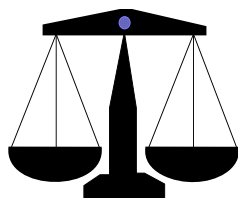


SECURITY DEPOSITS

UCLA STUDENT LEGAL SERVICES



California law allows landlords to collect a “security” from tenants. This “security” includes your security deposit, cleaning fee, last month’s rent, and any fees the landlord charges to process a new tenant. The security may not be more than two months’ rent if the apartment is unfurnished or three months’ rent if the apartment is furnished.

Your landlord must return your security deposit to you within twenty-one days after you have vacated your apartment. If the landlord makes any deductions from the total amount of your security deposit, the landlord also must give you an itemized written statement of these deductions. The landlord may make deductions for unpaid rent, for damage caused by the tenant that is in excess of ordinary wear and tear, and for cleaning the apartment, if necessary to return it to the same level of cleanliness as at the outset of the tenancy. You also are entitled to documentation supporting the deductions, such as repair or cleaning invoices.

You should take certain steps to document the amount of the security deposit and the condition of your apartment. When you give your landlord the deposit, get a writing indicating the amount you paid and that it is a deposit. If you pay in cash, it is advisable to get a receipt from the landlord. Be sure to give the landlord a written list of any problems with the apartment when you move in. Also, both when you move in and at the time you vacate the apartment, you should take photographs that will show the condition of the apartment.

If your deposit is designated in the lease or another writing as "security deposit," you do not have the right to use it as rent unless you have the landlord's written permission. If, however, your deposit specifically is designated as "last month's rent," then you are entitled to use it as your last month's rent. It is important to pay attention to the manner in which your deposit is characterized and, if the landlord says that it may be used for last month's rent, be sure it is designated that way on the receipt or in the rental agreement before you sign it.

A new California law gives you the right to demand an initial inspection of the apartment, so you will have the opportunity to try to avoid deductions from the deposit by fixing any problems identified in the inspection. The inspection may not occur more than two weeks before the termination of the tenancy, and you and the landlord should try to find a mutually agreeable time. The landlord must give you at least 48 hours written notice of the time of the inspection; any agreement to conduct an inspection on less than 48 hours notice must be in writing and signed by you and the landlord. After the inspection, the landlord must give you a written list of any problems for which he plans to make a deduction from your deposit. You have the right to try to fix these problems until your tenancy terminates. The landlord may make deductions for any problems that remain after you move out, either because you

did not fix them, they occurred after the inspection, or they were obscured by your possessions during the inspection.

If you live in an apartment governed by the Los Angeles Rent Stabilization Ordinance, then you are entitled to interest on your security deposit if you stay in the apartment for at least one year. Effective January 1, 2003, the landlord may choose to pay either 1% simple interest or the actual amount earned on the security deposit.

If your landlord refuses to return your security deposit or makes excessive deductions, you first should attempt to contact your landlord (preferably in writing if you anticipate difficulties) to determine if there is any way to resolve the problem without having to file a lawsuit. If you are unable to resolve the dispute, you may file a lawsuit against your landlord. You may sue in small claims court if the amount you are claiming is less than \$7,500. In most circumstances, you must sue the owner of the building, not the manager. In addition to your deposit, you also may ask the court to award you up to twice the amount of the security deposit as a penalty if the landlord withheld it in "bad faith."

Questions asked by UCLA students:

Question: *I moved out of my old apartment in June, but the landlord still hasn't returned my security deposit. I have called and even written him, but he hasn't responded at all. What can I do?*

Answer: Under California law, the landlord must return your security deposit within three weeks of the termination of your tenancy. Any deductions from your deposit must be itemized. Because your landlord has failed to return your deposit or respond to your inquiries, your best option to recover your deposit is to sue your former landlord in Small Claims Court. In addition to the amount of your deposit, you may ask the court to award you up to twice the amount of the security deposit as a penalty because the landlord appears to have withheld your deposit in "bad faith."

Question: *When I moved into my apartment, the manager said my roommate and I could use part of our security deposit as last month's rent. We're planning to move out at the end of next month, but the new manager says we can't use any of our deposit as rent. Our rental agreement shows the money as a security deposit and says nothing about last month's rent. Can we force the manager to use our deposit to cover our last month's rent?*

Answer: Unfortunately, unless you have a writing stating that all or part of the deposit may be used for last month's rent, you cannot force the manager to allow you to use the deposit for rent. The writing can be either the rental agreement, the deposit receipt, or a separate agreement signed by the manager or landlord specifying which portion of the deposit may be used for last month's rent. If you fail to pay the full amount of rent, the landlord may commence eviction proceedings against you, even if it is your last month in the apartment.

For more information, please visit the Student Legal Services web site: <http://www.studentlegal.ucla.edu>

The information contained in this article is of a general nature. If you have a similar problem, you should consult with an attorney. Currently registered UCLA students are encouraged to call Student Legal Services for an appointment (825-9894). Appointment hours are 9:00 a.m. to 5:00 p.m., Monday through Friday.