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REAL ESTATE

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Getting security deposits back: NBA player's legal battle raises questions



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Landlord and tenant relationships can be cordial or a complete catastrophe. NBA Bradley Beal's rental property lawsuit falls into the latter category. According to [Washington Post](#), Washington Wizards guard Beal — whose salary is approximately \$22 million — is seeking \$700,000 in compensatory and punitive damages for rental property.

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Several problems allegedly arose during the time he rented the property from Chopra Family Real Estate LLC, a Rockville-based company, and Rakesh Chopra:

- An initial rental rate of \$8,225 monthly increased to \$9,000 after a meeting between Chopra and Beal.
- After Beal paid a lump sum of \$108K for a full year, then the security deposit increased too. The latter amount was allegedly \$12K and skyrocketed to \$50K. (Note: According to the [General Assembly of Maryland](#), a security deposit cannot be more than the equivalent of two months' rent per dwelling unit, regardless of the number of tenants)
- The security deposit was allegedly not put into an interest-bearing escrow account.
- Beal was allegedly not allowed to do a walk-through of his home when he moved out in October 2016. However, he was later charged \$114,225 — including \$87,225 for property damage and a monthly rent increase of \$13,500 for two months.

Under normal circumstances, when a tenant moves out of a location, either the property owner or the maintenance person for the property will do a walk-through to make sure there are no excessive damages. The kinds of damages mentioned on Beal's property were things like an outside hot tub cleaning/repair and basement carpet replacement. Replacing carpet and regular wear and tear is unusual to charge a tenant for, specifically

Replacing carpet and regular wear and tear is unusual to charge a tenant for, specifically if the tenant took reasonable care of the premises while living there.

In the case of Beal, it's not clear. However, even for tenants who don't have \$128 million, five-year contracts, there are lessons to be learned from this rental situation. (Reminder: Landlord tenant laws and ordinance varies from state to state. It is advisable for renters and landlords to familiarize themselves with the rules and regulations of their specific state.)

Can your landlord withhold your security deposit to cover damages to property?

The [Illinois Security Deposit Return Act](#) requires a landlord who owns a rental property with five or more units to provide the former tenant with an itemized list of damages allegedly caused to the premise and the estimated or actual cost for repairing the damage. The itemized list must be furnished within 30 days of the former tenant vacating the property. A landlord who fails to provide an itemized statement of damages and receipts has to return the security deposit in full to the former tenant within 45 days of the tenant vacating the property.

Does my landlord have to put my security deposit in an interest-bearing account?

Under the [Illinois Security Deposit Act](#), a landlord who owns 25 or more units in a single building or a complex of buildings in a contiguous parcel of real property is required to keep security deposits in an interest-bearing account. Furthermore, within 30 days after the end of each 12-month rental period, the landlord is required to pay the tenant any interest that has accumulated to an amount \$5 or more, by cash or credit to be applied to the rent due.

Have more landlord and/or tenant questions? Contact [J. Paye & Associates](#) today.

Shamontiel L. Vaughn contributed to this blog. Find out more about her at [Shamontiel.com](#).

The information contained here is intended to provide useful information on the topic covered