIT; AND

28 (2) THE COMMISSIONER, ON BEHALF OF THE MAYOR AND CITY COUNCIL.

Council Bill 22-0250

1 (B) CONTENTS OF OFFER OF SALE.

2 (1) IN GENERAL.

3 THE OFFER OF SALE REQUIRED BY THIS SECTION SHALL INCLUDE:

4 (I) THE ASKING PRICE AND THE MATERIAL TERMS OF SALE; AND

5 (II) A STATEMENT THAT THE LANDLORD SHALL PROVIDE THE TENANT, WITHIN 7
6 CALENDAR DAYS OF A REQUEST, THE FOLLOWING:

7 1. A COMPLETE COPY OF ANY THIRD-PARTY CONTACT TO PURCHASE THE
8 RENTAL ~~FACILITY~~ DWELLING UNIT, WITH THE PURCHASER NAME
9 REDACTED; AND

10 2. COPIES OF AVAILABLE LICENSING INSPECTION REPORTS OF THE RENTAL
11 ~~FACILITY~~ DWELLING UNIT FOR THE PREVIOUS 2 YEARS.

12 (2) DELAY.

13 FOR EACH CALENDAR DAY OF DELAY BY THE LANDLORD TO PROVIDE THE
14 INFORMATION REQUIRED BY SUBSECTION (B)(1)(II) OF THIS SECTION, THE TIME PERIOD
15 FOR THE TENANT TO EXPRESS INTEREST IN PURCHASING THE RENTAL ~~FACILITY~~
16 DWELLING UNIT OR TO NEGOTIATE A CONTRACT WITH THE LANDLORD FOR THE
17 PURCHASE OF THE RENTAL ~~FACILITY~~ DWELLING UNIT, AS THE CASE MAY BE, SHALL BE
18 EXTENDED BY 1 DAY.

19 ~~(C) THIRD PARTY CONTRACTS.~~

20 ~~(1) IN GENERAL.~~

21 ~~IF A THIRD-PARTY CONTRACT FOR THE SALE OF THE RENTAL FACILITY EXISTS AT THE~~
22 ~~TIME THE OFFER OF SALE IS MADE, THEN THE OFFER OF SALE REQUIRED UNDER THIS~~
23 ~~SECTION SHALL INCLUDE A STATEMENT THAT THE TENANT HAVE THE RIGHT TO~~
24 ~~PURCHASE THE RENTAL FACILITY UNDER THIS ARTICLE AT THE SAME PRICE AND ON~~
25 ~~SUBSTANTIALLY THE SAME TERMS AND CONDITIONS AS THE THIRD-PARTY CONTRACT~~
26 ~~OF SALE FOR THE RENTAL FACILITY.~~

27 ~~(2) UNRELATED MATTERS IN A THIRD-PARTY CONTRACT.~~

28 ~~IF A THIRD-PARTY CONTRACT INCLUDES REAL OR PERSONAL PROPERTY OTHER THAN~~
29 ~~THE RENTAL FACILITY AN OFFER OF SALE MUST ALLOW THE TENANT TO PURCHASE~~
30 ~~ONLY THE RENTAL FACILITY.~~

31 (C) ADDITIONAL INFORMATION.

32 THE LANDLORD SHALL SHARE THE FACT SHEET REGARDING TENANT RIGHTS UNDER THIS
33 SECTION, WHICH CAN BE OBTAINED FROM THE DEPARTMENT OF HOUSING AND
34 COMMUNITY DEVELOPMENT'S OFFICE OR WEBSITE.

Council Bill 22-0250

1 (D) ~~(E)~~ *CHANGES AFTER NOTICE OF SALE.*

2 (1) *"MATERIAL CHANGE" DEFINED.*

3 IN THIS SUBSECTION, "MATERIAL CHANGE" MEANS:

4 (I) A CHANGE IN THE PURCHASER UNDER A THIRD-PARTY CONTACT; OR

5 (II) A REDUCTION IN THE SALES PRICE OF 10% OR MORE.

