

GUIDE

to
Berkeley's
Rent
Stabilization
Program

RENT CONTROL & EVICTION PROTECTION



BERKELEY

Se habla español

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Information contained in this booklet is accurate as of January 2026. Please check with the Rent Board staff to confirm accuracy. The Rent Board website has the most up-to-date published information.

Contact us – we're here to help!

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PURPOSE OF THIS GUIDE

This guide is published to help landlords, tenants, property managers, Realtors, and potential rental property owners understand how rent stabilization works in Berkeley. It explains the basic provisions of Berkeley’s rent control law and certain state laws relating to rental housing. The information in this guide is not a substitute for legal advice.

OVERVIEW

Generally, Berkeley’s rent control law governs rent levels; changes to existing rent levels based on changes in space, services, number of occupants, or a rental unit’s condition; security deposit interest; and just causes to evict.

The local law

In June 1980, Berkeley residents passed the City’s comprehensive rent stabilization law, known as the Rent Stabilization and Eviction for Just Cause Ordinance. (*Berkeley Municipal Code Chapter 13.76.*) The Ordinance regulates most residential rents in Berkeley, provides tenants with increased protection against unwarranted evictions and is intended to maintain affordable housing and preserve community diversity.

The Rent Stabilization Board, composed of nine elected commissioners, enacts regulations, hears petition appeals and administers a program to carry out the Ordinance. Rent Board staff provide information and counseling to landlords and tenants, calculate and certify rent ceilings, conduct administrative hearings and issue decisions on landlord and tenant rent adjustment petitions, collect registration fees, and maintain a database of registered rental units. Owners of rental property covered by the Ordinance pay annual registration fees to the Rent Board. These fees fund the program.

Vacancy
Decontrol

In 1995, the California legislature passed the Costa-Hawkins Rental Housing Act, which suspends rent control following a qualifying vacancy and reinstates it for a new tenancy. (*Civil Code section 1954.50, et seq.*) After a three-year phase-in, full “vacancy decontrol” took effect, allowing owners to set a market rent for most tenancies beginning on or after January 1, 1999. Owners must register new rents with the Rent Board and may increase those rents for a sitting tenant only by the annual general adjustment, or by an individual rent adjustment granted through the Board’s petition process.

REGISTRATION

Requirement to Register

Landlords must register rental units by filing forms and paying fees.

Most residential rental units in Berkeley are covered by the Rent Stabilization Ordinance and are required to be registered. To comply with registration, owners must pay an annual registration fee for each unit. (*Regulation 801.*) The fee is due July 1st of each year. In addition, certain documents must be filed with the Rent Board, depending on whether the unit is fully covered or partially exempt.

For fully covered units, owners must file an Initial Registration Statement that lists each unit's base year or initial rent and housing services included in the rent. These owners must also file a Vacancy Registration (VR) form for new tenancies that includes the current rent, the number of occupants, and the housing services provided. (*Regulation 1013 (K).*) (There is no fee for filing a VR form.) When the status of a rental unit changes from exempt to covered or the reverse, the owner must file an Amended Registration Statement within 60 days of the change and pay prorated registration fees that may apply. (*Regulation 803.*)

For partially exempt units, owners are required to file 1) a Registration Statement for Partially Covered Units; 2) a Tenancy Registration Form for Partially Covered Units; and 3) other forms as required by the Board. (*Regulation 801.*)

The form used to report new tenancies must be filed within 15 days of the tenancy's start date. (B.M.C. section 13.76.080 E.) For fully covered units, that form is the VR. For partially exempt units, that form is the Tenancy Registration Form for Partially Covered units. A fine may be imposed for not meeting the 15-day deadline. (B.M.C. section 13.76.060 F.16.)

"Rental unit" and "rooming house" defined

A residential **rental unit** is a dwelling unit providing complete, independent living facilities for one or more persons, with provisions for residential use/occupancy, including but not limited to: living, sleeping, eating, and sanitation (*Regulation 403(A)*). Rental units are most often found in duplexes and apartment buildings. But in a **rooming house**, defined as a property that has at least five rooms rented to five individuals under separate leases, each room is a rental unit. Rooming houses are typically found in single-family dwellings. In multi-unit properties, however, if one of the units has at least four bedrooms that are rented separately, each of those bedrooms is a unit that must be registered. (*Regulations 403(B), 403.5*).

Exemptions

Some rental units are fully or partially exempt from the Rent

Stabilization Ordinance. (*B.M.C. section 13.76.050.*)

Partially Exempt

Owners of the following types of units are exempt from rent control but must adhere to registration requirements, the just cause for eviction requirements, and the obligation to pay interest on security deposits.

- Government-owned or government-subsidized units AND federal/state or other applicable law exempts the unit from rent control (does not include units participating in the Section 8 Housing Choice Voucher or Shelter Plus Care programs, which are fully covered)
- New construction. Rental units that received their first certificate of occupancy issued after 6/30/80. Detached units constructed from the ground up after 6/30/80 without a certificate of occupancy also qualify for the exemption if constructed before 2/1/95 or where all applicable building permits have been issued and approved. Where a formal Board determination of exemption was made before 2/1/95, the unit remains exempt. (*Regulation 510.*)
- Single-family residences first covered by the Ordinance on or after January 1, 1996, or if re-rented on or after January 1, 1996, unless: (1) the landlord evicted the prior tenant for owner-occupancy or by changing the terms of tenancy; (2) the landlord receives a financial contribution from a public entity in exchange for reducing the rent; or (3) the unit contains serious, cited code violations that have been outstanding for at least 6 months. (*Regulation 508.*)

Note: A *single-family residence* is defined as a unit that can be sold separately from the title to any other dwelling unit, and includes condominiums that the original owner has sold separately to a buyer for value. (*Regulation 508.*) But a single-family home rented as a **rooming house**, discussed above, must be registered.

Fully Exempt

These units are fully exempt from all aspects of the Rent Ordinance.

