

North Carolina

Landlord - Tenant Laws Complete Guide



North Carolina Landlord-Tenant Laws: Complete Guide

Your Comprehensive Legal Reference

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Introduction

This comprehensive guide provides a complete overview of North Carolina's landlord-tenant laws. Whether you're a landlord or tenant, understanding these laws helps ensure smooth rental relationships and protects your rights.

How to Use This Guide

- For Quick Reference: Use the Table of Contents to jump to specific topics
- For Complete Understanding: Read through each section thoroughly
- For Legal Compliance: Pay attention to specific statutes and requirements

Important: This guide is for informational purposes only. For specific legal advice, consult with a qualified attorney licensed to practice in North Carolina.

Chapter 1: Security Deposit

This section covers all regulations regarding security deposits, including maximum amounts, return deadlines, and allowable deductions.

Security Deposit Maximum:

What This Means: Security deposits can not exceed an amount equal to two weeks' rent if a tenancy is week to week, one and one-half months' rent if a tenancy is month-to-month, and two months' rent for lease terms greater than month-to-month.

Legal Statute:

(a) Security deposits for residential dwelling units shall be permitted only for the following:

(1) The tenant's possible nonpayment of rent and costs for water or sewer services provided pursuant to G.S. 62-110(g) and electric service pursuant to G.S. 62-110(h).

(2) Damage to the premises, including damage to or destruction of smoke alarms or carbon monoxide alarms.

(3) Damages as the result of the nonfulfillment of the rental period, except where the tenant terminated the rental agreement under G.S. 42-45, G.S. 42-45.1, or because the tenant was forced to leave the property because of the landlord's violation of Article 2A of Chapter 42 of the General Statutes or was constructively evicted by the landlord's violation of G.S. 42-42(a).

(4) Any unpaid bills that become a lien against the demised property due to the tenant's occupancy.

(5) The costs of re-renting the premises after breach by the tenant, including any reasonable fees or commissions paid by the landlord to a licensed real estate broker to re-rent the premises.

(6) The costs of removal and storage of the tenant's property after a summary ejectment proceeding.

(7) Court costs.

(8) Any fee permitted by G.S. 42-46.

(b) The security deposit shall not exceed an amount equal to two weeks' rent if a tenancy is week to week, one and one-half months' rent if a tenancy is month to month, and two months' rent for terms greater than month to month. These deposits must be fully accounted for by the landlord as set forth in G.S. 42-52.

N.C. Gen. Stat. § 42-51

Amended by 2012 N.C. Sess. Laws 194,s. 59-b, eff. 12/1/2012.

Amended by 2012 N.C. Sess. Laws 194,s. 59-a, eff. 10/1/2012.

Amended by 2012 N.C. Sess. Laws 17,s. 4, eff. 10/1/2012.

Amended by 2011 N.C. Sess. Laws 252,s. 3, eff. 10/1/2011.

Amended by 2004 N.C. Sess. Laws 0143, s. 6, eff. 8/1/2004.

Amended by 2001-502, s. 5, eff. 12/19/2001.

1977, c. 914, s. 1; 1983, c. 672, s. 3.

Security Deposit Interest:

What This Means: No statute.

Legal Statute:

No content available

Separate Security Deposit Bank Account:

What This Means: Security deposits shall be deposited in a trust account with a licensed and federally insured depository institution with the state. Landlords may also furnish a bond from an insurance company licensed to do business within the state.

Legal Statute:

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.

Additional References:

- N.C. Gen. Stat. § 42-50

- Amended by 2017 N.C. Sess. Laws 25,s. 2-a, eff. 6/2/2017
- Amended by 2015 N.C. Sess. Laws 93,s. 2, eff. 6/19/2015
- Original: 1977, c. 914, s. 1

Non-refundable fees:

What This Means: No statute.

Legal Statute:

No content available

Pet Deposits and Additional Fees:

What This Means: A reasonable, non-refundable pet deposit is permitted.

Legal Statute:

Notwithstanding the provisions of this section, the landlord may charge a reasonable, nonrefundable fee for pets kept by the tenant on the premises.

Additional References:

- N.C. Gen. Stat. § 42-53
- 1977, c. 914, s. 1

Deadline for Returning Security Deposit:

What This Means: Deposits must be returned within 30 days of lease termination, unless landlord requires additional time to access damages due to tenant non-compliance of lease. An interim notice of an additional 30-day notice must be provided to the tenant, not to exceed 60 days.

Legal Statute:

Upon termination of the tenancy, money held by the landlord as security may be applied as permitted in G.S. 42-51 or, if not so applied, shall be refunded to the tenant. In either case the landlord in writing shall itemize any damage and mail or deliver same to the tenant, together

with the balance of the security deposit, no later than 30 days after termination of the tenancy and delivery of possession of the premises to the landlord. If the extent of the landlord's claim against the security deposit cannot be determined within 30 days, the landlord shall provide the tenant with an interim accounting no later than 30 days after termination of the tenancy and delivery of possession of the premises to the landlord and shall provide a final accounting within 60 days after termination of the tenancy and delivery of possession of the premises to the landlord. If the tenant's address is unknown the landlord shall apply the deposit as permitted in G.S. 42-51 after a period of 30 days and the landlord shall hold the balance of the deposit for collection by the tenant for at least six months. The landlord may not withhold as damages part of the security deposit for conditions that are due to normal wear and tear nor may the landlord retain an amount from the security deposit which exceeds his actual damages.

N.C. Gen. Stat. § 42-52

Amended by 2009 N.C. Sess. Laws 279,s. 5, eff. 10/1/2009.1977, c. 914, s. 1.

Permitted Uses of the Deposit:

What This Means: See statute.

Legal Statute:

(a) Security deposits for residential dwelling units shall be permitted only for the following:

(1) The tenant's possible nonpayment of rent and costs for water or sewer services provided pursuant to G.S. 62-110(g) and electric service pursuant to G.S. 62-110(h).

