

## What is Ground Rent?

- Ground Rent is a lease agreement for the use of the land your house sits on. Like other lease agreements, you are required to make regular and timely payments of ground rent in accordance with your lease agreement.

## How do I know if I owe Ground Rent?

- Maryland law requires that ground lease owners register ground rent leases on SDAT's Ground Rent Registry to be legally collectible.
- You can search for Ground Rent Registration: <https://sdat.dat.maryland.gov/RealProperty/Pages/default.aspx>

## What happens if I fall behind on my Ground Rent Payments?

- If you fall behind on your payments, the ground lease owner can sue to collect of up to three years owed payments and foreclose on your home. But they must first send you notices indicating the amount due and where to send payment. If the ground lease owner obtains a ruling for possession, you have six months to pay, plus late fees, interest, collection costs, and expenses.

## Redeeming Ground Rent

- What does it mean to “redeem” ground rent? Purchase the land (“ground”) your home sits on from the ground lease owner. You can redeem your ground rent unless a Ground Rent Lease was executed before April 9, 1884 AND the Ground Rent Owner recorded a “Notice of Intention to Preserve Irredeemability” within the last ten years.
- How much does it cost to redeem ground rent? There is a formula provided on the SDAT application (see example below).

**Example: An annual ground rent of \$96 established in 1940 with three years of payments owed.**

**Calculation of redemption amount:**

**The Annual Ground Rent Payment: \$96**

**Divided by:**

**0.04 if the ground lease was executed from April 8, 1884 to April 5, 1888, both inclusive**

**0.12 if the ground lease was or is created after July 1, 1982**

**0.06 if the ground lease was created at any other time or is not provided**

**Subtotal:  $\$96 \div 0.06 = \$1600$**

This is not legal advice. To get free legal help visit:

[WWW.MVLSLAW.ORG/APPLY](http://WWW.MVLSLAW.ORG/APPLY)

Or call intake between 9 a.m. and 12 p.m. on Monday through Thursday at 1(800) 510-0050 or (410) 547-6537

## Steps to Redeem Ground Rent:

- Determine if the ground rent exists and whether it is redeemable/irredeemable.
- Notify the Ground Rent Owner (via both certified mail return receipt requested and another letter by first-class mail to the last known address) that you intend to redeem the ground rent on your home through the Maryland Department of Assessments and Taxation.

Mail the items below to:

**SDAT Ground Rent Department Department of Assessments and Taxation  
301 W. Preston Street, Room 801 Baltimore, MD 21201-2395**

- Your application, which can be found at <https://dat.maryland.gov/realproperty/Pages/Ground-Rent.aspx>
- **Note:** The application if you **have not** received a bill and/or communication in the past three years is a **different form**.
- Attach any recorded deed, deed of assignment, or other document of transfer that establishes your interest in the property.
- Attach any recorded document that establishes the existence of the Ground Rent.
- Check for processing fee made payable to SDAT for \$20 (regular processing in 9 weeks) or \$70 (expedited processing in 5 weeks)
- 100 days after you receive notice your application was **approved**, mail to SDAT Ground Rent Department:
  - Affidavit of Certificate of Redemption
    - This can be obtained from: <https://dat.maryland.gov/realproperty/Pages/Ground-Rent.aspx>
  - The lump-sum payment via certified check
- SDAT will issue you a Certificate of Redemption.
- Record Certificate of Redemption with your county's land records office. This is located at the Circuit Court: <https://mdcourts.gov/circuit>.