- Rental units on a two-unit property where one unit was owner-occupied on December 31, 1979, **and** one unit is currently owner-occupied. "Owner-occupied" means the unit was the principal residence of an owner of record of at least a 50 percent interest, both on December 31, 1979, and



Register your rental property on our [website](#) or at our downtown Berkeley office.

The Rent Ordinance doesn't apply to all rental units.



The "Golden Duplex" exemption

when the exemption is claimed.

- Legal accessory dwelling units (ADUs) where the landlord also occupies a unit on the same property as his/her principal residence and where the tenancy began after November 7, 2018. This exemption only applies to properties that contain one single-family home and one ADU.
- Rental units where the tenant shares kitchen or bath facilities with an owner of record who holds at least a 50 percent interest and has maintained his or her principal residence there before the start of the tenancy.
- Single-family houses or condominiums rented for up to two years IF the landlord: (1) owns no more than one residential unit in Berkeley; (2) lived in the unit as their principal residence for at least 365 consecutive days immediately prior to rental; (3) will reoccupy the unit as their principal residence when the rental ends; and (4) specifies the rental term, not to exceed 24 months, in the lease.
- Owners of units in a facility leased or owned by a non-profit group to operate a treatment, recovery, therapy, sanctuary or shelter program, where the units are provided as part of the client’s participation in the program, are covered only by the Ordinance’s just cause for eviction provisions.
- Units rented by active fraternity or sorority members and owned by fraternities or sororities.
- Miscellaneous. Rental units rented primarily to transient guests for less than 14 consecutive days; non-profit cooperative housing owned and controlled by the residents; rental units in a hospital, skilled nursing facility, home for the aged, and the like. (See *B.M.C. section 13.76.050* or contact the Rent Board for more detail about these exemptions.)

What to do if exempt status is questioned

An owner can get an official determination of a unit’s status by making a written request to the Rent Board. The Board will issue a written determination, which the owner may challenge by filing a *Petition to Determine Exempt Status*. (*Regulation 521*.)

A tenant may file a *Petition for Rent Withholding for Failure to Register* if he or she reasonably believes the property is not exempt or not properly registered. (*Regulation 1501*.)

Consequences of Failing to Register

- Owners may be unable to evict tenants. (*B.M.C. section 13.76.130 C.*) (Decisions on eviction lawsuits are issued by a state court judge and not by the Rent Board.)

- Owners of rent-controlled units may be ineligible for all or part of an annual general adjustment. (*Regulation 1100*.)
- Owners may be assessed late payment penalties. (*B.M.C. section 13.76.080 G.*)
- Tenants in a rent-controlled unit may petition the Board for authorization to withhold rent until the unit is registered. (*Regulation 1501*.)
- A landlord petition for a rent increase will not be accepted unless the affected property has been properly registered for 30 days. (*Regulation 1206*.) If during the petition process registration is found to be incomplete, any decision awarding a rent increase will be delayed until the owner has properly registered. (*Regulation 1277*.)

Berkeley Business License Required for Most Landlords

Owners of properties containing three or more dwelling units must obtain a City of Berkeley Business License and pay an annual license fee, which is separate from the Rent Board registration fee. Contact the city’s Customer Service Center at (510) 981-7200 for more information. (See section on *Other Laws Affecting Rental Properties*.)

Landlords are subject to other requirements.

Calculating the Lawful Rent Ceiling

Every residential rental unit in Berkeley covered by rent control has a **lawful rent ceiling**. This is the maximum amount of rent that a landlord may charge for the use or occupancy of the unit and any associated housing services included in the rent, such as furnishings, parking, or laundry facilities. Rent is not limited to money, but includes the fair market value of any goods or services that are provided to a landlord in place of money.

RENT LEVELS

Every covered unit has a rent ceiling.

Before January 1, 1996: Lawful rent ceilings and housing services remained controlled even during vacancies. For units that have not had a vacancy since January 1, 1996, the lawful rent ceiling is the **base rent** (usually, the May 31, 1980 rent) plus increases the Board approves after that. (*B.M.C. section 13.76.100*.)

The rent ceiling is calculated differently for pre- and post-1996 tenancies.

The **base rent** includes all housing services provided when that rent was established. Any change in housing services from those provided in the base year or at the beginning of the tenancy under a rental agreement is grounds for an adjustment of the lawful rent ceiling. (See *Landlord IRA Petitions* and *Tenant IRA Petitions*, below.)

Since January 1, 1996: Landlords have been allowed to set the initial rent for most new tenancies beginning on or after January

1, 1996, although the amount was limited through December 31, 1998. Since January 1, 1999, landlords have been allowed to set the initial rent at market unless the new tenancy follows a non-qualifying vacancy.

The initial rent becomes the new rent ceiling, which may be changed only with the Board’s authorization. Any change in housing services from that provided at the beginning of the tenancy is grounds for an adjustment of the lawful rent ceiling.

A landlord may not always be allowed to set a new initial rent.

Non-qualifying vacancies. A landlord may not establish an initial rent if the prior tenancy ended after the landlord:

- Served a 60-day notice of termination (30 days if tenancy is less than one year (except for some tenancies terminated for owner-occupancy before December 31, 1994 – contact a housing counselor for more information);
- Changed the terms of the tenancy, except a lawful increase in the amount of rent or fees. (If a tenancy ends within twelve months of a landlord-imposed change in the terms of the lease, the change in the terms of the tenancy is presumed to be the cause of termination);
- Engaged in harassment or other acts prohibited by law, or that constitute constructive eviction or a breach of the covenant of quiet enjoyment (verbal or physical abuse or intimidation, threats to evict, and failing to make necessary repairs are examples of harassment);
- Was cited by a government agency for serious health, safety, fire, or building code violations (except those caused by disasters) that remained uncorrected for more than 60 days before the vacancy;
- Opted out of a federal Section 8 contract entered into **before** January 1, 2000, and the new tenancy begins less than three years from the date the contract ended;
- Opted out of a Section 8 contract entered into **on or after** January 1, 2000, **and either:** the contract lasted less than one year, or the tenancy already existed before the Section 8 contract was created.