(2) Damage to the premises, including damage to or destruction of smoke alarms or carbon monoxide alarms.

(3) Damages as the result of the nonfulfillment of the rental period, except where the tenant terminated the rental agreement under G.S. 42-45, G.S. 42-45.1, or because the tenant was forced to leave the property because of the landlord's violation of Article 2A of Chapter 42 of the General Statutes or was constructively evicted by the landlord's violation of G.S. 42-42(a).

(4) Any unpaid bills that become a lien against the demised property due to the tenant's occupancy.

(5) The costs of re-renting the premises after breach by the tenant, including any reasonable fees or commissions paid by the landlord to a licensed real estate broker to re-rent the premises.

(6) The costs of removal and storage of the tenant's property after a summary ejectment proceeding.

(7) Court costs.

(8) Any fee permitted by G.S. 42-46.

(b) The security deposit shall not exceed an amount equal to two weeks' rent if a tenancy is week to week, one and one-half months' rent if a tenancy is month to month, and two months' rent for terms greater than month to month. These deposits must be fully accounted for by the landlord as set forth in G.S. 42-52.

N.C. Gen. Stat. § 42-51

Amended by 2012 N.C. Sess. Laws 194,s. 59-b, eff. 12/1/2012.

Amended by 2012 N.C. Sess. Laws 194,s. 59-a, eff. 10/1/2012.

Amended by 2012 N.C. Sess. Laws 17,s. 4, eff. 10/1/2012.

Amended by 2011 N.C. Sess. Laws 252,s. 3, eff. 10/1/2011.

Amended by 2004 N.C. Sess. Laws 0143, s. 6, eff. 8/1/2004.

Amended by 2001-502, s. 5, eff. 12/19/2001.

1977, c. 914, s. 1; 1983, c. 672, s. 3.

Security Deposit can be Withheld:

What This Means: Deposits can be withheld due to non-payment of rent or damages incurred to the rental property by non-compliance of the tenant.

Legal Statute:

(a) Security deposits for residential dwelling units shall be permitted only for the following:

(1) The tenant's possible nonpayment of rent and costs for water or sewer services provided pursuant to G.S. 62-110(g) and electric service pursuant to G.S. 62-110(h).

(2) Damage to the premises, including damage to or destruction of smoke alarms or carbon monoxide alarms.

(3) Damages as the result of the nonfulfillment of the rental period, except where the tenant terminated the rental agreement under G.S. 42-45, G.S. 42-45.1, or because the tenant was forced to leave the property because of the landlord's violation of Article 2A of Chapter 42 of the General Statutes or was constructively evicted by the landlord's violation of G.S. 42-42(a).

(4) Any unpaid bills that become a lien against the demised property due to the tenant's occupancy.

(5) The costs of re-renting the premises after breach by the tenant, including any reasonable fees or commissions paid by the landlord to a licensed real estate broker to re-rent the premises.

(6) The costs of removal and storage of the tenant's property after a summary ejectment proceeding.

(7) Court costs.

(8) Any fee permitted by G.S. 42-46.

(b) The security deposit shall not exceed an amount equal to two weeks' rent if a tenancy is week to week, one and one-half months' rent if a tenancy is month to month, and two months' rent for terms greater than month to month. These deposits must be fully accounted for by the landlord as set forth in G.S. 42-52.

N.C. Gen. Stat. § 42-51

Amended by 2012 N.C. Sess. Laws 194,s. 59-b, eff. 12/1/2012.

Amended by 2012 N.C. Sess. Laws 194,s. 59-a, eff. 10/1/2012.

Amended by 2012 N.C. Sess. Laws 17,s. 4, eff. 10/1/2012.

Amended by 2011 N.C. Sess. Laws 252,s. 3, eff. 10/1/2011.

Amended by 2004 N.C. Sess. Laws 0143, s. 6, eff. 8/1/2004.

Amended by 2001-502, s. 5, eff. 12/19/2001.

1977, c. 914, s. 1; 1983, c. 672, s. 3.

Require Written Description/Itemized List of Damages and Charges:

What This Means: Landlords must deliver in writing the itemized list of any damages and mail or deliver to the tenant, along with the balance of the security deposit, no later than 30 days after termination of the tenancy.

Legal Statute:

Upon termination of the tenancy, money held by the landlord as security may be applied as permitted in G.S. 42-51 or, if not so applied, shall be refunded to the tenant. In either case the

landlord in writing shall itemize any damage and mail or deliver same to the tenant, together with the balance of the security deposit, no later than 30 days after termination of the tenancy and delivery of possession of the premises to the landlord. If the extent of the landlord's claim against the security deposit cannot be determined within 30 days, the landlord shall provide the tenant with an interim accounting no later than 30 days after termination of the tenancy and delivery of possession of the premises to the landlord and shall provide a final accounting within 60 days after termination of the tenancy and delivery of possession of the premises to the landlord. If the tenant's address is unknown the landlord shall apply the deposit as permitted in G.S. 42-51 after a period of 30 days and the landlord shall hold the balance of the deposit for collection by the tenant for at least six months. The landlord may not withhold as damages part of the security deposit for conditions that are due to normal wear and tear nor may the landlord retain an amount from the security deposit which exceeds his actual damages.

N.C. Gen. Stat. § 42-52

Amended by 2009 N.C. Sess. Laws 279,s. 5, eff. 10/1/2009.1977, c. 914, s. 1.

Receipt of Security Deposit:

What This Means: No statute.

Legal Statute:

No content available

Record Keeping of Deposit Withholdings:

What This Means: No statute.

Legal Statute:

No content available

Security Deposit: Failure to Comply

What This Means: If landlords fail to comply with statute, tenants can sue for wrongful withholding to recover the deposit, damages and attorney fees. Failure to comply forfeits all rights to retain any part of the deposit.

