



Important Changes to Security Deposit Law

California has passed important legislation--[Assembly Bill 12](#)--that decreases the amount many landlords are allowed to charge tenants for security deposits starting July 1, 2024.

In Most Cases, the Security Deposit Amount is Limited to One Month's Rent

On or after July 1, 2024, landlords may only collect a security deposit equal to one month's rent. Even when a security deposit includes or is called "last month's rent," a landlord can only charge up to one month's rent for the entire deposit.

For example, if the rent is \$2000 per month, the maximum amount the landlord can collect prior to the start of the tenancy would be \$4,000 (\$2,000 for the first month's rent and \$2,000 for the security deposit, however it is referred to in the lease agreement). The landlord *cannot* collect \$2000 for the security deposit, and another \$2000 for last month's rent.

In Some Cases, Landlords with Fewer Units May Charge Up To Twice the Rent For the Security Deposit

A landlord may charge up to two times the rent for the entire security deposit if both of the following are true:

1. The landlord is a natural person or a limited liability company (LLC) in which all members are natural persons.
2. The landlord owns no more than two residential properties that contain no more than four dwelling units offered for rent.

In these cases, for a unit with a \$2000 monthly rent, the landlord may collect up to \$6000 prior to the start of the tenancy: \$2000 for first month's rent, and up to \$4000 for the security deposit (however it is referred to in the lease agreement).

Please read the law for more details.

Get Help

Rent Board housing counselors are available to answer questions from landlords and tenants about this change to security deposit law:

- [Schedule an appointment with a housing counselor](#)
- Phone: (510) 981-7368 (RENT)
- Email: rent@berkeleyca.gov

Rent Stabilization Board | (510) 981-7368 (RENT) | Email: rent@berkeleyca.gov |
| Website: rentboard.berkeleyca.gov |
Office Hours: M-F (Closed Wed) 9:00 am to 4:45 pm

Berkeley Rent Stabilization Board | 2000 Center Street, Suite 400 | Berkeley, CA 94704 US

[Unsubscribe](#) | [Update Profile](#) | [Constant Contact Data Notice](#)



Try email marketing for free today!