

SECURITY DEPOSITS



What is a Security Deposit?

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A security deposit is money that a landlord can ask for when a tenant moves in. The landlord uses the security deposit to make sure that the tenant will pay rent and keep the unit in good condition.

If you move out without paying the last month's rent, or you damage the apartment, your landlord may keep some or all of your deposit. If you move out with all rent paid and the apartment is in the same condition as when you moved in, you should get your deposit back. "Non-refundable" security deposits are against the law.

How much can a landlord ask for?

Landlords can ask for money for:

- Future cleaning fees and repairs
- Key deposits
- Last month's rent
- Pet deposits

Any money that you pay besides the first month's rent and the application fee (if any) is considered part of the security deposit.

In total, a security deposit may not equal more than:

- Two months' rent for an unfurnished unit
- Three months' rent for a furnished apartment

During your tenancy, a landlord may increase your deposit, but only if your deposit is less than the above limits and your unit is not protected by rent control.

Moving In

How to Protect Yourself When You Move In

Because your landlord is holding a large amount of your money in the form of a security deposit, you want to do everything in your power to make sure you get that money back.

When you move in, you should:

- Look at the condition of the apartment when you move in. If possible, do this with your landlord present. This is called a “walk-through inspection.”
- Make a list of any issues you notice. Remember to check things like lights, running water, and drains. Make your notes as specific as possible. If you can, take photos to accompany your notes. Store your notes and photos in a safe place, where you will be able to find them when you move out.
- Notify your landlord, in writing, of any issues that you find. Keep a copy for your records.

Can I collect interest on a security deposit?

State law does not require landlords to pay interest on security deposits, but some local rent control laws do. Call your city’s rent control board at the following numbers:

- **Los Angeles City**, including the San Fernando Valley:
Toll Free (866) 557-7368
- **Santa Monica**: (310) 458-8751
- **West Hollywood**: (323) 848-6450
- **Beverly Hills**: (310) 285-1031

Moving Out

How to Protect Yourself When You Move Out

- Stay through the end of your lease. If you are unable to do so, you may need to find someone to rent the apartment from you (if your lease agreement allows). Otherwise, you may end up owing your landlord money.
- Give your landlord enough notice before you move out. Generally, after your lease is expired, you must give your landlord at least 30 days' written notice before you plan to move. If you can't give 30 days' notice, notify your landlord as soon as possible that you plan to move out. Keep written copies of all notices you give your landlord.
- Leave the apartment in the same condition it was in when you moved in. Remove any permanent fixtures you installed, unless your landlord gives you permission to leave them.
- Ask your landlord to look at the apartment with you in another "walk-through inspection." Do this before you turn in your keys. Ask your landlord to note, in writing, all issues that they intend to use your security deposit to fix.
- If your landlord blames you for problems that existed when you moved in, remember to look at your move-in list and photos, and give a copy to your landlord.
- Collect any necessary evidence. Before you move out, take photos and videos of the entire unit. It can also be helpful to have a friend look at the apartment so that you have an additional witness.

- Make sure your landlord has an address on file where they can send your deposit.

After I move out, what is required of my landlord?

Within three weeks after you move out, your landlord must give the deposit money back to you, or send you a letter explaining why they did not return your entire deposit. If your landlord keeps any of your deposit, they must give you a very specific list, in writing, that explains what they kept your money to pay for. This is called an "accounting." Your landlord must also provide receipts or invoices for all charges of more than \$126.

Your landlord is only allowed to keep money from your deposit to pay for reasonable expenses related to:

- Unpaid rent
- Up to 30 days' rent if you did not give 30 days' notice before you moved
- Damages to the apartment that are not "ordinary wear and tear"
- Cleaning the apartment

What is "ordinary wear and tear?"

Ordinary wear and tear is when things wear out because of normal use. Some examples are faded blinds, worn carpet, minor marks on walls, or stains on an old bathtub. Your landlord cannot charge you for ordinary wear and tear. Your landlord can charge you for more serious damage, such as missing or broken blinds, burned carpets, and scratched wood.

Moving Out

What should I do if my landlord unfairly keeps my security deposit?

First, write your landlord a letter demanding the return of some or all of your deposit.

If your landlord did not give you a list of what they kept your money to pay for, you can also demand that they provide you with an “accounting.” Provide specific details about what you did to ensure that the unit was left in good condition. Explain that if they do not return your deposit, you will have to sue them in small claims court, where you will ask the judge to make your landlord pay double the deposit as a “bad faith” penalty, in addition to returning the deposit money they already owe you. A sample letter is attached.

If your landlord still refuses to return your deposit, you may need to take legal action.

You can sue your landlord in a small claims case. Go to the Small Claims Advisor in the courthouse for help filling out your forms, or visit <https://dcba.lacounty.gov/portfolio/how-to-sue-in-small-claims-court/> for more information.

Basic information on small claims cases:

- Small claims court is a simplified court process where you can try to resolve disputes affordably. The case is heard before a judge, not a jury, and neither party is represented by an attorney.
- If your lease was oral, you have 2 years to file your claim. If your lease was written, you have 4 years to file your claim.
- The maximum you can ask for is \$10,000.

Once you file your case, you can take it to trial before a judge, or you can mediate your case. Mediation is a great alternative to going before a judge. The Los Angeles Department of Consumer and Business Affairs offers free mediation services. More information is available here:

<https://dcba.lacounty.gov/mediation-small-claims/>.

Demand for Security Deposit

Date

Name of landlord or manager

Landlord or manager's address

City, state, and zip code

Dear _____

This is a demand for return of my security deposit.

I vacated my unit on _____(date). Under California law, you were required to return my deposit no later than 21 days after that date. When you withhold money from a deposit, you must also provide an accounting, including an itemized statement and any receipts and/or work orders, within 21 days.

☐ You have withheld my entire deposit and have not provided me with an itemized statement indicating the basis for withholding my deposit.

☐ You have retained some or all of my deposit, and I do not agree with the amount you withheld and/or you have failed to provide an itemized statement indicating the basis for the amount you withheld, including any relevant receipts or work orders.

Explain: _____

Please be advised that if you continue to withhold my security deposit in bad faith, I will be forced to file a small claims action, where I will seek to recover what I am owed, plus penalties of up to two times the deposit, as set forth in Civil Code Section 1950.5(l).

In total, I demand that you reimburse me in the amount of \$_____. Please send a check or money order for this amount, payable to my address below, no later than one week from today's date.

Sincerely,

Sign your name: _____

Print your name: _____

Your address: _____

I have made a copy of this letter for my records.