



## 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, 2018. You moved out on April 30, 2019. 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:

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

August 2018 through April 2019 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.

### 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.

**But** some fees that landlords put in leases are illegal. Like automatic fees for repainting the apartment. And a landlord can't charge you a cleaning fee unless the cleaning was for problems or damage that you caused and are more than "ordinary wear and tear."

A landlord can keep your deposit money for rent if you moved out without giving proper written notice. If you move out without giving proper notice the landlord can take the rent you didn't pay from the deposit, even for time after you moved. See our fact sheet [Notices to Vacate and Ending a Lease](#).

Your landlord can only keep the amount that they lost, not all of the deposit if there is some left over. For example, if you move early but the landlord collects rent from a new tenant for the next month, the landlord can't take rent for the same month out of your deposit.

### **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 pass 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.

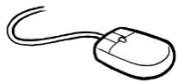


- Go to [www.lawhelpmn.org/forms](http://www.lawhelpmn.org/forms)
- Under "Debts, Fees, Deposits"
- Click on "Security Deposit Demand Letter"

### 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](http://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. Take pictures of the home before you leave. Be sure to take pictures of the repair problems. And keep any proof that you asked for the problems to be fixed. Bring all that proof to court when you have your hearing.
- 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. For example, if your deposit was \$1,000 and your landlord didn't give it back or send you an explanation, you can ask for \$2,000.
- 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.

- If you have other reasons why the landlord owes you money, like that the unit was not in good livable condition, make sure to include that when suing in Conciliation Court.

### **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 proof you gave your landlord an address to send the deposit, be sure to bring that.
- 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?**

The judge may tell you to try talking with your landlord before the hearing. This is a good time to make a settlement. A settlement is an agreement between you and the landlord to end the lawsuit. Keep in mind that even if you win a lawsuit, you may have a hard time collecting the money. So, a settlement that pays you right away may be smart. Be sure to bring the agreement you make with your landlord back to the judge before you leave court.

If you make a settlement with your landlord at any time before your hearing, make sure it 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](#).

**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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