

Hidden Costs of Owning Rentals in Maryland

Getting started in real estate is exciting—but if you're investing in Maryland, there are some costs and responsibilities you might not hear about until it's too late. This short guide shares the hidden (and not-so-hidden) expenses we ran into as we built Our Neighborhood—so you can plan ahead, protect your margins, and start strong.

1 Rental & Inspection Licenses (City & County)

In Baltimore City and many Maryland counties, you'll need a rental license to legally lease your property. These often require lead inspections, smoke detector certifications, and periodic re-inspections. Costs vary, but it's more than just a one-time form.

2 Pest Control & Alarm Services (Based on Neighborhood)

Depending on the neighborhood, your tenant may expect pest prevention or security monitoring to be included. In some areas, we've found it necessary to budget for regular pest control and sometimes even ADT service to remain competitive.

3 Utilities You Might Be Paying (At Least Upfront)

If your units are not separately metered, or you're renting between tenants, you'll often cover the utilities temporarily. Expect to front gas, electric, water, or internet until your new tenant sets up service—or be ready to pay while a unit sits empty.

4 Landscaping Is on You (In Some Counties)

In several Maryland counties, landlords—not tenants—are legally responsible for lawn maintenance, especially for multi-family homes. Even if the lease says otherwise, the county may still hold you liable for violations or overgrowth.

5 Interest on Security Deposits

Maryland law requires you to pay interest on held security deposits if you collect more than \$50 and keep it for 6 months or more. You'll need to calculate this and return it with their deposit at move-out. It's not a lot—but it's easy to miss.

6 The Time It Takes to Evict

Even with just cause, eviction can take weeks or months depending on the jurisdiction. Filing fees, lost rent, property damage, and turnover costs add up fast. Having a solid lease and communication plan helps, but you'll still want to budget for the unexpected.

We've made all of these mistakes so you don't have to. Real estate in Maryland can be incredibly rewarding—but knowing what to expect will help you build something sustainable. If you ever want to chat with investors who've been through it (and still love it), reach out anytime.

✉ Questions? Email us anytime at hello@ourneighborhd.com