(References: *Civil Code section 1954.53* and *Regulation 1013(B)*.)

Landlords or tenants can file a **Petition to Determine Eligibility to Set Initial Rent** (*Regulation 1018*) if there is a question about whether a vacancy was “qualifying”; if it was not, the landlord may not set a new initial rent for the next tenancy. This petition

can also be used to determine whether the last “original occupant” has vacated the unit and thus provided an opportunity for the landlord to set a new rent. (See “Partial Turnovers in Tenancies” below.)

Under Measure BB, which went into effect on December 20, 2024, many government-subsidized units that were previously exempt became covered under rent control. These included units under the Section 8 Housing Choice Voucher program and the Shelter Plus Care program. The full contract rent charged on that date became the rent ceiling, (*Regulation 1000(B)*), and the rules regarding Annual General Adjustments apply going forward (see Rent Ceiling Increases below).

You can search the Rent Board’s database on our website to find an apparent rent ceiling for residential units subject to rent control. To find out how to have a rent ceiling **certified**, see Certification of Rent Ceilings, below.

Tenants “Not In Occupancy” are not protected by rent ceiling controls. Only a tenant who lives in a unit as his or her primary residence remains protected under the Rent Ordinance. Rental units that are kept mainly as a second residence, such as a pied-a-terre or vacation home, or mainly for non-residential purposes (such as storage, commercial or office use) are not rent-controlled. A landlord who seeks a Rent Board decision that the tenant does not occupy the unit as a primary residence may file a **Petition for the Determination of Occupancy Status**. (*Regulations 524 and 525*.)

Rents are controlled only for a tenant’s primary residence.

Rent Ceiling Increases

Rent ceilings may be increased by annual general adjustments or by amounts granted in an Individual Rent Adjustment (IRA) petition.

Rent ceilings can be increased in two ways.

Annual General Adjustments (AGAs)

Each January 1, rent ceilings are increased by the annual general adjustment, which, since 2005, is 65% of the percentage increase in the Consumer Price Index for the metropolitan area. By October 31 of each year, the Board publicizes the amount of the AGA that goes into effect the following January 1st. (*B.M.C. section 13.76.110*.)

No petition is needed to increase the rent ceiling by an AGA.

A landlord must be in compliance with the Ordinance and Regulations before raising the rent by the AGA amount. This means that:

File a petition if eligibility to set an initial rent is in question.

- The property is registered; in other words, the required forms have been filed and no fees or penalties are owed,
- The rent charged is no more than the lawful rent ceiling, and
- The unit has no serious repair problems or outstanding housing code violations.

A landlord must give a tenant at least 30 days' written notice of the increase, in the format required by the Board's AGA Order. If a tenant has a fixed-term lease, the landlord will have to wait until the lease term expires to impose the AGA (unless the lease allows the increase).

Since 2000, landlords have not been granted AGAs for units for which they set an initial rent during the previous calendar year. Those AGAs may not be imposed in later years, either. For instance, a landlord is permanently ineligible to impose the 2013 AGA for a unit that had an initial rent established in 2012.

Registration Fee Pass-throughs

Since 2005, the Board has allowed landlords to pass through a part of the registration fee to tenants who have occupied their units since before 1999. This must be approved annually, so check our website for the current status. Landlords must use a Board-approved form or language for the notice that they give tenants before imposing this increase, and landlords must submit a copy of the notice to the Board. This pass-through does not become a part of the permanent rent ceiling. Some low-income tenants may be eligible for reimbursement of the pass-through from the Board; contact a housing counselor for assistance.



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Individual rent ceiling increases must be approved through the petition process.

Landlord Individual Rent Adjustment (IRA) Petitions

Landlords may petition the Rent Board for rent ceiling increases on the following grounds:

- Increase in number of tenants from that allowed in the unit or actually residing in the unit with the landlord's knowledge between June 1, 1979 and May 31, 1980; or, for tenancies beginning on or after January 1, 1999, from that allowed at the beginning of that tenancy. (*Regulation 1270.*)
- Increase in living space or housing services from those existing on May 31, 1980, or for tenancies beginning on or after January 1, 1999, from those existing at the beginning of the tenancy. (*Regulation 1269.*)
- Historically low rent (HLR). (*Regulation 1280.*)
- Capital improvements. (*Regulation 1267.*)

- Adjustment or maintenance of net operating income (fair return). (*Regulation 1262, Regulation 1264.*)
- Restoration of AGAs. (*Regulation 1278.*)
- No units on a property have had a vacancy increase since December 31, 1998. (*Regulation 1282.*)

With vacancy decontrol in effect, there is less emphasis on obtaining rent increases through the IRA petition process. Also, in capital improvements petitions, vacancy increases often offset rent increases that a landlord would be eligible for. Landlords should contact a housing counselor for help in determining their eligibility.

Rent Ceiling Decreases

Tenant Individual Rent Adjustment (IRA) Petitions

Tenants may petition the Rent Board to reduce the rent ceiling, and do so most often because of **housing code violations, habitability problems, or a decrease in living space or housing services.** (*Regulation 1269.*) The petition process can be used to obtain rent reductions to compensate for such problems and to motivate a landlord to correct physical defects or restore space or services. Other grounds for filing a tenant IRA petition are:

- Illegally high rent, unrefunded security deposit (*Regulation 1271*), and unpaid security deposit interest (*Regulation 702*).
- Substantial deterioration of the unit, or failure of the landlord to provide adequate services, or failure of the landlord to provide services agreed to by the parties in their initial agreement, written or oral. (*Regulation 1269.*)
- Reduction in the number of tenants allowed in the unit from the number allowed on May 31, 1980, or, for tenancies beginning after January 1, 1999, from the number allowed at the beginning of the tenancy. (*Regulation 1270.*)

Hearings

After a petition is filed, the opposing party has a limited time to submit an objection to the petition. If no objection is filed and a hearing examiner can issue a decision without testimony, the petition will be decided administratively, without a hearing. In most cases, a hearing is held, in which an impartial hearing examiner takes testimony and receives written evidence from both sides. In either case, the hearing examiner will issue a written decision granting or denying rent ceiling increases or decreases. A hearing examiner's decision may be appealed to the nine-member Rent Board.

