

# SECURITY DEPOSIT LAW: RIGHTS AND RESPONSIBILITIES



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City of Richmond Rent Program  
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# AGENDA

**1. Security  
Deposit  
Collection**

**2. Security  
Deposit Refund**

**3. Security Deposit  
Frequently Asked  
Questions**

**4. Resolving  
Disputes**

# SECURITY DEPOSITS: STATE LAW (CALIFORNIA CIVIL CODE 1950.5)

Maximum is two  
months' rent  
(unfurnished unit)

All money collected at  
the onset of the tenancy  
beyond first month's rent  
is considered deposit

Full deposit must be  
refundable

# SECURITY DEPOSITS ARE CONSIDERED RENT AND ARE THEREFORE CONTROLLED

Deposit cannot be  
increased during a  
tenancy\*

Exception: Pet deposit where  
pets are not previously allowed.  
State limit still applies.

\* Rental units that are not under rent control can have their security deposit increased in compliance with California Civil Code 1950.5.

# SECURITY DEPOSIT USE

**Unpaid rent**

**Damage caused by tenant**  
(less “normal wear and tear”)

**Necessary cleaning**  
(to return to condition delivered)

# SECURITY DEPOSITS AND TENANT RESPONSIBILITIES

1. Provide 30-day written notice to vacate
2. Clean unit and repair damage
3. Request a walk-through inspection
4. Take photos at move-in and move-out
5. Notify your landlord of your new address

# SECURITY DEPOSIT RETURN

Offer a walk-through inspection within 14 days of planned move-out

Return deposit within 21 days of tenant move-out

If deductions >\$125, provide itemized list & invoices/receipts

## HANDLING SECURITY DEPOSITS WITH REPLACEMENT ROOMMATES OR ROTATING TENANCIES

- Landlord is not obligated to return the security deposit until the unit is vacant
- In cases of rotating roommates, the incoming tenant should pay the deposit to the departing tenant

# SECURITY DEPOSIT DISPUTES

1. If the tenant causes more damage than can be covered by the deposit, landlord may need to sue in small claims court.
2. Landlord and tenant can utilize the Rent Program's Mediation Program to avoid court.
3. Keep accurate documentation of the condition when the tenant moved in. Taking photos and or video of the unit prior to occupancy is highly recommended.
4. Offer a walk-through inspection at the end of the tenancy (as required by State law) to avoid unnecessary disputes and to give the tenant an opportunity to fix any damage and do necessary cleaning.

# SECURITY DEPOSIT LAW FAQ'S

## California Civil Code 1950.5

<p>What is the definition of a security deposit under State law?</p>	<p>Any payment, fee, deposit or charge, imposed at the beginning of the tenancy as an advance payment of rent, or to be used for recovering rent defaults, repairing damages caused by the tenant, or cleaning. This does not include an application or screening fee. The first month's rent isn't considered a security deposit, but money paid in excess of the first month's rent (including what is called "last month's rent") is considered part of the deposit.</p>
<p>How much can a landlord collect for a security deposit?</p>	<p>A security deposit may not exceed two times the monthly rent for an unfurnished unit or three times the monthly rent for a furnished unit.</p>
<p>What can a landlord deduct from the security deposit?</p>	<p>A landlord may deduct from a tenant's security deposit only the amount that is reasonably necessary to: (1) cover rent defaults, (2) repair damages a tenant or a tenant's guest caused other than normal wear and tear, (3) do necessary cleaning defined as the amount of cleaning needed to return the unit to the same level of cleanliness as at the beginning of the tenancy, and (4) if allowed by the lease, cover the cost of restoring or replacing personal property (including keys) or furniture, excluding ordinary wear and tear.</p>
<p>Is the landlord obligated to do a walk-through inspection at the end of a tenancy?</p>	<p>Tenant's have a right to a walk-through inspection no earlier than 2-weeks prior to the tenant vacating. The landlord must give 48 hours prior written notice of the inspection, unless the tenant waives this requirement in writing. The purpose of the inspection is to identify needed cleaning for the tenant to perform before moving out so as to avoid deductions from the security deposit. Immediately after the inspection, the landlord must provide an itemized list of repairs and cleaning that need to be done to avoid authorized deductions. The landlord may still deduct for cleaning or repairs that were not identified during the inspection because they were concealed by the tenant's belongings.</p>

# SECURITY DEPOSIT LAW FAQ'S

## California Civil Code 1950.5

**When does the security deposit have to be returned to the tenant(s)?**

Within 21 days after the tenant (or tenants) leave the unit vacant, the landlord must (1) furnish the tenant with a written statement itemizing the amount of, and purpose for, any deductions from the security deposit; and (2) return any remaining portion of the deposit to the tenant. Where several roommates live together and have paid a deposit, the landlord is not required to return the deposit until the unit is returned to the landlord vacant.

**What form of documentation does a landlord have to provide the tenant when making lawful deductions to the security deposit?**

If more than \$125 is deducted from the deposit for cleaning and repairs together, the landlord must attach to the itemized statement copies of documents showing the landlord's charges and costs to clean and repair the unit.

