



Security Deposits

How soon do I get my deposit back?

The landlord has to send you the full deposit with interest or a written statement telling you why they are keeping your deposit, or part of your deposit. Make sure the landlord has the address you want the deposit sent to. The landlord has to send the money or the statement to you within 21 days of your move-out date, if they have an address for you. If the building was condemned, and it was not your fault, the landlord has to return the deposit within 5 days.

How much interest do I get?

1% per year. Let's say you moved in August 1, 2011. You moved out on April 30, 2012. Your deposit was \$900.00. This means you have to figure out 1% interest for 9 months. First, figure out the interest for a year, and then divide it to get the interest for each month.



$$\begin{array}{r}
 \$900.00 \\
 \times .01 \quad (1\% = .01) \\
 \hline
 \$ 9.00 \quad \text{Is the interest for 1 year at 1\%}
 \end{array}$$

To get the interest for each month you have to divide the interest for a year by the 12 months in a year:

$\$ 9.00 \div 12$ (months) = $\$.75$ (75 cents) This is the interest for each month of a year at 1%.

August 2011 through April 2012 is 9 months, so multiply the monthly interest by 9:

$$\begin{array}{r}
 \$.75 \quad \text{Interest per month} \\
 \times 9 \quad \text{Number of months there} \\
 \hline
 \$6.75 \quad \text{Is the total you should get back with your deposit}
 \end{array}$$

So, \$900 deposit, plus the interest (\$6.75) means you should get \$906.75 back from your landlord.

If you lived in your rental before August 1st 2003, it's trickier. Before August 1st 2003, the interest on a security deposit was 3%. So, you need to figure out the interest per month for the months before August 1st 2003 separately.

Follow the same steps as above, but in the first step multiply \$900.00 by .03 (3%). Then follow the rest of the directions. You need to add the 2 interests (the months at 1% and the months at 3%) together at the end for the total amount of interest your landlord should return.

When can a landlord keep the deposit?

A landlord can keep your deposit money for:

- Unpaid rent or other fees that you **agreed** to – for example, replacing lost keys.

Or for rent, if you moved out without giving proper written notice. If you move out without giving proper notice the landlord can probably keep the whole deposit. See our fact sheet [Notices to Vacate and Ending a Lease](#).

- Money needed to repair damage you caused, but **not** “ordinary wear and tear”.

Your landlord can only keep the amount that these things cost, not all of the deposit if there is some left over.

What is “ordinary wear and tear”?

If something breaks or is damaged because it is old that is probably ordinary wear and tear. For example, if the carpet was new 10 years ago when you moved in and now it needs to be replaced, that is probably ordinary wear and tear. If the carpet was new when you moved in 6 months ago and now it needs to be replaced, that is probably NOT ordinary wear and tear.

If you think your landlord is charging you unfairly, write a letter explaining why and ask for that part of the money back. See section below *“What if the landlord won’t return the deposit?”*



Can I use my deposit to pay my last month’s rent?

No. It is against the law to use your deposit to pay your last month's rent. You risk having an eviction filed against you if you don't pay rent.

But, there is an exception to this rule if your landlord is losing the building in foreclosure. You can use your deposit as your rent for the last month of the redemption period. That's the last month before the new owner (usually the bank) owns the property. If you are not sure when the redemption period ends call your county sheriff.

See our fact sheet [When Your Landlord Loses the Building](#) for more information.

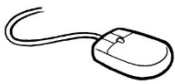
What if the landlord won't return the deposit?

- If the landlord has not explained in writing why you are not getting your deposit back, start by writing the landlord a letter asking for it back. Make sure you put down the address where the deposit should be sent to. Sign and date the letter. Keep a copy.

If 21 days passes and your landlord still hasn't returned your deposit, or explained why it is not being returned, you can sue in Conciliation Court.

- If the landlord responds to your letter but keeps all or part of your deposit but you don't agree with the reasons you can try to work it out. If you and your landlord can't come to an agreement, you can sue in Conciliation Court.

You can [create a demand letter online](#) with a quick interview process.



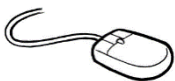
- Go to www.lawhelpmn.org/forms
- Under "Debts, Fees, Deposits"
- Click on "Security Deposit Demand Letter"

Where do I sue for my security deposit?

- Sue in Conciliation Court. Every county has one for cases up to \$15,000. See our fact sheet [Conciliation Court](#).
- Go to the courthouse in the county where the rental property is or where the landlord lives. Fill out a complaint form with the landlord's name and address, the money damages you want, and a short explanation of your case.
- There is a small fee. You don't need to pay it if you have a low income. Ask the court clerk for a Court Fee Waiver (IFP) form.



You can [create an IFP form online](#) with a quick interview process.



- Go to www.lawhelpmn.org/forms
- Click on "Court Fee Waiver (IFP)"

What money damages should I ask for?

- You can ask for rent back if the apartment had housing code violations or other repair problems you can prove were there.
- Ask for your deposit, plus interest, plus any filing fees or costs you have in bringing the case to court.

- If the landlord doesn't send you an explanation within 21 days (or 5 days if your place was condemned), the law gives you a "penalty" equal to the amount you are owed. Ask to get this penalty amount.
- If the landlord shows "bad faith," you can get additional "punitive damages" (money) up to \$500. "Bad faith" means that they knew they owed the money but kept it anyway. If the landlord does not send you an explanation within 21 days, the court should assume "bad faith" unless the landlord can prove good faith.

What is a counterclaim?

The landlord can file a counterclaim saying that you owe money. For example, they might say that you did \$1,000 damage to the place, and that your security deposit only covers \$800 of it. The landlord might also say you owe unpaid rent. The court will hear their counterclaim at the same time as your claim.

How should I prepare for court?

- Get your evidence together. If you have written documents like a lease, rent receipts, or letters to the landlord, make copies for the court.
- If you have photos of the apartment that you took just before you left, bring them to court.
- Bring witnesses – people who saw the place when you moved in and when you moved out.

What is a settlement?

A settlement is an agreement between you and the landlord to end the lawsuit. Keep in mind that even if you win in court, you may have a hard time collecting the money. An agreement that pays you right away may be smart. Make sure that any settlement is in writing, signed, and dated. Take it to your hearing and have the court approve it.

What should I do next time I rent?

- Before you move in, do an inspection with the landlord. Write down any problems with the apartment, and any areas that are dirty or damaged. Have the landlord sign the list. Ask them to make all the repairs before you move in. See our fact sheet, [Looking for an Apartment](#).
- Give proper written notice before you move out.
- When you move out, do a move-out inspection just like the move-in inspection. Have the landlord sign the list. Then you'll have proof that you left the unit clean.



- Be sure you return all keys (get a receipt for them), remove all of your belongings, leave the apartment clean and free of garbage, and give the landlord a mailing address in writing. Take photos of how clean you leave it. Have a witness look at the apartment.

What if my landlord sells the building?

If the landlord sells the building where you are still living, they have 60 days to return your deposit or notify you that they are giving all or part of it to the new owner. Your landlord can deduct for unpaid rent and charges for damage to the apartment.

If your landlord is keeping part of the deposit and giving the rest to the new owner, you have 20 days to send an objection to the new landlord. If they don't change how much of the deposit the old landlord turns over, you can sue the old landlord in Conciliation Court. See our fact sheet [Conciliation Court](#).

If the old landlord does not turn over any of your deposit to the new owner, the new owner can ask you to pay a new deposit.



Fact Sheets are legal information NOT legal advice. See a lawyer for advice.

Don't use this fact sheet if it is more than 1 year old. Ask us for updates, a fact sheet list, or alternate formats.

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