

## CHAPTER 37. REAL PROPERTY.

### ARTICLE 6A. RESIDENTIAL RENTAL SECURITY DEPOSITS.

#### §37-6A-2. Security deposits.

(a) Upon termination of the tenancy and within the applicable notice period, any security deposit held by the landlord, minus any deductions for damages or other charges, shall be delivered to the tenant, together with a written itemization of any such damages or other charges as provided in subsection (c).

(b) Upon termination of the tenancy, any security deposit held by the landlord may be applied by the landlord only to:

(1) The payment of rent due, including the reasonable charges for late payment of rent specified in the rental agreement;

(2) The payment of the amount of damages which the landlord has suffered by reason of the tenant's noncompliance with the rental agreement, less reasonable wear and tear;

(3) The payment of unpaid utilities that were billed to and paid by the landlord, are the obligation of the tenant under the rental agreement and unpaid by the tenant;

(4) The payment of reasonable costs for the removal and storage of the tenant's personal property. The landlord may dispose of the stored personal property pursuant to the provisions of subdivisions (1) through (3), subsection (h), section three, article three-a, chapter fifty-five of this code; and

(5) To other damages or charges as provided in the rental agreement, including but not limited to, paying for the services of a third party contractor to repair damages to the property caused by the tenant.

(c) In the event that damages to the premises exceed the amount of the security deposit and require the services of a third party contractor, the landlord shall give written notice to the tenant, advising him or her of that fact, within the applicable notice period. If notice is given as prescribed in this subsection, the landlord shall have an additional fifteen day period to provide an itemization of the damages and the cost of repair.

(d) Nothing in this section shall be construed by a court of law or otherwise as entitling the tenant, upon the termination of the tenancy, to an immediate credit against the tenant's delinquent rent account in the amount of the security deposit.

(e) The holder of the landlord's interest in the premises at the time of the termination of the tenancy, regardless of how the interest is acquired or transferred, is bound by this section and shall be required to return any security deposit received by the original landlord that is duly owed to the tenant. The provisions of this subsection apply whether or not such security deposit is transferred with

the landlord's interest by law or equity, and regardless of any contractual agreements between the original landlord and his or her successors in interest.

(f) If the tenant has any assignee or sublessee, the landlord shall be entitled to hold a security deposit from only one party in compliance with the provisions of this section.

(g) For the purposes of this section, the delivery to a tenant of a security deposit and/or any notice prescribed by this section, may be accomplished by either personal delivery to the tenant, or by mailing the deposit and/or notice to the tenant's last known address or forwarding address as provided by the tenant. It shall be the responsibility of the tenant to provide an accurate address to the landlord. If personal delivery is not reasonably possible and a deposit or notice mailed to the tenant at his or her last known address or forwarding address provided is returned as non-deliverable, then the landlord shall hold the deposit or notice for the period of six months, to be personally delivered to the tenant, or his or her authorized agent or attorney, at the landlord's place of business during normal business hours within seventy-two hours after a written request is received from the tenant.