Legal Statute:

If the landlord or the landlord's successor in interest fails to account for and refund the balance of the tenant's security deposit as required by this Article, the tenant may institute a civil action to require the accounting of and the recovery of the balance of the deposit. The willful failure of a landlord to comply with the deposit, bond, or notice requirements of this Article shall void the landlord's right to retain any portion of the tenant's security deposit as otherwise permitted under G.S. 42-51. In addition to other remedies at law and equity, the tenant may recover damages resulting from noncompliance by the landlord; and upon a finding by the court that the party against whom judgment is rendered was in willful noncompliance with this Article, such willful noncompliance is against the public policy of this State and the court may award attorney's fees to be taxed as part of the costs of court.

N.C. Gen. Stat. § 42-55

Amended by 2009 N.C. Sess. Laws 279,s. 6, eff. 10/1/2009.1977, c. 914, s. 1.\"")

Chapter 2: Lease, Rent & Fees

This section addresses rent payment, lease terms, fees, and related financial matters.

Rent is Due:

What This Means: No statute. The lease simply expires per the terms in the rental agreement.

Legal Statute:

No content available

Payment Methods:

What This Means: No statute.

Legal Statute:

No content available

Rent Increase Notice:

What This Means: No statute.

Legal Statute:

No content available

Late Fees:

What This Means: The parties may agree to a late fee not inconsistent with the provisions of this statute, to be chargeable only if any rental payment is five (5) calendar days or more late, with the first day being the day after the rent was due. See statute for tiered fees.

Legal Statute:

(a) Late Fee. - In all residential rental agreements in which a definite time for the payment of the rent is fixed, the parties may agree to a late fee not inconsistent with the provisions of this subsection, to be chargeable only if any rental payment is five calendar days or more late, with the first day being the day after the rent was due. If the rent:

(1) Is due in monthly installments, a landlord may charge a late fee not to exceed fifteen dollars (\$15.00) or five percent (5%) of the monthly rent, whichever is greater.

(2) Is due in weekly installments, a landlord may charge a late fee not to exceed four dollars (\$4.00) or five percent (5%) of the weekly rent, whichever is greater.

(3) Repealed by Session Laws 2009-279, s. 4, effective October 1, 2009, and applicable to leases entered into on or after that date.

(b) A late fee under subsection (a) of this section may be imposed only one time for each late rental payment. A late fee for a specific late rental payment may not be deducted from a subsequent rental payment so as to cause the subsequent rental payment to be in default.

(c) Repealed by Session Laws 2009-279, s. 4, effective October 1, 2009, and applicable to leases entered into on or after that date.

(d) A lessor shall not charge a late fee to a lessee pursuant to subsection (a) of this section because of the lessee's failure to pay for water or sewer services provided pursuant to G.S. 62-110(g).

(e) Complaint-Filing Fee. - Pursuant to a written lease, a landlord may charge an administrative complaint-filing fee not to exceed fifteen dollars (\$15.00) or five percent (5%) of the monthly rent, whichever is greater, only if the tenant was in default of the lease, the landlord filed and served a complaint for summary ejectment and/or money owed, the tenant cured the default or claim, and the landlord dismissed the complaint prior to judgment. The landlord can include this fee in the amount required to cure the default.

(f) Court-Appeal Fee. - Pursuant to a written lease, a landlord may charge an administrative court-appearance fee in an amount equal to ten percent (10%) of the monthly rent only if the tenant was in default of the lease and the landlord filed, served, and prosecuted successfully a complaint for summary ejectment and/or monies owed in the small claims court. If the tenant appeals the judgment of the magistrate, and the magistrate's judgment is vacated, any fee awarded by a magistrate to the landlord under this subsection shall be vacated.

(g) Second Trial Fee. - Pursuant to a written lease, a landlord may charge a second administrative trial fee for a new trial following an appeal from the judgment of a magistrate. To qualify for the fee, the landlord must prove that the tenant was in default of the lease and the landlord prevailed. The landlord's fee may not exceed twelve percent (12%) of the monthly rent in the lease.

(h) Limitations on Charging and Collection of Administrative Fees and Out-of-Pocket Expenses and Litigation Costs. -

(1) A landlord who claims administrative fees under subsections (e) through (g) of this section is entitled to charge and retain only one of the above fees for the landlord's complaint for summary ejectment and/or money owed.

(2) A landlord who earns an administrative fee under subsections (e) through (g) of this section may not deduct payment of that fee from a tenant's subsequent rent payment or declare a failure to pay the fee as a default of the lease for a subsequent summary ejectment action.

(3) It is contrary to public policy for a landlord to put in a lease or claim any administrative fee for filing a complaint for summary ejectment and/or money owed other than the ones expressly authorized by subsections (e) through (g) of this section. This limitation does not apply to out-of-pocket expenses or litigation costs.

(3a) It is contrary to public policy for a landlord to claim, or for a lease to provide for the payment of, any out-of-pocket expenses or litigation costs for filing a complaint for summary ejectment and/or money owed other than those expressly authorized under subsection (i) of this section.

(4) Any provision of a residential rental agreement contrary to the provisions of this section is against the public policy of this State and therefore void and unenforceable.

(5) If the rent is subsidized by the United States Department of Housing and Urban Development, by the United States Department of Agriculture, by a State agency, by a public housing authority, or by a local government, any fee charged pursuant to this section shall be calculated on the tenant's share of the contract rent only, and the rent subsidy shall not be included.

Application Fees:

What This Means: No statute.

Legal Statute:

No content available

Prepaid Rent:

What This Means: No statute.

Legal Statute:

No content available

Returned Check Fees:

What This Means: For a check on which payment has been refused by the payor bank because of insufficient funds or because the drawer did not have an account at that bank, the check holder may charge and collect a processing fee, not to exceed thirty-five dollars (\$35.00).

