

Real Property
Title 10. Sale of Property
Subtitle 2. Express and Implied Warranties

§ 10-201. Definitions

(a) In this subtitle the following words have the meanings indicated unless otherwise apparent from context.

(b) "Improvements" includes every newly constructed private dwelling unit, and fixture and structure which is made a part of a newly constructed private dwelling unit at the time of construction by any building contractor or subcontractor.

(c) "Purchaser" means the original purchaser of improved realty, and the heirs and personal representatives of the original purchaser.

(d) "Realty" includes both freehold estates and redeemable leasehold estates.

(e) "Vendor" means any person engaged in the business of erecting or otherwise creating an improvement on realty, or to whom a completed improvement has been granted for resale in the course of his business.

§§ 10-202. Creation of express warranties; exclusion or modification of express warranty.

(a) Express warranties by a vendor are created as follows:

(1) Any written affirmation of fact or promise which relates to the improvement and is made a part of the basis of the bargain between the vendor and the purchaser creates an express warranty that the improvement conforms to the affirmation or promise.

(2) Any written description of the improvement, including plans and specifications of it, which is made a part of the basis of the bargain between the vendor and the purchaser creates an express warranty that the improvement conforms to the description.

(3) Any sample or model which is made a part of the basis of the bargain between the vendor and the purchaser creates an express warranty that the improvement conforms substantially to the sample or model.

(b) To create an express warranty, it is not necessary to use formal words, such as "warranty" or "guarantee," or that there be a specific intention to make a warranty. However, an affirmation merely of the value of the improvement or a statement purporting to be an opinion or commendation of the improvement does not create a warranty.

(c) If an express warranty is made under subsection (a), neither words in the contract of sale, the deed, other instrument of grant, nor merger of the contract of sale into the deed or any other instrument of grant is effective to exclude or modify the warranty. At any time after the execution of the contract of sale, the warranty may be excluded or modified wholly or partially by a written instrument, signed by the purchaser, setting forth in detail the warranty to be excluded or

modified, the consent of the purchaser to exclusion or modification, and the terms of the new agreement with respect to it.

§§ 10-203. Implied warranties.

(a) Except as provided in subsection (b) or unless excluded or modified pursuant to subsection (d), in every sale, warranties are implied that, at the time of the delivery of the deed to a completed improvement or at the time of completion of an improvement not completed when the deed is delivered, the improvement is:

- (1) Free from faulty materials;
- (2) Constructed according to sound engineering standards;
- (3) Constructed in a workmanlike manner; and
- (4) Fit for habitation.

(b) The warranties of subsection (a) do not apply to any condition that an inspection of the premises would reveal to a reasonably diligent purchaser at the time the contract is signed.

(c) If the purchaser, expressly or by implication, makes known to the vendor the particular purpose for which the improvement is required, and it appears that the purchaser relies on the vendor's skill and judgment, there is an implied warranty that the improvement is reasonably fit for the purpose.

(d) Neither words in the contract of sale, nor the deed, nor merger of the contract of sale into the deed is effective to exclude or modify any implied warranty. However, if the contract of sale pertains to an improvement then completed, an implied warranty may be excluded or modified wholly or partially by a written instrument, signed by the purchaser, setting forth in detail the warranty to be excluded or modified, the consent of the purchaser to exclusion or modification, and the terms of the new agreement with respect to it.

§§ 10-204. Breach of warranty; expiration of warranty; limitation of actions.

(a) If any warranty provided for in this subtitle is breached, the court may award legal or equitable relief, or both, as justice requires.

(b) Unless an express warranty specifies a longer period of time, the warranties provided for in this subtitle expire:

- (1) In the case of a dwelling completed at the time of the delivery of the deed to the original purchaser, one year after the delivery or after the taking of possession by the original purchaser, whichever occurs first;
- (2) In the case of a dwelling not completed at the time of delivery of the deed to the original purchaser, one year after the date of the completion or taking of possession by the original purchaser, whichever occurs first; and

(3) In the case of structural defects, 2 years after the date of completion, delivery, or taking possession, whichever occurs first.

(c) The warranties provided under this section do not expire on the subsequent sale of a dwelling by the original purchaser to a subsequent purchaser, but continue to protect the subsequent purchaser until the warranties provided under subsection (b) of this section expire. The warranties provided under this section do not apply to any defect caused by the original purchaser.

(d) Any action arising under this subtitle shall be commenced within two years after the defect was discovered or should have been discovered or within two years after the expiration of the warranty, whichever occurs first.

§§ 10-205.

If a vendor grants an improvement to an intermediate purchaser to evade any liability to a user and purchaser imposed by this subtitle, the vendor is liable on the subsequent sale of the improvement by the intermediate purchaser as if the subsequent sale had been effectuated by the vendor without regard to the intervening grant.