Instead of having the hearing examiner decide the petition,

Tenants may petition to decrease the rent ceiling.



Most petitions are decided after a hearing.

the parties may negotiate and reach a settlement agreement resolving the issues. If this occurs, the hearing examiner will write up the settlement as a decision pursuant to agreement, which is not appealable. For more information and to review and download petition forms, go to **Petitions and Forms** on our website. IRA petitions and hearing procedures are governed by *B.M.C. section 13.76.120* and *Chapter 12* of the Regulations.

Certification of Rent Ceilings

Rent ceilings that have been certified or determined in a final Board decision on a petition may not be changed retroactively unless there is evidence of intentional misrepresentation or fraud.

Rent ceilings for the majority of Berkeley’s registered rental units were certified in 1987. A previous rent ceiling certification is usually irrelevant for any unit that has had a vacancy since January 1, 1996, due to vacancy decontrol.

A landlord or a tenant of a unit for which the rent ceilings have not been certified, or who wishes to have the subsequent rent ceilings certified, may file a **Request for Certificate of Permissible Rent Levels**. In most cases, staff issues a certificate within five business days of the request. A landlord or a tenant may challenge a Certificate by filing a petition appealing the Certificate.

Go to our website (rentboard.berkeleyca.gov) for more information and to access the petition forms.

Subletting Generally

To sublet or sublease is to rent part of the unit to another person for all or part of the lease term, or to rent all of the unit to another for a portion of the lease term. Thus, a sublet exists where the original (or “master”) tenant takes in a roommate whose name is not on the lease and who pays rent to the master tenant, or where the master tenant rents the unit to another during the master tenant’s absence. A master tenant remains obligated to the landlord to comply with the lease requirements. **A master tenant who takes in a roommate may not charge more than an amount substantially proportional to the space occupied by the subtenant (Regulation 1003(C)), and a master tenant subletting the entire premises may not charge a subtenant more than the rent the master must pay the landlord (Regulation 1003(B)).**

A tenant may sublet a unit if the lease does not specifically

prohibit it. If the lease says that subletting is allowed subject to the landlord’s approval, the landlord may refuse consent only when he or she has a reasonable objection to the proposed subtenant. The proposed subtenant’s financial responsibility or rental history are examples of reasonable objections.

Caution: Where a lease specifically prohibits it, a non-occupying master tenant’s subletting of the entire premises may be a violation of the lease and grounds for eviction. If you have questions about whether a lease allows this type of subletting, you should seek legal advice.

Replacement Tenants

A landlord generally must let an original tenant replace a roommate who was allowed under the lease. If the lease requires the landlord’s approval of a sublet, the landlord may object to a replacement tenant only if the landlord has a reasonable basis to do so. If a landlord unreasonably objects to replacing a vacating roommate, the remaining tenant may petition the Board for a rent reduction. (*See Regulation 1270(C)*.) A landlord does not have just cause to evict a tenant who replaces a roommate without the landlord’s consent if the landlord unreasonably withholds consent to a subtenant, the tenant remains in the unit, and the number of occupants in the unit does not exceed the number originally allowed by the rental agreement, or the Board’s regulations, whichever is greater. (*B.M.C. section 13.76.130.A.2*.) A landlord who forces remaining tenants to move out by refusing to allow a replacement roommate is not entitled to set an initial rent for the next tenancy, because the vacancy was not voluntary.



When roommates are replaced over time, the rent can be reset when all “original occupants” have moved out.

Partial Turnovers in Tenancies — When a Vacancy Increase May Be Imposed

Under a state law called the Costa-Hawkins Rental Housing Act, when a unit becomes vacant, a landlord can set the starting rent for a new tenancy at a market rate (“vacancy increase”). Questions often arise about when a landlord may implement a vacancy increase where several tenants rent a unit together and are gradually replaced over time. The unit may never be entirely vacant during these changes in tenancy, so what constitutes a “vacancy”?

The landlord may set a new rent when there is a complete turnover of original occupants. Generally, an original occupant is someone who was a tenant or subtenant when the landlord last established an initial rent. A new group of tenants becomes a new set of “original” occupants to which the same rules regarding a

SUBLETTING AND REPLACING ROOMMATES

Master tenants are limited in what they may charge subtenants.

vacancy increase will apply.

Under Regulation 1013(O)(5), where a landlord rents a unit and places only one tenant's name on the lease, but authorizes more than one tenant to occupy the unit, all tenants who occupy the unit within 30 days of the tenancy start date, with the landlord's express or implied permission, are considered original occupants. If any of those original occupants remain, the landlord is not allowed to raise the rent simply because the signing tenant moves out permanently.

The landlord might not be able to set a new rent if, after the last original occupant provided written notice of their departure and vacated the unit, the landlord continued to accept rent from the remaining occupants. (Regulation 1013(O).) If tenants hide the fact that the last original occupant has vacated the unit, however, the landlord's acceptance of rent does not constitute a waiver of the right to implement a vacancy increase.

Deferring a Vacancy Rent Increase. The landlord may defer the imposition of a vacancy increase for up to six months after receiving written notice of the last original occupant's departure by agreeing in writing with the remaining tenants to do so.

These issues can be complicated. Please contact a housing counselor if you have questions.