6 (2) *IN GENERAL.*

7 (I) IF THERE IS A SUBSEQUENT THIRD-PARTY CONTRACT AFTER THE INITIAL OFFER OF
8 SALE WAS TRANSMITTED THAT RESULTS IN A MATERIAL CHANGE OR IF THE TERMS
9 OF A THIRD-PARTY CONTRACT TO PURCHASE THE RENTAL ~~FACILITY~~ DWELLING
10 UNIT MATERIALLY CHANGE BETWEEN THE TIME AN OFFER OF SALE IS MADE AND
11 THE SETTLEMENT, THE LANDLORD SHALL PROVIDE THE TENANT WITH A NEW OFFER
12 OF SALE REFLECTING THE NEW TERMS.

13 (II) IF THE INITIAL TIME PERIOD TO INDICATE INTEREST HAS EXPIRED, THE TENANT
14 SHALL HAVE ALL RIGHTS PRESERVED UNDER THIS SUBTITLE EXCEPT THAT THE
15 PERIOD TO INDICATE INTEREST IN PURCHASING THE RENTAL ~~FACILITY~~ DWELLING
16 UNIT UNDER THE REVISED TERMS OF SALE MAY NOT EXCEED 7 CALENDAR DAYS
17 FROM THE DATE OF RECEIPT OF THE NEW OFFER OF SALE.

18 (3) *SALE PRICE INCREASE.*

19 A LANDLORD IS NOT REQUIRED TO PROVIDE A NEW OFFER OF SALE IF THERE IS AN
20 INCREASE IN THE SALE PRICE.

21 **§ 6-9. ~~6-8.~~ OPPORTUNITY TO PURCHASE.**

22 (A) *ON RECEIPT OF OFFER OF SALE.*

23 ON RECEIPT OF THE WRITTEN OFFER OF SALE REQUIRED BY § ~~6-7~~ 6-8 {"OFFER OF SALE"}
24 OF THIS SUBTITLE, A TENANT SHALL HAVE 14 CALENDAR DAYS TO DELIVER A WRITTEN
25 STATEMENT OF INTEREST TO THE LANDLORD.

26 (B) *ACCEPTANCE OF OFFER OF SALE.*

27 (1) THE TENANT MAY ACCEPT THE OFFER OF SALE BY SUBMITTING A WRITTEN CONTRACT
28 WITHIN 14 CALENDAR DAYS FROM THE DATE OF THE SUBMISSION OF THE STATEMENT
29 OF INTEREST.

30 (2) THE CONTRACT MUST INCLUDE SUBSTANTIALLY THE SAME TERMS AND CONDITIONS
31 SET FORTH IN THE ANY THIRD-PARTY CONTRACT OF SALE, INCLUDING ANY CONTRACT
32 TERM THAT PROVIDES FOR A REASONABLE REAL ESTATE COMMISSION.

Council Bill 22-0250

1 (C) *SETTLEMENT; FINANCING.*

2 (1) IN ORDER FOR THE TENANT TO SECURE FINANCING, ANY CONTRACT OF SALE SHALL
3 PROVIDE A REASONABLE PERIOD OF NO LESS THAN 30 DAYS BETWEEN THE EXECUTION
4 OF THE CONTRACT AND SETTLEMENT.

5 (2) A LANDLORD SHALL AFFORD A TENANT A REASONABLE AND COMMENSURATE
6 EXTENSION OF TIME, IF:

7 (I) THE TENANT IS OBTAINING FINANCING THROUGH A GOVERNMENT OR OTHER
8 LOAN PROGRAM DESIGNED FOR LOW- OR MODERATE-INCOME PERSONS OR
9 FIRST-TIME HOMEBUYERS; AND

10 (II) THE GOVERNMENT AGENCY OR OTHER LENDER ESTIMATES IN WRITING THAT A
11 FINANCING DECISION WILL BE MADE WITHIN 60 CALENDAR DAYS AFTER THE
12 DATE OF THE CONTRACT.

13 (D) *EXPIRATION.*

14 IF 6 MONTHS ELAPSES FROM THE DATE THE LANDLORD HAS DELIVERED THE WRITTEN
15 OFFER OF SALE REQUIRED BY § ~~6-8~~ ~~6-7~~ {"OFFER OF SALE"} TO A TENANT AND THE
16 LANDLORD HAS NOT GONE TO SETTLEMENT ON THE SALE OF THE RENTAL FACILITY
17 DWELLING UNIT, THE LANDLORD SHALL SEND A NEW WRITTEN OFFER OF SALE TO THE
18 RELEVANT PARTIES BEFORE SELLING THE RENTAL FACILITY DWELLING UNIT.