Legal Statute:

A person who accepts a check in payment for goods or services or the person's assignee may charge and collect a processing fee, not to exceed thirty-five dollars (\$35.00), for a check on which payment has been refused by the payor bank because of insufficient funds or because the drawer did not have an account at that bank.

If a collection agency collects or seeks to collect on behalf of its principal a processing fee as specified in this section in addition to the sum payable of a check, the amount of the processing fee shall be separately stated on the collection notice. The collection agency shall not collect or seek to collect from the drawer any sum other than the actual amount of the returned check and the specified processing fee.

N.C. Gen. Stat. § 25-3-506

Amended by 2019 N.C. Sess. Laws 77,s. 1-a, eff. 10/1/2019.

1981, c. 781, s. 1; 1983, c. 529; 1987, c. 147; 1991, c. 455, s. 1; 1995, c. 232, s. 1; 1997-334, s. 1; 2000-118, s. 1.

Tenant Allowed to Withhold Rent for Failure to Provide Essential Services (Water, Heat, etc.):

What This Means: Tenants are not permitted to withhold rent for any reason unless they are legally permitted to do so via judgement from the court or civil magistrate.

Legal Statute:

(a) Any right or obligation declared by this Chapter is enforceable by civil action, in addition to other remedies of law and in equity.

(a1) If a landlord fails to provide, install, replace, or repair a smoke alarm under the provisions of G.S. 42-42(a)(5) or a carbon monoxide alarm under the provisions of G.S. 42-42(a)(7) within 30 days of having received written notice from the tenant or any agent of State or local government of the landlord's failure to do so, the landlord shall be responsible for an infraction and shall be subject to a fine of not more than two hundred fifty dollars (\$250.00) for each violation. After December 31, 2012, if the landlord installs a new smoke alarm or replaces an existing smoke alarm, the smoke alarm shall be a tamper-resistant, 10-year lithium battery smoke alarm, except as provided in G.S. 42-42(a)(5a). The landlord may temporarily disconnect a smoke alarm or carbon monoxide alarm in a dwelling unit or common area for construction or rehabilitation

activities when such activities are likely to activate the smoke alarm or carbon monoxide alarm or make it inactive.

(a2) If a smoke alarm or carbon monoxide alarm is disabled or damaged, other than through actions of the landlord, the landlord's agents, or acts of God, the tenant shall reimburse the landlord the reasonable and actual cost for repairing or replacing the smoke alarm or carbon monoxide alarm within 30 days of having received written notice from the landlord or any agent of State or local government of the need for the tenant to make such reimbursement. If the tenant fails to make reimbursement within 30 days, the tenant shall be responsible for an infraction and subject to a fine of not more than one hundred dollars (\$100.00) for each violation. The tenant may temporarily disconnect a smoke alarm or carbon monoxide alarm in a dwelling unit to replace the batteries or when it has been inadvertently activated.

(b) Repealed by Session Laws 1979, c. 820, s. 8.

(c) The tenant may not unilaterally withhold rent prior to a judicial determination of a right to do so.

(c1) A real estate broker or firm as defined in G.S. 93A-2 managing a rental property on behalf of a landlord shall not be personally liable as a party in a civil action between the landlord and tenant solely because the real estate broker or firm fails to identify the landlord of the property in the rental agreement.

(d) A violation of this Article shall not constitute negligence per se.

N.C. Gen. Stat. § 42-44

Amended by 2016 N.C. Sess. Laws 98,s. 1.6, eff. 7/1/2016.

Amended by 2012 N.C. Sess. Laws 92,s. 3, eff. 12/1/2012.

Amended by 2008 N.C. Sess. Laws 219,s. 4, eff. 1/1/2010.

1977, c. 770, s. 1; 1979, c. 820, s. 8; 1998-212, s. 17.16 (k).

Tenant Allowed to Repair and Deduct Rent:

What This Means: No statute.

Legal Statute:

No content available

Self-Help Evictions:

What This Means: Self-help evictions are prohibited by law.

Legal Statute:

No content available

Landlord Allowed to Recover Court and Attorney's Fees:

What This Means: Landlords are permitted to charge and recover reasonable attorney and court fees. See statute for specification.

Legal Statute:

(a) Late Fee. - In all residential rental agreements in which a definite time for the payment of the rent is fixed, the parties may agree to a late fee not inconsistent with the provisions of this subsection, to be chargeable only if any rental payment is five calendar days or more late, with the first day being the day after the rent was due. If the rent:

(1) Is due in monthly installments, a landlord may charge a late fee not to exceed fifteen dollars (\$15.00) or five percent (5%) of the monthly rent, whichever is greater.

(2) Is due in weekly installments, a landlord may charge a late fee not to exceed four dollars (\$4.00) or five percent (5%) of the weekly rent, whichever is greater.

(3) Repealed by Session Laws 2009-279, s. 4, effective October 1, 2009, and applicable to leases entered into on or after that date.

(b) A late fee under subsection (a) of this section may be imposed only one time for each late rental payment. A late fee for a specific late rental payment may not be deducted from a subsequent rental payment so as to cause the subsequent rental payment to be in default.

(c) Repealed by Session Laws 2009-279, s. 4, effective October 1, 2009, and applicable to leases entered into on or after that date.

(d) A lessor shall not charge a late fee to a lessee pursuant to subsection (a) of this section because of the lessee's failure to pay for water or sewer services provided pursuant to G.S. 62-110(g).

(e) Complaint-Filing Fee. - Pursuant to a written lease, a landlord may charge an administrative complaint-filing fee not to exceed fifteen dollars (\$15.00) or five percent (5%) of the monthly rent, whichever is greater, only if the tenant was in default of the lease, the landlord filed and served a complaint for summary ejectment and/or money owed, the tenant cured the default or

claim, and the landlord dismissed the complaint prior to judgment. The landlord can include this fee in the amount required to cure the default.

