

Article 6.

Tenant Security Deposit Act.

§ 42-50. Deposits from the tenant.

Security deposits from the tenant in residential dwelling units shall be deposited in a trust account with a licensed and federally insured depository institution or a trust institution authorized to do business in this State, or the landlord may, at the landlord's option, furnish a bond from an insurance company licensed to do business in North Carolina. The security deposits from the tenant may be held in a trust account outside of the State of North Carolina only if the landlord provides the tenant with an adequate bond in the amount of the deposits. The landlord or the landlord's agent shall notify the tenant within 30 days after the beginning of the lease term of the name and address of the bank or institution where the tenant's deposit is currently located or the name of the insurance company providing the bond. (1977, c. 914, s. 1; 2015-93, s. 2; 2017-25, s. 2(a).)