

House Bill 767 – Real Property – Landlord and Tenant – Procedures for Failure to Pay Rent, Breach of Lease, and Tenant Holding Over

Position: Unfavorable

The Maryland REALTORS® oppose HB 767 which extends the time of eviction for housing providers and property managers.

Many Maryland REALTORS® provide property management services for single-family rental properties. While the REALTORS® appreciate that eviction is difficult for many tenants, eviction is also a difficult process for many housing providers. When an eviction occurs, many owners not only lose rent payments that they may rely on to pay a mortgage for the time period of the judgment, but the owner will now be faced with the additional costs of eviction and turning the unit over. In Prince George's County, as an example, the Sheriff's office requires a single-family rental property to provide the following before the Sheriff will evict:

- A 25-person moving crew
- A tow truck on-site (or the availability of a tow truck)
- A locksmith on-site (or the availability of a locksmith)

Combining the day of eviction costs, with the time to clean, paint (likely), market the property, and lost rent the housing provider will be out thousands of dollars.

HB 767 will actually extend the eviction period to 24 days for many owners because of the requirement that a housing provider keep a tenant's personal property for up to 10 days after the eviction (14-day notice to evict and 10 period to keep personal items). In a single-family rental, many tenants move the personal property (furniture, clothes, personal items) they want and leave the personal property they don't. As a result, a housing provider, under this bill, will be required to keep the unwanted property in the house for another 10 days (rather than paying for a storage locker to rent) before disposing of the tenant's unwanted personal property.

HB 767 also directs the District Court to vacate a warrant of restitution when an owner fails to provide notice. For some owners of single-family properties – particularly not professionally managed properties -- this can be harsh penalty. Some small landlord's ignorance of the law, rather than their willfulness, may result in more months of no rent for an owner who is probably managing the property themselves because they do not have the money to pay a professional.

While the current law permitting execution of the warrant of restitution within 4 days after the judgment seems short, the likelihood is that both the tenant and the homeowner have been waiting for a court date for at least a month. Not only does a tenant have time to plan, but as a matter of policy, the law should encourage a quick return of the property to the market for the next tenant looking for a home.

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