Article - Real Property

[Previous][Next]

§8A–1001.

(a) (1) A park owner may not impose a security deposit in excess of the equivalent of 2 months' rent, or $50, whichever is greater. If a security deposit exceeds this amount, the resident may recover up to threefold the extra money charged, plus reasonable attorney's fees.

(2) (i) After receiving payment of the initial security deposit from the resident, a park owner may not increase the security deposit.

(ii) If the resident was not required to pay a security deposit during a prior lease or rental term, a park owner may not impose a security deposit.

(b) An action under this section may be brought at any time during the tenancy or within 2 years after its termination.

(c) (1) The park owner shall give the resident a receipt for the security deposit.

(2) The receipt may be included in a written rental agreement.

(3) The park owner shall be liable to the resident in the sum of $25 if the park owner fails to provide a written receipt for the security deposit.

(4) The receipt or rental agreement shall contain language informing the resident of his rights under this section to receive from the park owner a written list of all existing damages if the resident makes a written request of the park owner within 15 days of the resident's occupancy.

(d) (1) If the park owner imposes a security deposit, on written request, he promptly shall provide the resident with a written list of all existing damages. The request must be made within 15 days of the resident's occupancy.

(2) Failure to provide the resident with this written statement renders the park owner liable to the resident for threefold the amount of the security deposit. The total amount of damages shall be subject to a setoff for damages and unpaid rent which reasonably could be withheld under this section.

(e) (1) The park owner shall maintain all security deposits in a banking or savings institution in the State. This account shall be devoted exclusively to security deposits and bear interest.

(2) A security deposit shall be deposited in the account within 30 days after the park owner receives it.

(3) In the event of sales or transfer of any sort, including receivership or bankruptcy, the security deposit is binding on the successor in interest to the person to whom the deposit is given. Security deposits are free from any attachment by creditors.

(4) Any successor in interest is liable to the resident for failure to return the security deposit, together with interest, as provided in this section.

(f) (1) Within 45 days after the end of the tenancy, the park owner shall return the security deposit to the resident together with simple interest which has accrued at the daily U.S. Treasury yield curve rate for 1 year, as of the first business day of each year, or 1.5% a year, whichever is greater, less any damages rightfully withheld.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, interest shall accrue at monthly intervals from the day the resident gives the park owner the security deposit. Interest is not compounded.

(ii) No interest is due or payable:

1. Unless the park owner has held the security deposit for at least 6 months; or

2. For any period less than a full month.

(3) Interest shall be payable only on security deposits of $50 or more.

(4) If the park owner, without a reasonable basis, fails to return any part of the security deposit, plus accrued interest, within 45 days after the termination of the tenancy, the resident has an action of up to threefold of the withheld amount, plus reasonable attorney's fees.

(g) (1) The security deposit, or any portion of the security deposit, may be withheld for unpaid rent, damage due to breach of the rental agreement, or damage to the leased premises by the resident or the resident's family, agents, employees, or social guests in excess of ordinary wear and tear.

(2) The resident has the right to be present when the park owner or his agent inspects the premises in order to determine if any damage was done to the premises, if the resident notifies the park owner in writing of his intention to move, the date of moving and his new address. The notice to be furnished by the resident to the park owner shall be mailed at least 15 days prior to the date of moving. Upon receipt of the notice, the park owner shall notify the resident in writing of the time and date when the premises are to be inspected. The date of inspection shall occur within 5 days after the moving as designated in the resident's notice. The resident shall be advised of his rights under this subsection in writing which may be included in the rental agreement at the time of his payment of the security deposit. Failure by the park owner to comply with this requirement forfeits the right of the park owner to withhold any part of the security deposit for damages.

(h) A park owner is entitled to rely on the list of yield curve rates or the customized calculator maintained by the Department of Housing and Community Development under § 8–203(k) of this article when calculating the interest on a security deposit.

[Previous][Next]