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PRESS RELEASE

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Attorney General Frosh Announces Settlement with Westminster Management, LLC and 25 Property Owners Resolving Charges Related to Rental Practices

Companies Agree to Pay \$3,250,000 Penalty and Restitution to Consumers Charged Illegal Fees or Who Had Serious Maintenance Problems

BALTIMORE, MD (September 23, 2022) – Maryland Attorney General Brian E. Frosh today announced that his Consumer Protection Division has reached a [settlement](#) with Westminster Management, LLC, a New Jersey-based corporation, and the 25 companies that own or owned 17 residential communities managed by Westminster Management in Maryland. The settlement addresses charges that Westminster and the property owners violated the Consumer Protection Act by charging tenants illegal fees and by failing to maintain the properties. The properties in question contained more than 9,000 rental units across Baltimore City, Baltimore County, and Prince George’s County, and the settlement will potentially pay restitution to thousands of current and former residents of the communities.

The settlement, contained in a Final Order entered by the Consumer Protection Division, requires Westminster to return to consumers excessive application fees; improper agent fees, writ fees, and court costs charged in summary ejectment actions; small credit balances that were improperly retained by the company; and security deposit interest that was not paid to vacating tenants. The Attorney General’s charges also alleged that Westminster and the property owners failed to adequately maintain their rental properties, subjecting tenants to leaking roofs and ceilings, excessive mold, and rodent infestations, among other things.

“Tenants in Westminster properties suffered with mold, leaks, floods and infestations of rodents, roaches and bedbugs. Management hid these conditions only to reveal them to their tenants after they were locked into long-term leases,” said Attorney General Frosh. “Westminster knew the condition of its properties, and it charged tenants illegal fees to live in those miserable conditions. Westminster’s conduct was unconscionable.”

To address the charges, the settlement provides for a claims procedure where current and past tenants of properties managed by Westminster can make claims to a special master, who can return rent to consumers if, during their tenancies, they faced serious maintenance issues that

impacted their use and enjoyment of their apartments, including leaks or floods; rodent, roach, or bedbug infestations; or a lack of electricity, water, hot water, heat, or air conditioning.

The properties covered by this settlement are:

- Carriage Hill Apartments
- Carroll Park Apartments
- Charlesmont Apartment Homes
- The Commons at White Marsh Apartments
- Cove Village Apartments
- Dutch Village Apartments
- Essex Park Apartments and Townhomes
- Fontana Village Apartments
- Gwynn Oaks Landing Apartments
- Hamilton Manor Apartments
- Harbor Point Estates
- Highland Village Townhomes
- Morningside Park Townhomes
- Pleasantview Apartments
- Princeton Estates Apartment Homes
- Riverview Townhomes
- Whispering Woods Apartments.

Today's settlement also requires Westminster to pay a civil penalty of \$3,250,000. Westminster may receive a credit of up to \$800,000 against the penalty amount for money it pays to consumers who file claims for shoddy maintenance or who were improperly charged court costs. The total amount of restitution that Westminster must pay, however, must include all of the fees it has agreed to return and all allowed maintenance claims.

The Division's Final Order also contains injunctive terms that prohibit Westminster and the property owners from charging illegal fees, and requires Westminster and the property owners to employ adequate maintenance staff to respond timely to consumers' maintenance requests; to collect, maintain, and return security deposits consistent with the Maryland Security Deposit Law; and maintain required licenses.

Consumers who are entitled to relief under the settlement will receive claims forms on which they can make maintenance-related claims or will receive payments if they were charged improper fees or are owed other amounts under the settlement.

Attorney General Frosh established the Consumer Protection Division's Housing Unit in 2019 to address landlord-tenant and other housing-related issues. For more information about landlord-tenant rights and responsibilities, consumers can visit

www.marylandattorneygeneral.gov/Pages/CPD/landlords.aspx. Complaints about housing-related issues may be filed on our website, www.marylandattorneygeneral.gov, or consumers may call the Consumer Protection hotline at (410) 528-8662 or toll free at (888) 743-0023.

<https://www.marylandattorneygeneral.gov/press/2022/092322.pdf>