(f) Court-Appearance Fee. - Pursuant to a written lease, a landlord may charge an administrative court-appearance fee in an amount equal to ten percent (10%) of the monthly rent only if the tenant was in default of the lease and the landlord filed, served, and prosecuted successfully a complaint for summary ejectment and/or monies owed in the small claims court. If the tenant appeals the judgment of the magistrate, and the magistrate's judgment is vacated, any fee awarded by a magistrate to the landlord under this subsection shall be vacated.

(g) Second Trial Fee. - Pursuant to a written lease, a landlord may charge a second administrative trial fee for a new trial following an appeal from the judgment of a magistrate. To qualify for the fee, the landlord must prove that the tenant was in default of the lease and the landlord prevailed. The landlord's fee may not exceed twelve percent (12%) of the monthly rent in the lease.

(h) Limitations on Charging and Collection of Administrative Fees and Out-of-Pocket Expenses and Litigation Costs. -

(1) A landlord who claims administrative fees under subsections (e) through (g) of this section is entitled to charge and retain only one of the above fees for the landlord's complaint for summary ejectment and/or money owed.

(2) A landlord who earns an administrative fee under subsections (e) through (g) of this section may not deduct payment of that fee from a tenant's subsequent rent payment or declare a failure to pay the fee as a default of the lease for a subsequent summary ejectment action.

(3) It is contrary to public policy for a landlord to put in a lease or claim any administrative fee for filing a complaint for summary ejectment and/or money owed other than the ones expressly authorized by subsections (e) through (g) of this section. This limitation does not apply to out-of-pocket expenses or litigation costs.

(3a) It is contrary to public policy for a landlord to claim, or for a lease to provide for the payment of, any out-of-pocket expenses or litigation costs for filing a complaint for summary ejectment and/or money owed other than those expressly authorized under subsection (i) of this section.

(4) Any provision of a residential rental agreement contrary to the provisions of this section is against the public policy of this State and therefore void and unenforceable.

(5) If the rent is subsidized by the United States Department of Housing and Urban Development, by the United States Department of Agriculture, by a State agency, by a public housing authority, or by a local government, any fee charged pursuant to this section shall be calculated on the tenant's share of the contract rent only, and the rent subsidy shall not be included.

Landlord Must Make a Reasonable Attempt to Mitigate Damages to Lessee, including an Attempt to Re-rent:

What This Means: No statute.

Legal Statute:

No content available

Chapter 3: Notices and Entry

This section outlines notice requirements and rules governing landlord entry to rental properties.

Notice to Terminate Tenancy:

What This Means: No notice is typically needed as the lease agreement simply expires. If a year-to-year lease, a notice to quit must be provided at least one month or more from the end of the term.

Legal Statute:

A tenancy from year to year may be terminated by a notice to quit given one month or more before the end of the current year of the tenancy; a tenancy from month to month by a like notice of seven days; a tenancy from week to week, of two days. Provided, however, where the tenancy involves only the rental of a space for a manufactured home as defined in G.S. 143-143.9(6), a notice to quit must be given at least 60 days before the end of the current rental period, regardless of the term of the tenancy.

N.C. Gen. Stat. § 42-14

Amended by 2005 N.C. Sess. Laws 291, s. 1, eff. 1/1/2006.

1868-9, c. 156, s. 9; Code, s. 1750; 1891, c. 227; Rev., s. 1984; C.S., s. 2354; 1985, c. 541.

Notice to Terminate a Periodic Lease – Month-to-Month:

What This Means: The prevailing party must provide at least seven (7) days' notice to terminate a lease. If terminating a lease for a manufactured home, at least 60 days' notice is required.

Legal Statute:

A tenancy from year to year may be terminated by a notice to quit given one month or more before the end of the current year of the tenancy; a tenancy from month to month by a like notice of seven days; a tenancy from week to week, of two days. Provided, however, where the tenancy involves only the rental of a space for a manufactured home as defined in G.S. 143-143.9(6), a notice to quit must be given at least 60 days before the end of the current rental period, regardless of the term of the tenancy.

N.C. Gen. Stat. § 42-14

Amended by 2005 N.C. Sess. Laws 291, s. 1, eff. 1/1/2006.

1868-9, c. 156, s. 9; Code, s. 1750; 1891, c. 227; Rev., s. 1984; C.S., s. 2354; 1985, c. 541.

Notice to Terminate a Periodic Lease – Week-to-week:

What This Means: The prevailing party must provide at least two (2) days' notice to terminate a lease.

Legal Statute:

A tenancy from year to year may be terminated by a notice to quit given one month or more before the end of the current year of the tenancy; a tenancy from month to month by a like notice of seven days; a tenancy from week to week, of two days. Provided, however, where the tenancy involves only the rental of a space for a manufactured home as defined in G.S. 143-143.9(6), a notice to quit must be given at least 60 days before the end of the current rental period, regardless of the term of the tenancy.

Citation: N.C. Gen. Stat. § 42-14

Amended: By 2005 N.C. Sess. Laws 291, s. 1, eff. 1/1/2006

Historical References: 1868-9, c. 156, s. 9; Code, s. 1750; 1891, c. 227; Rev., s. 1984; C.S., s. 2354; 1985, c. 541

Notice to Terminate Lease due to Sale of Property:

What This Means: Active lease will remain valid until its original expiration and the new owner must honor the existing terms of the lease.

Legal Statute:

No content available

Notice of date/time of Move-Out Inspection:

What This Means: No statute.

Legal Statute:

No content available

Notice of Termination for Nonpayment:

What This Means: Termination of lease may be implemented upon failure to pay the rent within 10 days after a demand notice is made by the lessor.

Legal Statute:

In all verbal or written leases of real property of any kind in which is fixed a definite time for the payment of the rent reserved therein, there shall be implied a forfeiture of the term upon failure to pay the rent within 10 days after a demand is made by the lessor or his agent on said lessee for all past-due rent, and the lessor may forthwith enter and dispossess the tenant without having declared such forfeiture or reserved the right of reentry in the lease.

