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IMPORTANT MESSAGE FOR LANDLORDS AND TENANTS AFFECTED BY HURRICANE SANDY

The following information concerns security deposits.

Under the Security Deposit Law, N.J.S.A. 46:8-19 through 26, within five (5) business days after a tenant is displaced due to fire, flood, condemnation, or evacuation, the landlord must return the security deposit. The law requires the return when either an authorized public official has posted the premises with a notice prohibiting occupancy, or any building inspector, in consultation with a relocation officer, where applicable, has certified within 48 hours that displacement is expected to continue longer than seven (7) days and has notified the owner or lessee in writing. The landlord must return to the tenant, upon his/her request, the security deposit and the tenant's portion of interest, less any charges expended in accordance with the contract, lease or agreement, and less any rent due and owing at the time of displacement,

Within three (3) business days after receiving notification of the displacement, the landlord shall provide written notice to a displaced tenant, by personal delivery or mail to the tenant's last known address, indicating when and where the tenant's security deposit will be available for return. If the last known address for the tenant is at the property that is no longer habitable, the landlord shall post notices at each exterior entrance of the property. The landlord may make arrangements to have the municipal clerk hold the security deposit so that the tenant may collect it at the clerk's office. If the tenant does not collect the security deposit within 30 days, it shall be redeposited or reinvested by the landlord in the same bank from which it was withdrawn.

If the tenant does collect the security deposit and then reoccupies the property, the tenant is required to repay the security deposit. The tenant must immediately redeliver one-third of the security deposit, one-third more in 30 days and the final one-third in 60 days.

The Security Deposit Law applies to most residential rental properties, including mobile homes. The exception is owner-occupied two- or three-family dwellings.

For more information on landlord tenant issues, please visit our website at www.state.nj.us/dca and follow the highlights link for "landlord tenant information."