Security Deposits

Fair Housing Guidelines

Tenant/Landlord Rights and Responsibilities

FAIR HOUSING SERVICES
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Security Deposit *Requirements*

Almost all landlords require a tenant to pay some sort of deposit when the tenant moves into a rental property. The total amount of any deposit cannot exceed two times the rent for any unfurnished unit and three times the rent for a furnished unit. The deposit may be called "security deposit," "key deposit," "last month's rent deposit" or something else. However, a landlord cannot collect more than the allowable security deposit by allocating the funds for another purpose, such as a move-in fee, pet fee, cleaning fee, or last month's rent.

Allowable fees that are not considered to be part of a standard security deposit are:

- Application fees up to $40, accompanied by an itemized receipt
- Advance payments of not less than six months of rent for residential leases with a term of six months or more.
- Separate fee agreements between the landlord and tenant - decorative, furnishing, or other similar alterations, but not for cleaning or repairs
- For waterbeds or water filled furniture, an additional one-half of one month's rent as a security deposit, plus a reasonable administrative fee

No rental agreement may call any deposit "non-refundable". A security deposit is always fully refundable if the tenant fulfills his/her obligations under the lease or rental agreement.

Landlord's Right to Use Security Deposit

A landlord may deduct from the security deposit "those amounts as may be reasonably necessary" to:

- Remedy defaults in payment of rent
- Repair damage to the premises caused by the tenant (except for "normal wear and tear")
- Clean the unit, if necessary when the tenant leaves, if the unit is not as clean as when it was rented
- If the rental agreement allows it, for the cost of restoring or replacing personal property (including keys), furniture, or furnishings, excluding ordinary wear and tear.

Tenant's Rights

A tenant has the right to request that the landlord conduct a walk-through of the rental unit two weeks prior to the termination of their tenancy. At this time the owner is to inform the tenant of any deductions that may be withheld from the security deposit if repairs or cleaning are not performed by the tenant.

After removing all personal property from the premises, a tenant may request a final walk-through with the landlord to ensure that all obligations have been fulfilled.

Within 21 days after vacating the premises, the tenant is entitled to have the landlord mail first class to them the full amount of the deposit, or an itemized statement of any deductions taken out by the landlord, along with the unused balance of the deposit, if any.

The itemized statement must be accompanied by copies of receipts and/or documents showing the charges deducted.

If a repair cannot be completed within 21 days after tenant has moved out, the landlord may provide a good-faith estimate of the charges in the statement. The landlord needs to provide the tenant with the receipts within 14 days of completing the repair.

The tenant can waive the right to receive these receipts upon notice that the tenancy is terminated or no earlier than 60 days prior to the expiration of the lease.

Disagreements about Security Deposits

A major source of tenant/landlord disputes centers around the vague language in most leases and rental agreements regarding cleaning and normal wear and tear. It is a good idea to clearly spell out in writing what "clean" means to both tenant and landlord at the beginning of the tenancy.

If a tenant disagrees with the landlord's decision to keep any or all of a deposit, the following options are suggested:

- Contact the landlord in writing to find out why the deposit was not refunded. Keep a copy of the letter. (See attached sample

letter.)

- If the landlord has deducted any amount for repairs or cleaning that is considered within normal wear and tear, contact the landlord in writing and ask for payment of the disputed amount.
- If the landlord does not respond or if the response is not satisfactory, consider meeting with the landlord in person, either on your own or in a mediation setting.
- If you cannot resolve the dispute informally or through mediation you will have to file a claim in court (small claims court if the amount is under $7500) and ask that the judge find for you.

Carpets and Drapes

Ordinary wear and tear to carpets does not justify a charge against the tenant's deposit. Such ordinary wear and tear would include simple wearing down of carpets or drapes because of normal use or aging and would include moderate dirt or spotting. In contrast, large rips or indelible stains would justify a deduction from the tenant's security deposit for replacing or repairing the carpet or drapes. The amount of the deduction should take into consideration the item's age compared to the expected time of use ("life expectancy").

Repainting of Walls

Often, tenant/landlord arguments occur over whether normal deterioration or the tenant's carelessness makes repainting necessary. The amount to be deducted depends on the condition of the premises and how long the tenant has occupied them. Some landlords use the following approach when a tenant moves out and repainting is necessary:

- If a tenant has occupied a unit for 6 months or less and the walls are dirty, the full cost of the repainting, including labor and materials is charged.
- If the tenant has occupied the unit for six months to one year and the walls are dirty, two-thirds of the painting costs are deducted.
- If the tenant has occupied the unit between one year and two years and the walls are dirty, one-third of the painting costs are deducted.
- If the tenant occupied the unit for two or more years, no deduction is made for repainting, no matter how dirty the walls are. Costs of repairing damages to the walls such as, large marks, holes, or paint gouges would be considered the tenant's responsibility.

Interest on Security Deposits

There are currently no state laws that require landlords to pay interest on security deposits. As a matter of fairness, some landlords pay the tenant any interest on the deposit he/she is holding. The Davis Model Lease requires landlords to pay interest on security deposits unless this is deleted from the terms of the lease and initialed by the tenant and landlord.

Fair Housing

Your right to freely choose and enjoy a rental unit is protected by Federal, State and local laws. If you feel you are being denied housing or housing services based on your race, color, religion, age, gender, sex, sexual orientation, ancestry, national origin, source of income, marital status or because you are disabled or have children in your family, you are entitled to protection under fair housing laws. For more information, call the City's Fair Housing Office (530) 757-5623.

Limitation of Liability: *This document is furnished as a matter of service only. While we have attempted to include correct, current information, no guarantee is given to its accuracy or timeliness. This information is not intended to serve as a substitute for obtaining legal advice. Users are urged to consult an attorney for assistance regarding their particular rights or obligations.*

SAMPLE LETTER [_____] (date)

_____]

_____

_____(Address of Landlord or property manager):

RE: Security Deposit for: [_____](Former Address)

Dear _____,

I lived at the above address from _____ 20____ to 20____. When I moved in, I paid $ _____ for the security deposit. My monthly rent was $_____.

[Option 1]

When I moved out, I left the apartment/house clean, and in the same condition as it was when I took occupancy with the exception of the allowable normal wear and tear. I also provided you a forwarding address for the purpose of corresponding regarding the matter of the security deposit for this lease agreement.

As of today, I have not received my security deposit refund or any accounting for that money. I am aware that under California Civil Code Section 1950.5, within 21 days (3 weeks) the landlord must either send a full refund of the security deposit or provide an itemized statement listing the amounts of and reasons for any deductions from the security deposit, invoices for any work done along with a refund of any amounts not deducted. Failure to do so entitles me to a full refund of the deposit. Please remit payment of $_____ to me immediately along with a security deposit disposition statement by _____(date) or I will seek restitution in court.

[Option 2]

I left the apartment/house clean and in the same condition as it was when I took occupancy. I have received my security deposit disposition statement. As I'm sure you are aware, I can only be charged for conditions that are not the result of normal wear and tear.

I am disputing the following charges that have been deducted from my security deposit:

1)
2)
3)

As such I request that you please remit payment of $_____to me by _____(date) or I will seek restitution in court.

I would look forward to hearing from you and would like to resolve this matter as soon as possible.

Sincerely,

Sign
Print Name

Current Address
Phone Number