Tenant Associations and Right to Organize

Tenants who live in buildings with 10 or more rental units – or less if professionally managed (as defined under Regulation 411) – have an enforceable right to engage in organizing activities, which include but are not limited to forming and operating tenant associations, distributing literature, offering assistance, and convening meetings regarding issues of common interest or concern. (B.M.C. section 13.76.135.)

Forming a tenant association requires approval from at least 50% of the occupied units (as defined under Regulation 412). Landlords and tenant associations are required to confer in good faith in an attempt to address any issues related to things like landlord-tenant relations, rent increases, habitability concerns, and other issues of common interest. Landlords or their representatives must attend at least one tenant association meeting per calendar quarter upon a 14-day notice of a written request.

A tenant association can seek rent ceiling reductions on behalf of all tenants affected by common area issues. Please see our Tenant

Individual Rent Adjustment Petitions webpage for important information on filing requirements.

Tenants in fully covered units and partially covered units can file a court action against a landlord for violations of the right to organize and seek damages and injunctive relief, plus an award of reasonable attorney's fees for prevailing tenants. For fully covered units only, a tenant can file a petition with the Rent Board for violations of the right to organize and seek a rent ceiling reduction.

See the Tenant Right to Organize page on the Rent Board website for more details.

State Law Regarding Security Deposits

Security deposit defined. Residential security deposits are regulated by state law (*Civil Code section 1950.5*) and are defined as any payment, fee, deposit, or charge, that is imposed at the beginning of the tenancy as an advance payment of rent, or to be used for recovering rent defaults, repairing damages caused by the tenant, or cleaning. This does not include an application or screening fee. Money paid as the first month's rent isn't considered a security deposit, but money paid in excess of the first month's rent (including what is called "last month's rent") is considered part of the deposit. Generally, a security deposit may not exceed two times the monthly rent for an unfurnished unit or three times the monthly rent for a furnished unit. Starting in July 2024, a landlord cannot charge more than one month's rent for the security deposit. Landlords who only own two rental properties with no more than four units total can charge up to two month's rent for the security deposit, unless the tenant is in the military. This exception applies when ownership is held by natural persons, a family trust, or LLCs where all the members are natural persons. **It is unlawful for a lease or rental agreement to make a security deposit non-refundable.**

Deductions from deposit. A landlord may deduct from a tenant's security deposit only the amount that is **reasonably** necessary to: (1) cover rent defaults, (2) repair damages a tenant or a tenant's guest caused other than normal wear and tear, (3) do necessary cleaning (for tenancies starting after January 1, 2003, defined as the amount of cleaning needed to return the unit to the same level of cleanliness as at the beginning of the tenancy), and (4) if allowed by the lease, cover the cost of restoring or replacing personal property (including keys) or furniture, excluding ordinary wear and tear.

At a reasonable time after either party gives notice that the tenancy is being terminated, or before the lease expires, the

SECURITY DEPOSITS - STATE AND LOCAL LAW

State law defines what a security deposit is, legitimate deductions, and procedures for claiming deductions.

Landlords must inform tenants of their right to an initial inspection.



University students account for a significant portion of Berkeley renters.

TENANT RIGHT TO ORGANIZE

landlord **must** notify the tenant in writing of his or her right to request an initial inspection of the unit and to be present at the inspection. The purpose of the inspection is to identify needed cleaning for the tenant to perform before moving out so as to avoid deductions from the security deposit. If an inspection is requested, it should occur at a mutually agreed upon time no earlier than two weeks before the tenancy is to end. If a time cannot be agreed upon, the tenant may either cancel the inspection or allow the inspection to proceed in his or her absence. The landlord must give 48 hours' prior written notice of the inspection, unless the tenant waives this requirement in writing.



Photo by Blue Bird from Pexels <https://tinyurl.com/bdfdf9cc>

Immediately after the inspection, the landlord must provide the tenant with an itemized list of repairs and cleaning that need to be done to avoid authorized deductions. This statement must include the text of Civil Code section 1950.5, subdivision (b) (setting forth authorized deductions from the security deposit, listed above). The tenant may then, before the end of the tenancy, address the identified problems. The landlord may use the deposit for authorized deductions that were itemized in the statement but not cured, arose after the initial inspection, or were not identified during the inspection because they were concealed by the tenant's belongings.

Within **21 days** after the tenant (or tenants) leave the unit vacant,¹ the landlord must (1) furnish the tenant with a written statement itemizing the amount of, and purpose for, any deductions from the security deposit; (2) starting July 1, 2025, provide photographs of the unit taken right before occupancy; 3) starting April 1, 2025, provide before-and-after work photographs as proof of deductions; and (4) return any remaining portion of the deposit to the tenant.

If more than \$125 is deducted from the deposit for cleaning and repairs together, the landlord must attach to the itemized statement copies of documents showing the landlord's charges and costs to clean and repair the unit. If the landlord or his or her employee did the work, the statement must describe the work performed, the time spent, and the reasonable hourly rate charged. If another person or company did the work, the landlord must provide their name, address, and telephone number, and a copy of their bill, invoice, or receipt for the work. A deduction for materials or supplies must include a copy of a bill, invoice, or

receipt.

The tenant may give up the right to the documentation requirement in writing, but even so, the tenant may, within 14 days of receiving the landlord's itemized statement, request any omitted documentation, and the landlord must provide it within 14 days of receiving the request.

If, within 21 days of the unit being vacated, necessary repairs cannot reasonably be completed, or if a service provider does not make the documentation available, the landlord may deduct an amount based on a good faith estimate of the charges, and provide the required documentation within 14 days of completing the repairs or obtaining the documentation.

All mailings to the tenant after the tenancy ends must be sent to the tenant's new address. If the tenant did not furnish a new address, the mailings must, by law, be sent to the tenant at the vacated address. Therefore, to avoid the risk that the deposit is not forwarded from the old address to the new, tenants are urged to leave the landlord a new address when moving.