Statute Reference: N.C. Gen. Stat. § 42-3

Amendments:

- Amended by 2004 N.C. Sess. Laws 0143, s. 1, eff. 8/1/2004
- Amended by 2001-502, s. 2, eff. 12/19/2001

Notice for Lease Violation:

What This Means: Termination of tenant can be immediate if there is non-compliance of the lease agreement.

Legal Statute:

(a) Any tenant or lessee of any house or land, and the assigns under the tenant or legal representatives of such tenant or lessee, who holds over and continues in the possession of the demised premises, or any part thereof, without the permission of the landlord, and after demand made for its surrender, may be removed from such premises in the manner hereinafter prescribed in any of the following cases:

- (1) When a tenant in possession of real estate holds over after his term has expired.
- (2) When the tenant or lessee, or other person under him, has done or omitted any act by which, according to the stipulations of the lease, his estate has ceased.
- (3) When any tenant or lessee of lands or tenements, who is in arrear for rent or has agreed to cultivate the demised premises and to pay a part of the crop to be made thereon as rent, or who has given to the lessor a lien on such crop as a security for the rent, deserts the demised premises, and leaves them unoccupied and uncultivated.

(b) An arrearage in costs owed by a tenant for water or sewer services pursuant to G.S. 62-110(g) or electric service pursuant to G.S. 62-110(h) shall not be used as a basis for termination of a lease under this Chapter. Any payment to the landlord shall be applied first to the rent owed and then to charges for electric service, or water or sewer service, unless otherwise designated by the tenant.

(c) In an action for ejectment based upon G.S. 42-26(a)(2), the lease may provide that the landlord's acceptance of partial rent or partial housing subsidy payment does not waive the tenant's breach for which the right of reentry was reserved, and the landlord's exercise of such a provision does not constitute a violation of Chapter 75 of the General Statutes.

N.C. Gen. Stat. § 42-26

Amended by 2012 N.C. Sess. Laws 17,s. 3, eff. 10/1/2012.

Amended by 2011 N.C. Sess. Laws 252,s. 1, eff. 10/1/2011.

Amended by 2004 N.C. Sess. Laws 0143, s. 2, eff. 8/1/2004.

Amended by 2001-502, s. 3, eff. 12/19/2001.

4 Geo. II, c. 28; 1868-9, c. 156, s. 19; Code, ss. 1766, 1777; 1905, cc. 297, 299, 820; Rev., s. 2001; C.S., s. 2365.) 0; Rev., s. 2001; C.S., s. 2365.

Required Notice before Entry:

What This Means: No statute, but reasonable notice is presumed (24 hours typically).

Legal Statute:

No content available

Entry Allowed with Notice for Maintenance and Repairs:

What This Means: No statute, but reasonable notice is presumed (24 hours typically).

Legal Statute:

No content available

Emergency Entry Allowed without Notice:

What This Means: No statute.

Legal Statute:

No content available

Entry Allowed During Tenant's Extended Absence:

What This Means: No statute.

Legal Statute:

No content available

Entry Allowed with Notice for Showing the Property:

What This Means: No statute, but reasonable notice is presumed (24 hours typically).

Legal Statute:

No content available

Notice to Tenants for Pesticide Use:

What This Means: No statute.

Legal Statute:

No content available

Lockouts Allowed:

What This Means: Lockouts are prohibited.

Legal Statute:

(a) If any lessor, landlord, or agent removes or attempts to remove a tenant from a dwelling unit in any manner contrary to this Article, the tenant shall be entitled to recover possession or to terminate his lease and the lessor, landlord or agent shall be liable to the tenant for damages caused by the tenant's removal or attempted removal. Damages in any action brought by a

tenant under this Article shall be limited to actual damages as in an action for trespass or conversion and shall not include punitive damages, treble damages or damages for emotional distress.

(b) If any lessor, landlord, or agent seizes possession of or interferes with a tenant's access to a tenant's or household member's personal property in any manner not in accordance with G.S. 44A-2(e2), 42-25.9(d), 42-25.9(g), 42-25.9(h), or G.S. 42-36.2 the tenant or household member shall be entitled to recover possession of his personal property or compensation for the value of the personal property, and, in any action brought by a tenant or household member under this Article, the landlord shall be liable to the tenant or household member for actual damages, but not including punitive damages, treble damages or damages for emotional distress.

(c) The remedies created by this section are supplementary to all existing common-law and statutory rights and remedies.

(d) If any tenant abandons personal property of seven hundred fifty dollar (\$750.00) value or less in the demised premises, or fails to remove such property at the time of execution of a writ of possession in an action for summary ejectment, the landlord may, as an alternative to the procedures provided in G.S. 42-25.9(g), 42-25.9(h), or 42-36.2, deliver the property into the custody of a nonprofit organization regularly providing free or at a nominal price clothing and household furnishings to people in need, upon that organization agreeing to identify and separately store the property for 30 days and to release the property to the tenant at no charge within the 30-day period. A landlord electing to use this procedure shall immediately post at the demised premises a notice containing the name and address of the property recipient, post the same notice for 30 days or more at the place where rent is received, and send the same notice by first-class mail to the tenant at the tenant's last known address. Provided, however, that the notice shall not include a description of the property.

(e) For purposes of subsection (d), personal property shall be deemed abandoned if the landlord finds evidence that clearly shows the premises has been voluntarily vacated after the paid rental period has expired and the landlord has no notice of a disability that caused the vacancy. A presumption of abandonment shall arise 10 or more days after the landlord has posted conspicuously a notice of suspected abandonment both inside and outside the premises and has received no response from the tenant.

(f) Any nonprofit organization agreeing to receive personal property under subsection (d) shall not be liable to the owner for a disposition of such property provided that the property has been separately identified and stored for release to the owner for a period of 30 days.

