



SPONSOR: Sen. Brown & Sen. Pinkney & Rep. Cooke
Sens. Cruce, Hansen, Hoffner

DELAWARE STATE SENATE
153rd GENERAL ASSEMBLY

SENATE SUBSTITUTE NO. 1
FOR
SENATE BILL NO. 34

AN ACT TO AMEND TITLE 25 OF THE DELAWARE CODE RELATING TO TENANT'S RIGHT TO EARLY LEASE TERMINATION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 5314, Title 25 of the Delaware Code by making deletions as shown by strike through and
2 insertions as shown by underline as follows:

3 § 5314. Tenant's right to early termination.

4 (c)(1) If a tenant enters into an agreement of sale to purchase real property that the tenant intends to occupy as the
5 tenant's primary residence, the tenant may terminate a rental agreement before the end of the rental term by giving the
6 landlord written notice of the tenant's intent to terminate the rental agreement. The written notice must include a copy of
7 the tenant's signed agreement of sale.

8 (2) A rental agreement terminates under paragraph (c)(1) of this section at the end of the 60-day period that
9 begins on the first day of the month following the day the tenant gives the landlord written notice. But the tenant and
10 landlord may agree to terminate the lease after the expiration of the 60-day period by written agreement signed by the
11 landlord and the tenant.

12 (3) After a rental agreement is terminated under this subsection, the landlord may deduct reasonable expenses
13 as provided under § 5514(c)(3) of this title.

SYNOPSIS

This Act is a Substitute for SB 34 and differs from SB 34 in the following ways:

- Moves the provision for lease termination to purchase a home from § 5314(b) of Title 25 to a new subsection (c) under §5314 of Title 25.
- Does not make technical changes to § 5314(b) of Title 25.
- Requires the tenant to give the landlord a signed agreement of sale at the same time the tenant gives the landlord notice of early lease termination to purchase a home.
- Changes the notice a tenant is required to give for terminating a lease to purchase a home from 30 days to 60 days.
- Clearly states that the lease terminates after the 60-day period.
- Allows the landlord and tenant to agree to extend the 60-day period by signing a written agreement.

- References that § 5514(c)(3) allows a landlord to deduct reasonable expenses, incurred in rerenting after early lease termination, from the tenant's security deposit.

This Act allows a tenant to terminate a rental agreement early if purchasing a home by providing 60 days' written notice to the landlord, along with a copy of the agreement of sale. The 60-day period begins on the first day of the month after the day the notice is given, but the landlord and tenant may agree to extend the lease termination date past the 60-day period by written agreement signed by the landlord and tenant. This Act also references that a landlord may deducting reasonable expenses incurred in rerenting the premises, up to 1 month's rent, from the tenant's security deposit as provided under § 5514(c)(3) of Title 25.

Author: Senator Brown