

SECURITY DEPOSITS - EFFECTIVE JULY 1, 2024 (CIVIL CODE 1950.5)



A security deposit is a deposit or a fee that the landlord requires a tenant to pay at the beginning of the tenancy. The security deposit protects the landlord against possible financial losses after a tenant terminates the tenancy. The landlord may use the security deposit to recover uncollected rent, to remedy damages to the unit caused by the tenant or their guests, or to recover cleaning costs. The landlord may not deduct from the security deposit for “ordinary wear and tear” to the rental unit, nor for damages that existed prior to the current tenancy.

Frequently Asked Security Deposit Questions

HOW MUCH CAN I BE CHARGED FOR A SECURITY DEPOSIT?

The maximum security deposit a landlord can charge is equal to one month’s rent. An exception to this, where a landlord may collect a deposit of two months’ rent, is if the landlord owns no more than 2 rental properties with no more than 4 dwelling units.

IS A "CLEANING DEPOSIT" CONSIDERED A SECURITY DEPOSIT?

The landlord’s charge to the tenant may be called “security deposit”, “pet deposit”, or “cleaning deposit”. Nonetheless, California law considers all such fees as part of the security deposit, and makes them subject to the same rules that apply to security deposits.



CAN A SECURITY DEPOSIT BE CONSIDERED "NON-REFUNDABLE"?

The landlord may not designate any portion of the security deposit as “non-refundable”.

CAN I USE MY SECURITY DEPOSIT AS LAST MONTH'S RENT?

You may only use your security deposit as last month’s rent, if the amount held by the landlord has been designated in a written agreement as “last month’s rent” or the landlord consents to use the security deposit as the last month’s rent for your tenancy. Any such consent should be in writing.

WHEN SHOULD I RECEIVE A REFUND OF MY SECURITY DEPOSIT?

Within 21 days after move-out, the landlord must refund the deposit and/or send the tenant an itemized statement of any deductions. In addition to the itemized statement, the landlord must document any charges for repairs or cleaning by providing the tenant with copies of bills, invoices, or receipts. If the landlord or landlord’s employee did the work, the itemized statement must describe the work performed and include the time spent and the reasonable hourly rate charged. Landlords are not required to document charges for repairs and cleaning that are \$125 or less in total.

If within 21 days after a tenant vacates, a landlord’s repair cannot reasonably be completed or invoices/receipts are not in the landlord’s possession, the landlord may provide a good faith estimate of the charges with the itemized statement. Within 14 days of completing the repair or receiving the documentation, the landlord must provide the final statement and any remaining deposit to the tenant. Tenant's have the right to request contact information of the people or entities who made the repairs.

ADDITIONAL INFORMATION:

California Code, CIV 1950.5: <https://bit.ly/4g3dhCv>

Know Your Rights on Security Deposits: <https://bit.ly/4fXVtIQ>

Draft a Demand Letter: <https://selfhelp.courts.ca.gov/form/demand-letter>

FOR ASSISTANCE CONTACT:

 (800) 339-6043  info@housing.org