A tenant who does not receive the refund and accounting within 21 days, or disputes the amount claimed by the landlord, may sue the landlord for the disputed amount (in Small Claims Court if the amount is less than \$10,000) and up to twice the amount of the deposit for the "bad faith retention" of (i.e., the unreasonable refusal to return) any security. In court, the landlord has to prove that the amounts retained were reasonable.

Alternatively, a tenant may file a petition with the Board to recover the amount allegedly owed. Each forum has its advantages and drawbacks. Unlike small claims court, there is no fee to file a petition, and a Rent Board hearing is less formal than a court proceeding. However, if a landlord refuses to comply with a Rent Board hearing examiner's decision ordering a security deposit refund, the tenant will have to go to court to enforce the Rent Board's decision. Also, the Rent Board is not authorized to award damages for "bad faith retention" of the security deposit.

A tenant may also consider using the Rent Board's **mediation** services, which will occur only if the landlord agrees. Rent Board staff will act as a neutral third party to help the tenant and landlord reach a mutually acceptable resolution.

Effect of sale on deposit. A landlord who sells a rental property must either: 1) transfer the deposit to the new landlord; or 2)

Tenants should leave a forwarding address.

Tenants have options if they do not receive or dispute the refund or accounting.

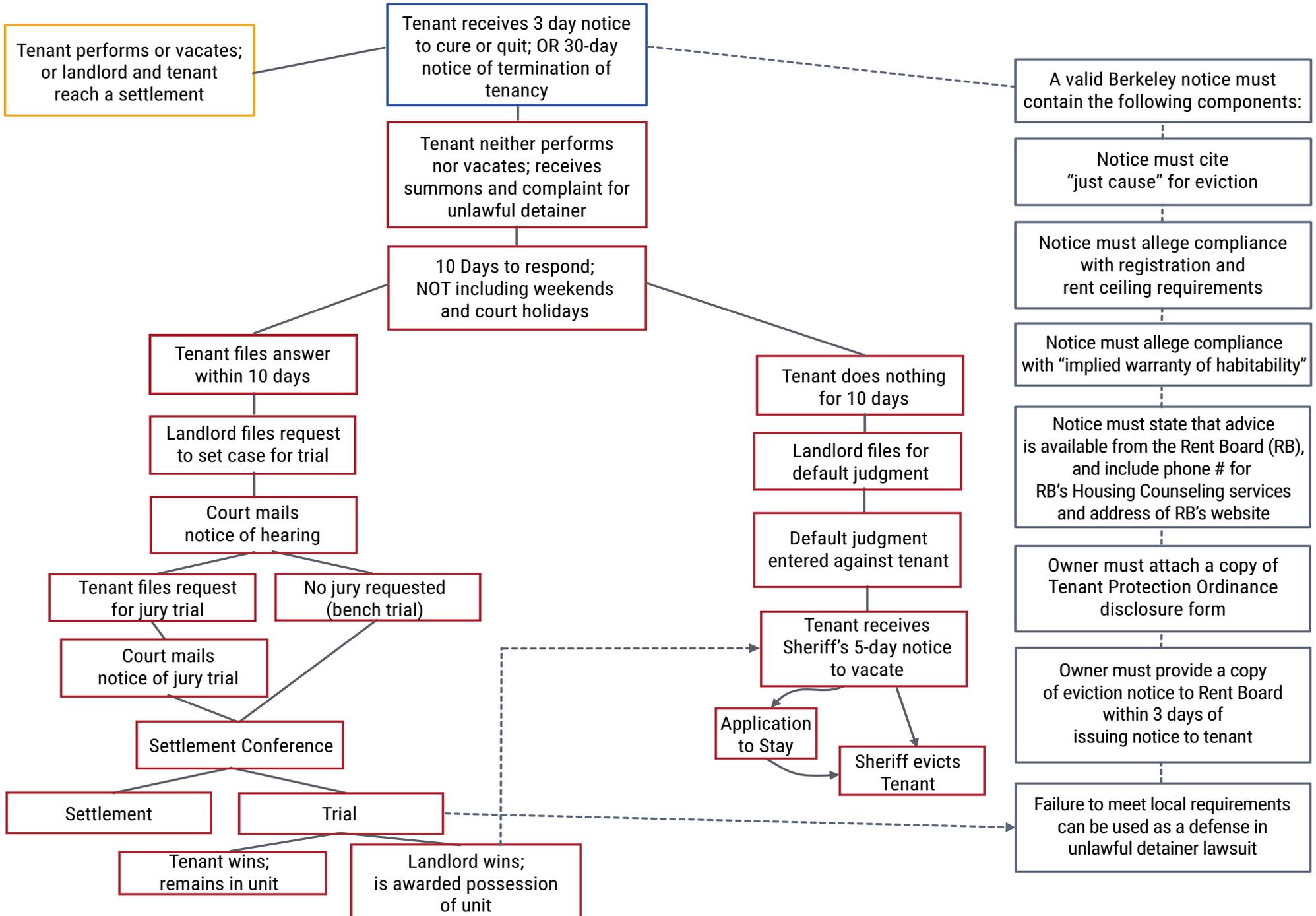
A deposit should remain accounted for if the property is sold.

The deposit and an accounting must be sent no later than 21 days after the tenant leaves.

Landlords must document certain expenses.

¹ Where several roommates live together and have paid a deposit, the landlord is not required to return the deposit until the unit is returned to the landlord vacant.

BERKELEY EVICTION PROCESS



return the deposit to the tenant.

In either case, the selling landlord may deduct any proper amounts, and must supply the tenant with an itemized accounting of the deductions and the supporting documentation described above. If the seller transfers all or part of the deposit to the new landlord, the seller must also notify the tenant of the transfer, and the new landlord’s name, address, and telephone number. All notices must be sent to the tenant by first-class mail or personal delivery. If the deposit is not refunded or transferred, both the former and current landlords are responsible to the tenant for the whole amount.



Local law requires payment of interest on deposits.

