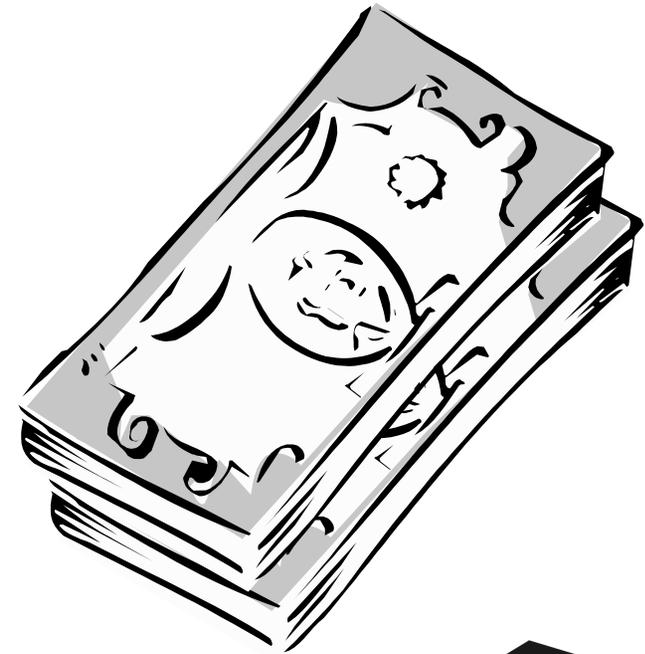


What You Should Know About Your Security Deposit

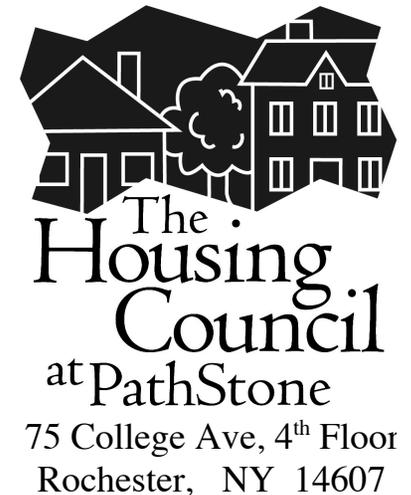
Who we are...

The Housing Council is a not-for-profit corporation in metropolitan Rochester, NY, working to maintain and expand the availability affordable housing for low and moderate income residents. We provide educational and training outreach to landlords, tenants, homeowners and the public regarding an array of housing issues in our community.



For more information about
The Housing Council at PathStone
call (585) 546-3700

or e-mail us at
info@thehousingcouncil.org



What You Should Know About Your Security Deposit

A security deposit is money that is held by the Landlord in trust to cover damages above “normal wear and tear” during the tenancy. Normal wear and tear includes the aging of materials and appliances, but not the unreasonable carelessness or deliberate misuse by tenants. A Landlord should not use the security deposit for repairs during the tenancy. Security deposits should not be used by a tenant or Landlord to pay rent, but can be used for unpaid rent and late fees owed at the end of the tenancy.

The law...

- Landlords, regardless of the number of units in a building, must treat the deposits as trust funds belonging to their tenants and they may not co-mingle deposits with their own money.
- Landlords with six or more apartments in a building must put all security deposits in a New York bank account earning interest at the prevailing rate.
- Tenants must be informed in writing of the bank’s name and address and the amount of the deposit.
- If there is interest, Landlords are entitled to annual administrative expenses of 1% of the interest earned. All other interest belongs to the tenants.
- Tenants must be given the option of having this interest paid to them annually, applied to rent, or paid at the end of the lease term.
- If the building has fewer than six apartments and Landlord voluntarily places the security deposits in an interest bearing account, you must follow these rules.
- NYS General Obligation Law prohibits landlords from commingling security deposit monies with personal monies. Violation of the commingling statute would allow the tenant the full return of the deposit regardless of damages to the apartment.

How much should a security deposit be?

Security deposits are usually equal to one month’s rent, but can be more or less at the discretion of the Landlord. There is no legal maximum for the amount of a security deposit.

When should you pay a security deposit?

- You know how much the rent is and if your tenancy will be month-to-month or on a lease.
- You have the name, address and phone number of the Landlord.
- You have a receipt for the security deposit and you know where it is deposited.

When should you not pay a security deposit?

- You are not absolutely sure that you want to move into the apartment.
- You know there are serious repairs or code violations.
- You do not know what the rent will be.
- Landlord said the deposit is a “non-refundable” fee.

How to get a security deposit returned...

- NYS Law says that a security deposit must be returned within a “reasonable amount of time.” The judges in this area have deemed “2 to 4 weeks” reasonable.
- Make all requests for repairs in writing and keep a copy.
- Request a written, itemized statement describing how much of the security deposit was applied for repairs and back rent.
- Report the Landlord to the Attorney General for serious problems.
- Contact The Housing Council for questions at 585-546-3700.

If the security deposit is not returned without documented reasons, you can sue your Landlord in Small Claims Court.