

Distict of Columbia Statutes

Division VII. PROPERTY

Title 40. Liens

Chapter 4. Storage Liens

§ 40-401. Definitions

For the purposes of this chapter, the term:

- (1) "Default" means the failure to perform any obligation or duty set forth in the rental agreement.
- (2) "Last known address" means the address provided by the occupant in the rental agreement or the address provided by the occupant in a subsequent written notice of a change of address.
- (3) "Leased space" means the individual storage space at the self-service facility which is rented to an occupant pursuant to a rental agreement.
- (4) "Occupant" means a person, including an assignee, a sublessee, or successor, entitled to the use of a leased space at a self-service storage facility under a rental agreement.
- (5) "Operator" means the owner, operator, lessor, or sublessor of a self-service storage facility, an agent, or any other person authorized to manage the facility. The term "operator" shall not mean a warehouseman, unless the operator issues a warehouse receipt, bill of lading, or other document of title for the personal property stored.
- (6) "Personal property" means movable property, not affixed to land, including goods, wares, merchandise, motor vehicles, watercraft, and household items and furnishings.
- (7) "Rental agreement" means any written agreement that establishes or modifies the terms, conditions, or rules concerning the use and occupancy of a self-service storage facility.
- (8) "Self-service storage facility" means any real property used for renting or leasing individual storage spaces in which the occupants themselves customarily store and remove their own personal property on a "self-storage" basis.

§ 40-402. Prohibited acts

- (a) An operator shall not knowingly permit a leased space at a self-service storage facility to be used as a residence.
- (b) An occupant shall not use a leased space as a residence.

§ 40-403. Lien for rent, labor, or other charges

- (a) The operator shall have a lien on all personal property stored within each leased space for rent, labor, or other charges, and for expenses reasonably incurred in its sale, as provided in this chapter.

(b) The rental agreement shall contain a statement, in bold type, advising the occupant:

(1) Of the existence of the lien; and

(2) That property stored in the leased space may be sold to satisfy the lien if the occupant is in default.

§ 40-404. Enforcement of lien

(a) (1) If the occupant is in default for a period of more than 60 days, the operator may enforce the lien by selling the property stored in the leased space at a public sale.

(2) Proceeds from the sale shall be applied to satisfy the lien, and any surplus shall be disbursed as provided in subsection (e) of this section.

(b) Before conducting a sale under subsection (a) of this section, the operator shall:

(1) Notify the occupant of the default by regular mail at the occupant's last known address;

(2) Send a second notice of default by certified mail, return receipt requested, to the occupant at the occupant's last known address which includes:

(A) A statement that the contents of the occupant's leased space are subject to the operator's lien;

(B) A statement of the operator's claim, indicating the charges due on the date of the notice, the amount of any additional charges which shall become due before the date of sale, and the date those additional charges shall become due;

(C) A demand for payment of the charges due within a specified time, not less than 14 days after the date that the notice was mailed;

(D) A statement that unless the claim is paid within the time stated, the contents of the occupant's space will be sold at a specified time and place; and

(E) The name, street address, and telephone number of the operator, or his designated agent, whom the occupant may contact to respond to the notice; and

(3) At least 3 days before the sale, advertise the time, place, and terms of the sale in a newspaper of general circulation in the jurisdiction where the sale is to be held.

(c) At any time before a sale under this section, the occupant may pay the amount necessary to satisfy the lien and redeem the occupant's personal property.

(d) The sale under this section shall be held at the self-service storage facility where the personal property is stored.

(e) If a sale is held under this section, the operator shall:

(1) Satisfy the lien from the proceeds of the sale; and

(2) Hold the balance, if any, for delivery on demand to the occupant or any other recorded lienholders.

(f) A purchaser in good faith of any personal property sold under this chapter shall take the property free and clear of any rights of:

(1) Persons against whom the lien was valid; and

(2) Other lienholders.

(g) If the operator complies with the provisions of this chapter, the operator's liability:

(1) To the occupant shall be limited to the net proceeds received from the sale of the personal property; and

(2) To other lienholders shall be limited to the net proceeds received from the sale of any personal property covered by that other lien.

(h) If an occupant is in default, the operator may deny the occupant access to the leased space.

(i) (1) Unless otherwise specifically provided, all notices required by this chapter shall be sent by certified mail, return receipt requested.

(2) (A) Notices sent to the operator shall be sent to the self-service storage facility where the occupant's property is stored.

(B) Notices to the occupant shall be sent to the occupant at the occupant's last known address.

(3) Notices shall be deemed delivered when deposited with the United States Postal Service, properly addressed as provided in subsection (b) of this section, with postage prepaid.

(j) The operator shall retain a copy of the second notice of default and the return receipt as provided in subsection (b)(2) of this section for 6 months following the date of the lien sale.

§ 40-405. Personal property vested in occupant

Unless the rental agreement specifically provides otherwise and until a lien sale under this chapter, the exclusive care, custody, and control of all personal property stored in the leased self-service storage space shall remain vested in the occupant.