**What effect does sale of the property have on the security deposit?**

A landlord who sells a rental property must either: 1) transfer the deposit to the new landlord; or 2) return the deposit to the tenant.

**What is the tenant's recourse if deposit is not returned within 21 days of vacating?**

A tenant who does not receive the refund and accounting within 21 days, or disputes the amount claimed by the landlord, may sue the landlord for the disputed amount (in Small Claims Court if the amount is less than \$10,000) and up to twice the amount of the deposit for the "bad faith retention" of (i.e., the unreasonable refusal to return) any security. In court, the landlord has to prove that the amounts retained were reasonable.

## Normal Wear & Tear: Landlord's Responsibility

## Excessive Tenant Damage: Resident's Responsibility

A FEW SMALL NAIL HOLES, CHIPS, SMUDGES, DENTS, SCRAPES, OR CRACKS IN THE WALLS	GAPING HOLES IN WALLS FROM ABUSE, ACCIDENTS, OR NEGLECT. UNAPPROVED PAINT COLORS OR UNPROFESSIONAL PAINT JOBS. DOZENS OF NAIL HOLES WHICH NEED PATCHING AND REPAINTING.
FADED PAINT	WATER DAMAGE ON WALL FROM HANGING PLANTS OR CONSTANT RUBBING OF FURNITURE
SLIGHTLY TORN OR FADED WALLPAPER	UNAPPROVED WALL PAPER, DRAWINGS, OR CRAYON MARKINGS ON WALLS
CARPET FADED OR WORN THIN FROM WALKING	HOLES, STAINS, OR BURNS IN CARPET. FOOD STAINS, URINE STAINS, AND LEAKY FISH TANKS ARE NEVER "NORMAL".
DIRTY OR FADED LAMP OR WINDOW SHADES	TORN, STAINED, OR MISSING LAMP AND WINDOW SHADES
SCUFFED VARNISH ON WOOD FLOORS FROM REGULAR USE	CHIPPED OR GOUGED WOOD FLOORS, OR EXCESSIVE SCRAPES FROM PET NAILS
DARK PATCHES ON HARDWOOD FLOORS THAT HAVE LOST THEIR FINISH OVER MANY YEARS	WATER STAINS ON WOOD FLOORS AND WINDOWSILLS CAUSED BY WINDOWS BEING LEFT OPEN DURING RAINSTORMS
DOORS STICKING FROM HUMIDITY	DOORS BROKEN, OR RIPPED OFF HINGES
WARPED CABINET DOORS THAT WON'T CLOSE	STICKY CABINETS AND INTERIORS (DUE TO LACK OF CLEANLINESS)
CRACKED WINDOW PANE FROM FAULTY FOUNDATION OR BUILDING SETTLING	BROKEN WINDOWS FROM ACTION OF THE TENANT OR GUESTS
SHOWER MOLD DUE TO LACK OF PROPER VENTILATION	SHOWER MOLD DUE TO LACK OF REGULAR CLEANINGS
LOOSE GROUTING AND BATHROOM TILES	MISSING OR CRACKED BATHROOM TILES
WORN OR SCRATCHED ENAMEL IN OLD BATHTUBS, SINKS, OR TOILETS	CHIPPED AND BROKEN ENAMEL IN BATHTUBS AND SINKS
RUSTY SHOWER ROD OR WORN VARNISH ON PLUMBING FIXTURES	MISSING OR BENT SHOWER ROD OR PLUMBING FIXTURES
PARTIALLY CLOGGED SINKS OR DRAINS CAUSED BY AGING PIPES	CLOGGED SINKS OR DRAINS DUE TO ANY STOPPAGE (HAIR, DIAPERS, FOOD, ETC.), OR IMPROPER USE
MODERATELY DIRTY MINI-BLINDS OR CURTAINS	MISSING OR BROKEN MINI-BLINDS OR CURTAIN
BATHROOM MIRROR BEGINNING TO "DE-SILVER" (BLACK SPOTS)	MIRRORS CAKED WITH LIPSTICK AND MAKEUP
BROKEN CLOTHES DRYER BECAUSE THE THERMOSTAT HAS GIVEN OUT	DRYER THAT WON'T TURN AT ALL BECAUSE IT'S BEEN OVERLOADED, OR THE LINT TRAP WAS NEVER CLEANED OUT.
WORN GASKETS ON REFRIGERATOR DOORS	BROKEN REFRIGERATOR SHELF OR DENTED FRONT PANELS
SMELLY GARBAGE DISPOSAL	DAMAGED DISPOSAL DUE TO METAL, GLASS, OR STONES BEING PLACED INSIDE
REPLACEMENT OF FLUORESCENT LAMPS - OR ANY LIGHT BULB DESIGNED TO LAST FOR YEARS OF CONTINUOUS USE	REPLACEMENT OF MOST COMMON LIGHT BULBS



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