19 §§ ~~6-10 to 6-13, 6-9 to 6-12.~~ {RESERVED}

20 *PART 3. MISCELLANEOUS PROVISIONS*

21 § ~~6-14, 6-13.~~ EARNEST MONEY DEPOSITS.

22 (A) ~~IN GENERAL.~~

23 ~~TO EXECUTE A CONTRACT UNDER THIS SUBTITLE, THE LANDLORD MAY REQUIRE THE~~
24 ~~TENANT TO PAY AN EARNEST MONEY DEPOSIT OF:-~~

25 (1) ~~UP TO 1% OF THE CONTRACT SALES PRICE, FOR RENTAL FACILITIES WITH 6 OR~~
26 ~~FEWER DWELLING UNITS; OR~~

27 (2) ~~UP TO 0.5% OF THE CONTRACT SALES PRICE, FOR RENTAL FACILITIES WITH 7 OR~~
28 ~~MORE DWELLING UNITS.~~

Council Bill 22-0250

~~(B) REFUNDABLE.~~

~~(1) THE EARNEST MONEY DEPOSIT SHALL BE REFUNDABLE IN THE EVENT OF FAILURE OF THE PARTIES TO PERFORM UNDER THE CONTRACT DESPITE GOOD FAITH EFFORTS.~~

~~(2) THE DEPOSIT SHALL BE REFUNDED WITHIN 30 DAYS OF THE DETERMINATION OF THE FAILURE DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.~~

(A) DEPOSIT FOR SALES CONTRACT.

(1) IF A TENANT PROPOSES TO USE A FEDERAL, STATE, OR LOCAL PROGRAM TO ASSIST THE PURCHASE, FOR EITHER MORTGAGE INSURANCE, A MORTGAGE GUARANTEE, OR A DIRECT MORTGAGE, THE REQUIRED DEPOSIT SHALL NOT EXCEED THE CASH CONTRIBUTION REQUIRED OF THE BUYER BY THAT PROGRAM.

(2) IF NO SUCH PROGRAM IS INVOLVED IN THE TENANT PURCHASE, THE DEPOSIT REQUIRED FOR A SALES CONTRACT SHALL BE AT LEAST 1% OF THE PURCHASE PRICE.

(B) USE OF GOVERNMENTAL ASSISTANCE PROTECTED.

NO LANDLORD MAY REFUSE TO ENTER INTO A SALES CONTRACT WITH A TENANT SOLELY BECAUSE THE TENANT PROPOSES TO USE A FEDERAL, STATE, OR LOCAL PROGRAM TO ASSIST IN THE FINANCING OF THE PURCHASE.

(C) FINANCING CONTINGENCY.

A SALES CONTRACT SHALL CONTAIN A REASONABLE FINANCING CONTINGENCY CLAUSE WHICH:

(1) SHALL NOT REQUIRE THE TENANT TO OBTAIN FINANCING IN LESS THAN 60 DAYS FROM THE DATE A CONTRACT IS TENDERED BY THE LANDLORD; AND

(2) SHALL EXCUSE THE TENANT FROM PERFORMANCE OF THE SALES CONTRACT IF THE TENANT IS UNABLE TO OBTAIN ADEQUATE FINANCING WITHIN SAID 60-DAY PERIOD.

~~§ 6-14. EXERCISE OR ASSIGNMENT OF RIGHTS.~~

~~(A) IN GENERAL.~~

~~THE TENANT MAY EXERCISE RIGHTS UNDER THIS SUBTITLE IN CONJUNCTION WITH A THIRD PARTY OR BY ASSIGNING OR SELLING THOSE RIGHTS TO ANY PARTY, WHETHER PRIVATE OR GOVERNMENTAL.~~

~~(B) TIMING; CONSIDERATION.~~

~~THE EXERCISE OF RIGHTS IN CONJUNCTION WITH A THIRD PARTY UNDER THIS SUBTITLE OR THE ASSIGNMENT OR SALE OF THOSE RIGHTS MAY OCCUR AT ANY TIME IN THE PROCESS SET FORTH IN PART 2 OF THIS SUBTITLE AND MAY BE MADE FOR ANY CONSIDERATION THAT THE TENANT OR THE MAYOR AND CITY COUNCIL FINDS ACCEPTABLE.~~

Council Bill 22-0250

1 § 6-15. WAIVER OF RIGHTS.

