

## PRESS RELEASE

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## Attorney General Brown Announces Settlement with Real Property Management Capital

**BALTIMORE, MD** (August 31, 2023) – Maryland Attorney General Anthony G. Brown today announced that his Consumer Protection Division (CPD) has reached a <u>settlement</u> with 786 Property Management, Inc. t/a Real Property Management Capital (RPMC) and its owner, Suleman Hooda. RPMC is a Rockville-based property manager that the Office of Attorney General's Consumer Protection Division alleged was charging tenants illegal fees, was failing to properly maintain and return tenants' security deposits, and was acting as an unlicensed debt collector. The company and its owner have signed an Assurance of Discontinuance agreeing to stop the practices the Office of the Attorney General alleged were illegal and to pay restitution and a penalty.

The Consumer Protection Division alleged that RPMC and its owner committed unfair and deceptive trade practices when they: (1) charged tenants in multi-unit residential properties that they managed excessive application fees (Maryland law limits an application fee in a multi-unit property to \$25 or the landlord's out-of-pocket expenses processing the rental application, whichever is larger); (2) charged tenants, who were late paying their rent, excessive late fees and collected court costs when they had not obtained judgments; (3) failed to maintain security deposits they collected in a separate bank account and did not pay interest to consumers when they returned the deposits; (4) improperly deducted amounts from security deposits for damages that constituted ordinary wear and tear, including for routine maintenance expenses; and (5) collected rent for landlords without the required debt collector's license in violation of the Maryland Consumer Debt Collection Act. Under today's settlement, RPMC and its owner have agreed to return nearly \$150,000 to tenants, which represents the amounts that RPMC is accused of improperly charging or withholding from tenants.

"When you are working hard to pay rent and put a roof over your head, every dollar matters." **said Attorney General Brown**. "Marylanders need to know that my Consumer Protection Division is here to protect them and their hard-earned dollars, so I am very pleased that the money that was collected as fees and interest will be returned. Landlords must follow the laws put in place to protect tenants, especially those laws that limit the fees tenants can be charged."

Under today's settlement, RPMC and Mr. Hooda have also agreed to an injunction that requires both to follow Maryland's landlord and tenant and debt collection licensing laws. They also agreed to pay a penalty of \$50,000, which will increase to \$250,000 if they violate the agreement.

Consumers who are owed refunds under the settlement do not need to do anything to receive a refund. Consumers with questions about a consumer issue may contact the Attorney General's Office by calling 410-528-8662 or 888-743-0023. For more information about the protections in place for tenants, consumers may either call the Consumer Protection Division or they may download a copy of the Attorney General's Consumer Guide: "Landlords and Tenants – Tips on Avoiding Disputes," https://www.marylandattorneygeneral.gov/CPD%20Documents/Tips-Publications/landlordTenantPDF.pdf.

https://www.marylandattorneygeneral.gov/press/2023/083123a.pdf