

~~{The provisions of this} THIS subtitle {do} DOES not--apply to f--~~

~~{1}---{A sale--by--a vendor or builder who, from the time of the contract of sale until completion and grant of the residential unit, has outstanding fewer than ten contracts of sale of single-family residential units to be constructed, for which he has accepted or contractually is entitled to receive sums of money in the nature of deposits, escrow money, or binder money}--A CUSTOM HOME CONTRACT FINANCED BY A MORTGAGE LOAN ISSUED BY AN INSTITUTION REGULATED UNDER THE FINANCIAL INSTITUTIONS ARTICLE, and~~

~~{2}--A sale--by--or through a licensed real estate broker in connection with which all sums of money in the nature of deposits, escrow money, or binder money are paid to a broker to be held in the escrow account of the broker.~~

SUBTITLE 5. CUSTOM HOME PROTECTION ACT

10-501.

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

(B) "BUYER" MEANS ANY PERSON WHO SEEKS OR ENTERS INTO A CONTRACT FOR THE CONSTRUCTION OF A CUSTOM HOME.

(C) "CUSTOM HOME" MEANS A SINGLE-FAMILY DWELLING CONSTRUCTED FOR THE BUYER'S RESIDENCE ON LAND CURRENTLY OR PREVIOUSLY OWNED BY THE BUYER.

(D) "CUSTOM HOME BUILDER" MEANS ANY PERSON WHO SEEKS, ENTERS INTO, OR PERFORMS CUSTOM HOME CONTRACTS.

(E) "CUSTOM HOME CONTRACT" MEANS ANY CONTRACT ENTERED INTO WITH THE BUYER, WITH A VALUE EQUAL TO OR GREATER THAN \$20,000, TO FURNISH LABOR AND MATERIAL IN CONNECTION WITH THE CONSTRUCTION, ERECTION, OR COMPLETION OF A CUSTOM HOME. A CUSTOM HOME CONTRACT DOES NOT MEAN AN AGREEMENT FOR WORK TO BE DONE BY A LICENSED HOME IMPROVEMENT CONTRACTOR AND SUBJECT TO THE PROVISIONS OF MARYLAND HOME IMPROVEMENT LAW.

(F) "DEPOSIT" MEANS ANY SUM PAID TO A CUSTOM HOME BUILDER AT THE TIME OF THE EXECUTION OF A CUSTOM HOME CONTRACT.

(G) "DRAW SCHEDULE" MEANS A FORM THAT SETS FORTH WITH PARTICULARITY THE SUM TO WHICH THE CUSTOM HOME BUILDER SHALL BE ENTITLED AS PROGRESS PAYMENT ON THE CUSTOM HOME CONTRACT AFTER CERTAIN SPECIFIED ITEMS OF WORK HAVE BEEN COMPLETED ON THE CUSTOM HOME.

(H) "PERSON" INCLUDES AN INDIVIDUAL, CORPORATION, BUSINESS TRUST, ESTATE, PARTNERSHIP, ASSOCIATION, 2 OR MORE PERSONS HAVING