2 UNLESS OTHERWISE EXPRESSLY STATED, A LANDLORD MAY NOT REQUEST, AND THE TENANT
3 MAY NOT GRANT, A WAIVER OF ANY REQUIREMENT UNDER THIS SUBTITLE UNLESS THE WAIVER
4 IS IN EXCHANGE FOR CONSIDERATION THAT THE TENANT, IN THEIR SOLE DISCRETION, FIND
5 ACCEPTABLE.

6 § 6-16. AFFIDAVIT ON TRANSFERS TO THIRD PARTIES.

7 (A) *AFFIDAVIT OF COMPLIANCE REQUIRED.*

8 IN ANY TRANSFER OF REAL PROPERTY SUBJECT TO THIS SUBTITLE TO A PARTY OTHER THAN
9 THE TENANT, THE LANDLORD SHALL FILE IN THE LAND RECORDS OF BALTIMORE CITY
10 CITY, AND WITH THE COMMISSIONER OF THE BALTIMORE CITY DEPARTMENT OF HOUSING
11 AND COMMUNITY DEVELOPMENT, AN AFFIDAVIT IN THE FORM SET FORTH IN
12 SUBSECTION (C) OF THIS SECTION, CERTIFYING THAT THE REQUIREMENTS OF THIS SUBTITLE
13 HAVE BEEN MET, AS A PART OF THE DEED CONVEYANCE.

14 (B) *TRANSFeree'S RIGHTS PROTECTED.*

15 WHERE AN AFFIDAVIT HAS BEEN FILED AS REQUIRED BY SUBSECTION (A) OF THIS SECTION,
16 THE RIGHTS AND TITLE OF A THIRD PARTY TRANSFEREE AND THE TRANSFEREE'S HEIRS,
17 SUCCESSORS, OR ASSIGNS SHALL BE FREE OF ANY RESTRICTION OR CLAIM ARISING IN
18 FAVOR OF THE TENANT UNDER THIS SUBTITLE.

19 (C) *STATEMENTS REQUIRED.*

20 THE AFFIDAVIT AFFIRMING COMPLIANCE WITH THE REQUIREMENTS OF THIS SUBTITLE
21 DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION SHALL:

22 (1) IF THE TENANT HAS RESPONDED TO THE OFFER OF SALE REQUIRED UNDER THIS
23 SUBTITLE, INCLUDE THE FOLLOWING STATEMENT:

24 "(NAME OF TENANT), BEING THE TENANT OF THE PROPERTY KNOWN AS (STREET
25 ADDRESS) IN BALTIMORE CITY, FOLLOWING AN OFFER OF SALE AS REQUIRED BY §
26 6-7 OF ARTICLE 13 OF THE BALTIMORE CITY CODE, SENT (DATE OF MAILING), HAS
27 FAILED TO ENTER INTO A CONTRACT TO PURCHASE SAID PROPERTY IN THE MANNER
28 AND TIME PROVIDED BY SUBTITLE 6 OF ARTICLE 13 OF THE BALTIMORE CITY
29 CODE." (ADD IF APPLICABLE) "NOTICE PURSUANT TO § 6-7 OF ARTICLE 13 OF THE
30 BALTIMORE CITY CODE WAS SUBSEQUENTLY SENT TO SAID TENANT ON (DATE OF
31 MAILING), AND TENANT SUBSEQUENTLY FAILED TO CONTRACT TO PURCHASE SAID
32 PROPERTY IN LIEU OF (NAME OF THIRD PARTY) WITHIN THE PERIOD OF TIME
33 PROVIDED BY SAID § 6-8, THAT PERIOD BEING 7 DAYS."; OR

Council Bill 22-0250

1 (2) IF THE TENANT HAS WAIVED RIGHT OF FIRST REFUSAL, INCLUDE THE FOLLOWING
2 STATEMENT:

3 “(NAME OF TENANT), BEING THE TENANT OF THE PROPERTY KNOWN AS (STREET
4 ADDRESS) IN BALTIMORE CITY, FOLLOWING AN OFFER OF SALE AS REQUIRED BY §
5 6-7 OF ARTICLE 13 OF THE BALTIMORE CITY CODE, SENT (DATE OF MAILING), HAS
6 NOT ENTERED INTO A CONTRACT FOR SALE.