Berkeley Law Regarding Security Deposits and Interest on Deposits

The sections of the Rent Stabilization Ordinance and the Regulations governing interest on security deposits (*B.M.C. section 13.76.070; Regulations 701-706*) apply to all units that are required to be registered. They also apply to some units that do not have to be registered with the Board: those constructed after 1980, single-family residences described in *Regulation 508*, units owned or leased by the Berkeley Housing Authority, and units rented to federal Section 8 participants.

Landlords hold security deposits for the tenant’s benefit. Each December, landlords must return interest accrued through October 31st of the year, through either a cash payment or a rent rebate.

For interest accrued after November 1, 2013, interest is calculated using the 12-month average of the average rates of interest offered on six-month certificates of deposit (CDs) by commercial banks located in Berkeley (“Berkeley rate”).

For interest accrued prior to November 1, 2013, landlords may choose either the Berkeley rate or the average yield rate for six-month CDs as reported by the Federal Reserve Board. (The Berkeley rate is generally lower than the Federal Reserve rate.) A landlord who chooses the Berkeley rate must furnish the tenant and the Rent Board the identity of the bank account on an approved form.

After the tenant has moved out, a landlord must pay the tenant the balance of any interest accrued at the average monthly rate from the prior November 1st to the departure date (along with the appropriate part of the security deposit).

The Rent Board publishes the annual interest rates, as well as

each month’s applicable move-out interest rate, on its website. Security deposit calculators can also be found on the website.

A tenant who has not received a refund of security deposit interest by January 31 for any prior years may deduct the interest from rent. The tenant may deduct at the rate of 10% simple interest for the immediately preceding year, and at the Federal Reserve rate for any years before that. (*Regulation 704.*)

Landlords may not increase the amount of the security deposit for any tenant during the term of the tenancy, even if the rent ceiling increases during the term. (*Regulation 705.*) A “pet” exception applies when the landlord lets a tenant have a pet in the unit, when pets were previously forbidden. Nonetheless, the total deposit held still cannot exceed two times the monthly rent for an unfurnished unit and three times the rent for a furnished unit.

Proceed with Caution

Evictions are governed mainly by state law, but the Rent Stabilization Ordinance imposes additional requirements. Evictions are complex proceedings. A landlord must follow state and local law to the letter to successfully evict a tenant. Furthermore, a landlord’s failure to follow certain procedures may entitle a tenant to substantial damages. Rent Board counselors are available to help parties understand their rights and responsibilities, **but they do not provide legal advice to landlords or tenants regarding eviction proceedings in court. Landlords and tenants are strongly urged to obtain legal advice before filing an eviction action or contesting an eviction attempt.** Go to our website (rentboard.berkeleyca.gov) to find resources to help with these situations.

Eviction Checklist – Local Requirements

The Ordinance adds the following requirements to state law procedures for evictions (*see B.M.C. section 13.76.130 B, C and D*):

In the notice to quit or notice of termination, and in the summons and complaint (the lawsuit to evict):

- The landlord must specify one or more of the just causes for eviction listed below.
- The landlord must allege compliance with *B.M.C. section 13.76.080* (registration) for all covered units on the property (compliance means that all registration fees are paid and all registration forms are completed and filed), and with *B.M.C. section 13.76.110* (lawful rent levels).
- The landlord must allege substantial compliance with the

Tenants have a self-help remedy if interest isn’t paid.

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Proceed with caution!

There are additional requirements for Berkeley landlords.

implied warranty of habitability (no serious repair problems) for all covered units on the property.

- The landlord must state that advice is available from the Rent Board and include the phone number for Rent Board Housing Counseling services and the Rent Board's website address.

The landlord must file with the Rent Stabilization Board a copy of the notice to quit or notice of termination, and of the summons and complaint, within three days of the date they are given to the tenant(s).

Just Cause Required

The "just cause for eviction" sections of the Ordinance (*B.M.C. section 13.76.130*) apply to most rental units in Berkeley, including some units that are exempt from registration with the Board or from rent ceiling controls, such as: those constructed after 1980, single-family residences described in *Regulation 508*, units owned or leased by the Berkeley Housing Authority, and units rented to federal Section 8 participants.

"Just cause" is any one of the following:

1. The tenant fails to pay rent that the landlord is legally entitled to, after receiving a notice to pay or move out within a period of at least three days (also known as a 3-day Notice to Pay or Quit), and the amount of rent owed is equal to or greater than one month of the Fair Market Rent for a unit of equivalent size in the metro area Oakland-Fremont, CA HUD Metro FMR as determined by the US Department of Housing and Urban Development for the fiscal year in which the rent is demanded.
2. After a written request to stop the violation, the tenant continues to violate a material term of the original rental agreement or a new provision that was mutually and voluntarily agreed to. However, a landlord may not evict a tenant for violating a subletting prohibition if: a) the landlord has unreasonably withheld consent to the subtenancy; b) the tenant still lives in the unit; and c) the number of total occupants does not exceed the number originally allowed by the rental agreement or the Board's regulations, whichever is greater.
3. The tenant willfully causes or allows substantial damage to the rental unit to occur and refuses to pay or make adequate repairs after being asked in writing to do so.
4. The tenant continues to disturb the peace and quiet of other occupants after receiving a written request to stop.
5. After receiving a written request to stop denying entry, the tenant refuses to allow the landlord access to the rental unit

during normal business hours to show, inspect or make repairs on the unit after receiving at least 24 hours' written notice.

6. The landlord wants to bring the unit into compliance with the Housing Code or other law by making substantial repairs that cannot safely be made while the tenant lives there. (See additional requirements below.)
7. The landlord has received a permit to demolish the unit.
8. The owner of at least a fifty percent recorded interest in the property, or such an owner's spouse, parent, or child, wishes to occupy the rental unit as their principal residence and there is or was, for 90 days before the tenant was given notice to vacate, no vacant comparable unit available on any property owned by the landlord in Berkeley. (See additional conditions in the **Owner move-in** section below.)
9. The owner or lessor wishes to move back into a rented or sub-leased unit as permitted in the rental agreement with the current tenant or subtenant.
10. The tenant refuses to vacate temporary housing offered by the landlord after repairs to the tenant's original unit are finished.