(g) Seven days after being placed in lawful possession by execution of a writ of possession, a landlord may dispose of personal property remaining on the premises in accordance with the provisions of this section and G.S. 42-36.2(b), except that in the case of the lease of a space for a manufactured home as defined in G.S. 143-143.9(6), G.S. 44A-2(e2) shall apply to the disposition of a manufactured home with a current value in excess of five hundred dollars (\$500.00) and its contents by a landlord after being placed in lawful possession by execution of

a writ of possession. During the seven-day period after being placed in lawful possession by execution of a writ of possession, a landlord may move for storage purposes, but shall not throw away, dispose of, or sell any items of personal property remaining on the premises unless otherwise provided for in this Chapter. Upon the tenant's request prior to the expiration of the seven-day period, the landlord shall release possession of the property to the tenant during regular business hours or at a time agreed upon. If the landlord elects to sell the property at public or private sale, the landlord shall give written notice to the tenant by first-class mail to the tenant's last known address at least seven days prior to the day of the sale. The seven-day notice of sale may run concurrently with the seven-day period which allows the tenant to request possession of the property. The written notice shall state the date, time, and place of the sale, and that any surplus of proceeds from the sale, after payment of unpaid rents, damages, storage fees, and sale costs, shall be disbursed to the tenant, upon request, within seven days after the sale, and will thereafter be delivered to the government of the county in which the rental property is located. Upon the tenant's request prior to the day of sale, the landlord shall release possession of the property to the tenant during regular business hours or at a time agreed upon. The landlord may apply the proceeds of the sale to the unpaid rents, damages, storage fees, and sale costs. Any surplus from the sale shall be disbursed to the tenant, upon request, within seven days of the sale and shall thereafter be delivered to the government of the county in which the rental property is located.

(h) If the total value of all property remaining on the premises at the time of execution of a writ of possession in an action for summary ejectment is less than five hundred dollars (\$500.00), the property shall be deemed abandoned five days after the time of execution, and the landlord may throw away or dispose of the property. Upon the tenant's request prior to the expiration of the five-day period, the landlord shall release possession of the property to the tenant during regular business hours or at a time agreed upon.

N.C. Gen. Stat. § 42-25.9

Amended by 2013 N.C. Sess. Laws 334,s. 4, eff. 9/1/2013.

Amended by 2012 N.C. Sess. Laws 17,s. 2-a,s. 2-b, eff. 10/1/2012.

1981, c. 566, s. 1; 1985, c. 612, ss.1 - 4; 1995, c. 460, ss.1 - 3; 1999-278, ss. 1, 2.

Utility Shut-offs Allowed:

What This Means: Shutting off a rental unit's utilities is prohibited.

Legal Statute:

(a) If any lessor, landlord, or agent removes or attempts to remove a tenant from a dwelling unit in any manner contrary to this Article, the tenant shall be entitled to recover possession or to terminate his lease and the lessor, landlord or agent shall be liable to the tenant for damages

caused by the tenant's removal or attempted removal. Damages in any action brought by a tenant under this Article shall be limited to actual damages as in an action for trespass or conversion and shall not include punitive damages, treble damages or damages for emotional distress.

(b) If any lessor, landlord, or agent seizes possession of or interferes with a tenant's access to a tenant's or household member's personal property in any manner not in accordance with G.S. 44A-2(e2), 42-25.9(d), 42-25.9(g), 42-25.9(h), or G.S. 42-36.2 the tenant or household member shall be entitled to recover possession of his personal property or compensation for the value of the personal property, and, in any action brought by a tenant or household member under this Article, the landlord shall be liable to the tenant or household member for actual damages, but not including punitive damages, treble damages or damages for emotional distress.

(c) The remedies created by this section are supplementary to all existing common-law and statutory rights and remedies.

(d) If any tenant abandons personal property of seven hundred fifty dollar (\$750.00) value or less in the demised premises, or fails to remove such property at the time of execution of a writ of possession in an action for summary ejectment, the landlord may, as an alternative to the procedures provided in G.S. 42-25.9(g), 42-25.9(h), or 42-36.2, deliver the property into the custody of a nonprofit organization regularly providing free or at a nominal price clothing and household furnishings to people in need, upon that organization agreeing to identify and separately store the property for 30 days and to release the property to the tenant at no charge within the 30-day period. A landlord electing to use this procedure shall immediately post at the demised premises a notice containing the name and address of the property recipient, post the same notice for 30 days or more at the place where rent is received, and send the same notice by first-class mail to the tenant at the tenant's last known address. Provided, however, that the notice shall not include a description of the property.

(e) For purposes of subsection (d), personal property shall be deemed abandoned if the landlord finds evidence that clearly shows the premises has been voluntarily vacated after the paid rental period has expired and the landlord has no notice of a disability that caused the vacancy. A presumption of abandonment shall arise 10 or more days after the landlord has posted conspicuously a notice of suspected abandonment both inside and outside the premises and has received no response from the tenant.

(f) Any nonprofit organization agreeing to receive personal property under subsection (d) shall not be liable to the owner for a disposition of such property provided that the property has been separately identified and stored for release to the owner for a period of 30 days.