7 (D) ~~(C)~~ *CORPORATE OWNER.*

8 WHERE A RENTAL ~~FACILITY~~ DWELLING UNIT SUBJECT TO THIS SECTION IS OWNED BY A
9 CORPORATION, LLC, OR OTHER BUSINESS ORGANIZATION, THE AFFIDAVIT REQUIRED BY
10 SUBSECTION (A) OF THIS SECTION SHALL BE MADE BY ~~THE PRESIDENT AND THE SECRETARY~~
11 ~~OF THE BUSINESS ORGANIZATION~~ A DULY AUTHORIZED OFFICER OF THE ORGANIZATION OR
12 DULY AUTHORIZED REPRESENTATIVE OF THE OWNERSHIP ENTITY.

13 **§ 6-17. REPORTING.**

14 (A) *LANDLORD'S DUTY TO REPORT.*

15 (1) A LANDLORD SHALL REPORT EACH RENTAL ~~FACILITY~~ DWELLING UNIT TRANSFER
16 SUBJECT TO THIS SUBTITLE TO THE COMMISSIONER WITHIN 30 DAYS OF THE TRANSFER
17 IN THE MANNER REQUIRED BY THE COMMISSIONER.

18 (2) THE DUTY TO REPORT UNDER THIS SUBSECTION SHALL INCLUDE TRANSFERS TO A
19 PARTY OTHER THAN THE TENANT.

20 (B) *COMMISSIONER'S ANNUAL REPORT.*

21 ON OR BEFORE JUNE 30 OF THE EACH YEAR, THE COMMISSIONER SHALL SUBMIT A REPORT
22 TO THE MAYOR AND CITY COUNCIL DETAILING:

23 ~~(1) THE TOTAL NUMBER OF TRANSFERS SUBJECT TO THIS SUBTITLE, INCLUDING~~
24 ~~TRANSFERS TO PARTIES OTHER THAN A TENANT, DISAGGREGATED BY ZIP CODE;~~
25 ~~AND~~

26 (1) DISAGGREGATED BY ZIP CODE, THE TOTAL NUMBER OF TRANSFERS SUBJECT
27 THIS SUBTITLE, INCLUDING:

28 (I) TRANSFERS TO A TENANT; AND

29 (II) TRANSFERS TO A PARTY OTHER THAN A TENANT;

30 (2) ANY RECOMMENDATIONS FOR LEGISLATIVE OR POLICY AMENDMENTS TO BETTER
31 ENSURE THAT CITY TENANTS ARE BENEFITTING FROM THIS SUBTITLE.

32 **§§ 6-18 TO 6-19. {RESERVED}**

Council Bill 22-0250

PART 4. PENALTIES

1
2
3
4
5
6
7
8
9
10
11

§ 6-20. PENALTIES.

(A) IN GENERAL.

ANY PERSON WHO VIOLATES ANY PROVISION OF THIS SUBTITLE SHALL BE GUILTY OF A MISDEMEANOR AND, ON CONVICTION, SHALL BE SUBJECT TO A FINE OF UP TO \$1,000 FOR EACH VIOLATION.

(B) OTHER REMEDIES NOT PRECLUDED.

THE CRIMINAL PENALTY DESCRIBED IN THIS SECTION IS NOT INTENDED TO PRECLUDE ANY OTHER CIVIL OR ADMINISTRATIVE REMEDY AVAILABLE AT LAW.

SECTION 3. AND BE IT FURTHER ORDAINED, That this Ordinance takes effect on the ~~30th~~ 180th day after the date it is enacted.

Council Bill 22-0250

Certified as duly passed this 21 day of August, 2023



President, Baltimore City Council

Certified as duly delivered to His Honor, the Mayor,

this 21 day of August, 2023



Chief Clerk

Approved this 16 day of October, 2021



Mayor, Baltimore City

Approved for Form and Legal Sufficiency
This 23rd Day of August, 2023.

Elena R DiPietro

Chief Solicitor