

Out-of-State Landlord Registration Requirements

Many real estate agents and property managers are aware that some Rhode Island municipalities require non-resident landlords to register with the municipality by providing their out of state addresses. The two primary purposes are to hold the landlord responsible for its tenant's actions, and also, for notification of housing code violations. Few agents or managers might be aware that hidden in the state landlord/tenant act [R.I.G.L. 34-18-22.3] is a law, passed in 1996, requiring all non resident landlords to register with the secretary of state's office and the city/town clerk's office where the property is located. The law requires the nonresident landlord to provide an in-state agent and in-state address for service of process and notice.

The most important provision of the law is the penalty sections for noncompliance. If a landlord does not file, the tenant's obligation to pay rent STOPS until the form is filed. The tenant could raise the landlord's non filing as a defense in an eviction action for nonpayment of rent. In addition, the statute imposes a \$500.00 fine per violation which is paid to the municipality. Presently, there are no court cases interpreting the law, so there are unanswered questions, such as, is a tenant entitled to a rebate of rent paid if the landlord has not filed?

The secretary of state's office has a form entitled, "Designation of Agent For Nonresident Landlord." On the form the nonresident landlord must list its name, out of state address, the in-state agent's name and address, and list all the properties in Rhode Island for which the agent is responsible. If the landlord has properties in different municipalities, or more than one agent, it must file separate agent designation forms. If the landlord has only one agent, but more than one property in different municipalities, it has to file the form with the secretary of state, and with each municipality. The landlord must sign the form prior to filing, and under penalty of perjury, swear to the truth of the information contained in the form. If the information on the form changes, e.g., property is sold or additional property is purchased, a new form must be signed and filed.

There is a note on the bottom of the form advising the landlord to file the form with the municipality and to check with the municipality for additional filing requirements, if any. The secretary of state's office does not charge a filing fee. The landlord should check with the municipality to determine if it charges a filing fee.

Clearly, it is in the best interests of the real estate agents and property managers to advise their out of state landlord clients to comply with the law and file the form with the state and municipality. If a landlord is fined or loses rent as a result of its noncompliance, it will most likely look to its Rhode Island real estate agent or property manager and ask why it was not informed of the filing requirement.

This article contains general information and is not intended to give legal advice. If you have specific questions, you are encouraged to contact an attorney. The R.I. Supreme Court licenses all lawyers in the general practice of law. The court does not license or certify any lawyer as an expert or specialist in any field of practice.