(g) Seven days after being placed in lawful possession by execution of a writ of possession, a landlord may dispose of personal property remaining on the premises in accordance with the provisions of this section and G.S. 42-36.2(b), except that in the case of the lease of a space for a manufactured home as defined in G.S. 143-143.9(6), G.S. 44A-2(e2) shall apply to the disposition of a manufactured home with a current value in excess of five hundred dollars

(\$500.00) and its contents by a landlord after being placed in lawful possession by execution of a writ of possession. During the seven-day period after being placed in lawful possession by execution of a writ of possession, a landlord may move for storage purposes, but shall not throw away, dispose of, or sell any items of personal property remaining on the premises unless otherwise provided for in this Chapter. Upon the tenant's request prior to the expiration of the seven-day period, the landlord shall release possession of the property to the tenant during regular business hours or at a time agreed upon. If the landlord elects to sell the property at public or private sale, the landlord shall give written notice to the tenant by first-class mail to the tenant's last known address at least seven days prior to the day of the sale. The seven-day notice of sale may run concurrently with the seven-day period which allows the tenant to request possession of the property. The written notice shall state the date, time, and place of the sale, and that any surplus of proceeds from the sale, after payment of unpaid rents, damages, storage fees, and sale costs, shall be disbursed to the tenant, upon request, within seven days after the sale, and will thereafter be delivered to the government of the county in which the rental property is located. Upon the tenant's request prior to the day of sale, the landlord shall release possession of the property to the tenant during regular business hours or at a time agreed upon. The landlord may apply the proceeds of the sale to the unpaid rents, damages, storage fees, and sale costs. Any surplus from the sale shall be disbursed to the tenant, upon request, within seven days of the sale and shall thereafter be delivered to the government of the county in which the rental property is located.

(h) If the total value of all property remaining on the premises at the time of execution of a writ of possession in an action for summary ejectment is less than five hundred dollars (\$500.00), the property shall be deemed abandoned five days after the time of execution, and the landlord may throw away or dispose of the property. Upon the tenant's request prior to the expiration of the five-day period, the landlord shall release possession of the property to the tenant during regular business hours or at a time agreed upon.

Electronic Notices Allowed:

What This Means: Electronic notices satisfy the requirement of delivering information in writing as long as the information and electronic notice can be retained by the recipient.

Legal Statute:

Current through Session Law 2024-58

Section 66-318 - Provision of information in writing; presentation of records

(a) If parties have agreed to conduct a transaction by electronic means and a law requires a person to provide, send, or deliver information in writing to another person, the requirement is satisfied if the information is provided, sent, or delivered, as the case may be, in an electronic

record capable of retention by the recipient at the time of receipt. An electronic record is not capable of retention by the recipient if:

(1) The sender or its information processing system inhibits the ability of the recipient to print or store the electronic record; or

(2) It is not capable of being accurately reproduced for later reference by all parties or persons who are entitled to retain the contract or other record.

(b) If a law other than this Article requires a record (i) to be posted or displayed in a certain manner, (ii) to be sent, communicated, or transmitted by a specified method, or (iii) to contain information that is formatted in a certain manner, the following rules apply:

(1) The record must be posted or displayed in the manner specified in the other law.

(2) Except as otherwise provided in subdivision (d)(2) of this section, the record must be sent, communicated, or transmitted by the method specified in the other law.

(3) The record must contain the information formatted in the manner specified in the other law.

(c) If a sender inhibits the ability of a recipient to store or print an electronic record, the electronic record is not enforceable against the recipient.

(d) The requirements of this section may not be varied by agreement, but:

(1) To the extent a law other than this act requires information to be provided, sent, or delivered in writing, but permits that requirement to be varied by agreement, the requirement under subsection (a) of this section that the information be in the form of an electronic record capable of retention may also be varied by agreement; and

(2) A requirement under a law other than this Article to send, communicate, or transmit a record by regular United States mail may be varied by agreement to the extent permitted by the other law.

N.C. Gen. Stat. § 66-318

Amended by 2001-295, s. 3, eff. 10/1/2001.

2000-152, s. 1.

Quick Reference Guide

Key North Carolina Rental Law Highlights

Legal Disclaimer

This guide is provided for informational purposes only and does not constitute legal advice. Laws may change, and individual circumstances vary.

For specific legal questions or disputes, consult with a qualified attorney licensed to practice in North Carolina.

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Links To Statutes

- [N.C. Gen. Stat. § 42-3](#) – Term forfeited for nonpayment of rent
- [N.C. Gen. Stat. § 42-14](#) – Notice to quit in certain tenancies
- [N.C. Gen. Stat. § 42-25.9](#) – Remedies
- [N.C. Gen. Stat. § 42-26](#) – Tenant holding over may be dispossessed in certain cases
- [N.C. Gen. Stat. § 42-33](#) – Rent and costs tendered by tenant
- [N.C. Gen. Stat. § 42-36.2](#) – Notice to tenant of execution of writ for possession of property; storage of evicted tenant's personal property
- [N.C. Gen. Stat. § 42-37.1](#) – Defense of retaliatory eviction
- [N.C. Gen. Stat. § 42-42](#) – Landlord to provide fit premises
- [N.C. Gen. Stat. § 42-42.2](#) – Victim protection – nondiscrimination
- [N.C. Gen. Stat. § 42-42.3](#) – Victim protection – change locks
- [N.C. Gen. Stat. § 42-43](#) – Tenant to maintain dwelling unit
- [N.C. Gen. Stat. § 42-44](#) – General remedies, penalties, and limitations
- [N.C. Gen. Stat. § 42-45.1](#) – Early termination of rental agreement by victims of domestic violence, sexual assault, or stalking
- [N.C. Gen. Stat. § 42-46\(a\)](#) – Authorized fees, costs, and expenses
- [N.C. Gen. Stat. § 42-50](#) – Deposits from the tenant
- [N.C. Gen. Stat. § 42-51](#) – Permitted uses of the deposit

- [N.C. Gen. Stat. § 42-52](#) – Landlord's obligations
- [N.C. Gen. Stat. § 42-53](#) – Pet Deposits
- [N.C. Gen. Stat. § 7A-19](#) – Seats and sessions of court
- [N.C. Gen. Stat. § 7A-210](#) – Small claim action defined
- [N.C. Gen. Stat. § 25-3-506](#) – Collection of processing fee for returned checks
- [N.C. Gen. Stat. § 42-55](#) – Remedies
- [N.C. Gen. Stat. § 66-318](#) – Electronic Notices