



# SECURITY DEPOSITS

Law  
Foundation  
OF SILICON VALLEY

## WHAT IS A SECURITY DEPOSIT?

A security deposit is money that you pay to your new landlord, usually when you first move into the property, that can be used by the landlord to cover any damage that you or your guests do to the property beyond ordinary wear and tear, any back rent that you owe, and cleaning costs when you move out.

## HOW MUCH CAN A LANDLORD CHARGE FOR A SECURITY DEPOSIT?

The total amount cannot exceed 2 months' rent if the unit is unfurnished or 3 months' rent if the unit is furnished.

## WHAT CAN BE DEDUCTED FROM MY DEPOSIT ONCE I MOVE OUT?

Your security deposit may be used to cover repairs to the unit for damages caused by you or your guests, past due rent, and cleaning the unit (if necessary) when you move out.

However, if you requested that your landlord conduct an "initial" inspection before you moved out, your landlord can only charge you for cleaning or repairs that your landlord listed on the itemized statement after the "initial" inspection and that you did not fix before moving out.

If the landlord did not list them on the itemized statement, then they cannot be the basis for deductions from your security deposit (unless the problems were caused after the inspection or were hidden from view by your possessions).

## CAN DEPOSITS BE NON-REFUNDABLE?

No. A deposit cannot be called "non-refundable." A lease or rental agreement that includes this provision is not valid and cannot be enforced.

## WHEN DOES THE LANDLORD HAVE TO RETURN MY DEPOSIT ONCE I MOVE OUT?

Within 21 days after you move out, the landlord must either return your entire deposit or provide you with an itemized written statement explaining why all or part of the deposit is not being returned and return any remaining balance. Be sure to give your landlord your new address so your landlord will know where to send the deposit or the itemized statement after you move out.

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## HOW CAN I AVOID PROBLEMS IN GETTING MY SECURITY DEPOSIT BACK?

**BEFORE MOVING IN:** Be sure that the amount you paid toward a security deposit is written on your rental agreement and that you keep a copy of the agreement. Also, get a receipt of the deposit that you paid from your landlord to keep in your records. Also, inspect and note the condition of the unit, preferably with the landlord. List all items in writing and make sure the landlord signs this "checklist." If the landlord is not available, inspect the unit with a friend and take photographs. Have your friend sign the checklist regarding the unit's condition. Keep the checklist and photos in a safe place.

**BEFORE MOVING OUT:** Thoroughly clean the unit. Within a reasonable time after either you or your landlord serve notice of termination of tenancy, your landlord should notify you of your right to have an "initial" inspection before you move out. You should ask for this inspection. The inspection should take place within 2 weeks before you move out. At the end of the inspection, your landlord must give you an itemized statement of repairs and cleaning that still need to be done. You then can fix the problems and prevent deductions from being made from your security deposit for these items. Once you fix the problems, be sure to take pictures.

## WHAT IF THE LANDLORD DOES NOT RETURN MY DEPOSIT OR I DISAGREE WITH SOME OF THE DEDUCTIONS?

If you do not receive your deposit within 21 days after moving out or you dispute the deductions that were made from your deposit, make a formal demand in writing to your former landlord. For deductions of at least \$125, the itemized statement must also include documentation of the labor and money spent on repairs and cleaning. The landlord must provide bills, invoices, or receipts, unless the landlord's employee did the work, in which case the landlord must submit a statement describing the work done and the time it took to perform.

**A sample demand letter is below.** The first letter is the general template; the second letter is the one you should fill out and send to your former landlord. Be sure to keep a copy of the letter for your records.

If you do not receive your deposit within 7 days from the date you sent the demand letter, you may sue the landlord in Small Claims Court for the amount of the deposit owed. In addition to the disputed money, a landlord also may be fined up to twice the amount of the security deposit for his/her "bad faith" in keeping your deposit. Small Claims Court is informal, and no lawyers are allowed. Be sure to bring the checklist, photos, and the demand letter to court to present as part of your case. You must sue in the city/county where your rental was located.

**YOUR NAME**  
**YOUR NEW ADDRESS**  
**CITY, STATE, ZIP**

**TODAY'S DATE**

**LANDLORD'S NAME**  
**LANDLORD'S ADDRESS**  
**CITY, STATE ZIP**

Dear Mr./Ms. **NAME OF FORMER LANDLORD** :

I am a former tenant who resided at your property, located at **FULL ADDRESS OF FORMER UNIT** from **MOVE IN DATE** to **MOVE OUT DATE**. When I moved into your property in **MOVE IN MONTH, YEAR**, I paid you \$ **TOTAL AMOUNT OF SECURITY DEPOSIT PAID** as a security deposit. Although I moved out of your property on **MOVE OUT DATE** and left the property in a clean condition, you have not returned my security deposit, nor have you provided me with a detailed accounting of the deductions from my security deposit.

California law requires landlords to return a tenant's security deposit, with a detailed inventory of any amounts withheld, within 21-days after a tenant moves out. Cal. Civ. Code § 1950.5(g). Improper retention of the security deposit by a landlord subjects that landlord to liability for statutory damages of twice the amount of the security deposit. Cal. Civ. Code § 1950.5(l).

At this time, I request that you immediately return the \$ **AMOUNT OF DEPOSIT NOT RETURNED** deposit still owed to me. You can send this payment to the address listed above. If I do not receive a response from you within seven days, I will be forced to take further legal action.

Thank you for your attention to this matter.

Sincerely,

**SIGNATURE OF TENANT**

**PRINTED NAME OF TENANT**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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**Date:** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Mr./Ms. \_\_\_\_\_:

I am a former tenant who resided at your property, located at \_\_\_\_\_  
\_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_.

When I moved into your property in \_\_\_\_\_, I paid you \$\_\_\_\_\_ as a security deposit. Although I moved out of your property on \_\_\_\_\_ and left the property in a clean condition, you have not returned my security deposit, nor have you provided me with a detailed accounting of the deductions from my security deposit.

California law requires landlords to return a tenant's security deposit, with a detailed inventory of any amounts withheld, within 21-days after a tenant moves out. Cal. Civ. Code § 1950.5(g). Improper retention of the security deposit by a landlord subjects that landlord to liability for statutory damages of twice the amount of the security deposit. Cal. Civ. Code § 1950.5(1).

At this time, I request that you immediately return the \$\_\_\_\_\_ deposit still owed to me. You can send this payment to the address listed above. If I do not receive a response from you within seven days, I will be forced to take further legal action.

Thank you for your attention to this matter.

Sincerely,

\_\_\_\_\_  
\_\_\_\_\_