Note: The sale of property, the expiration of a rental agreement, or a change in the federal Section 8 status of a unit are **not** considered "just cause" for eviction.

Foreclosure. If a rental property in Berkeley is foreclosed upon, it rarely means that the tenant must move. Despite what lenders or new owners may say, Berkeley tenants are entitled to remain in the property unless there is just cause to evict. **Foreclosure is not one of the just causes listed in the Rent Ordinance.** Recently passed Federal and state laws provide greater tenant protections and address abuses by foreclosing lenders. Contact a Rent Board housing counselor for the latest information about rights of tenants in properties facing foreclosure or recently foreclosed upon.

Condo conversions. Tenants in properties that are converted to condominiums receive substantial protections under the City's ordinance governing those conversions. (*B.M.C. Chapter 21.28.*) Most significantly, the just cause for eviction provisions of the Rent Ordinance will apply, so **most tenants in converted properties will not be required to move.** An owner planning to convert a rental unit to a condominium must notify the tenant of their rights to 1) continue to rent the unit, even if converted, and 2) purchase the unit, if they wish.

Relocation Ordinance. Tenants who are given a notice to vacate so the landlord can perform substantial repairs are entitled



Some events that are not just cause

Condo conversions are heavily regulated, and include tenant protections.



Protected tenants may be evicted only for one of the "just causes" in the Rent Ordinance.

Tenants who move for repairs must be compensated and allowed to return.

Landlords and tenants involved in owner move-in evictions are urged to contact the Rent Board.

to payments under the City's Relocation Ordinance (*B.M.C. Chapter 13.84*) and have the right to re-occupy the rental unit once the repairs are completed. The owner must first obtain all necessary permits for the work. Rent Board mediation is provided if the landlord and tenant cannot agree on the need for relocation. The amount of payments depends on how long the repairs take.

Owner move-in. The Ordinance bans evictions for owner or relative move-in where either: (1) the tenant has lived on the property for five or more years and the landlord has a 10% or greater ownership interest in five or more residential units in Berkeley, or (2) the tenant is at least 60 years old or disabled, has lived on the property for five or more years, and the landlord has a 10% or greater ownership interest in 4 residential units in Berkeley. If all the landlord's units are limited by the above, an eviction for the owner or relative to move in is permitted where: the landlord has owned the property for five years and is at least 60 years old or disabled, or the landlord's relative is at least 60 years old or disabled.

The Ordinance also bans evictions for owner or relative move-in if the tenant family includes minor children during the academic year.

The landlord must include, in the notice of termination, information about relocation assistance, tenant protections for families with minor children, the name and relationship of intended occupant (for relative move-ins), and all Berkeley residential properties in which he or she has a 10% or greater ownership interest, and must always offer the tenant any unit that he or she owns in Berkeley that becomes available before the tenant vacates his or her unit.

For 2026, tenant households evicted for owner/relative move-ins are entitled to a \$19,413 relocation payment, with an additional \$6,471 for low-income, disabled, elderly, families with minor children, or tenancies that began prior to 1999. These amounts will be adjusted annually for inflation and published by the Rent Board.

Within 10 days of serving an owner/relative move-in eviction notice on the tenant, the landlord must deposit the standard relocation payment with the City. The funds will be released to the tenant within 10 days of the deposit, unless the landlord challenges the tenant's eligibility by notifying the Rent Board.

To be eligible for the additional relocation payment, the tenant must, within 30 days of receiving the eviction notice, provide

written notice to the landlord and the Rent Board regarding the basis for eligibility. The landlord must then deposit the additional amount with the City within 10 days of the tenant's notice of eligibility, and the funds will be released within 10 days of being deposited, unless the landlord challenges the tenant's claim.

The Rent Board hears and decides petitions regarding disputed claims for relocation payments.

The landlord must give the terminated tenant the right to re-occupy the unit when the landlord or his or her relative moves out. Also, when the landlord or his or her relative moves out, the rent for the next tenant will be limited to the old rent ceiling plus AGAs.

Finally, if a landlord cancels a notice of termination or stops eviction proceedings for owner or relative move-in, and the tenant vacates within one year of the notice date, it is presumed that the tenancy terminated because of the notice, and the rent for the next tenancy will be limited to the old rent ceiling plus AGAs. (*Regulation 1016.*)

Ellis Act. This state law allows landlords to evict tenants in order to remove units from the rental housing market. (*Government Code sections 7060-7060.7.*) A local ordinance, *Berkeley Municipal Code Chapter 13.77*, establishes specific procedures under the state law.) Generally, an owner must withdraw all units on a property to evict under the Ellis Act. Tenants must be given at least 120 days' notice, and the notice period is one year for tenants who are disabled or 62 years of age or older. For 2026, tenants evicted under Ellis are entitled to a \$19,413 relocation payment divided equally among all tenants in the unit, with an additional \$6,471 for low-income, disabled, elderly, families with minor children, or tenancies that began prior to 1999. These amounts will be adjusted annually for inflation and published by the Rent Board. As with disputes over relocation payments for owner/relative move-in evictions, the Rent Board hears and decides petitions regarding disputed claims for Ellis Act eviction relocation payments. Displaced tenants may request the opportunity to re-occupy the unit, on substantially the same terms as during their former tenancy, if it is re-rented within ten years of the withdrawal date.

When a landlord sends a notice of intent to withdraw rental units from the market under the Ellis Act, the rents will be regulated for the next five years (even if the landlord later cancels the Ellis notice). During this time, the rent ceiling may be increased only as authorized by the Board, and none of the rents may be increased to market level following a vacancy.

To "Ellis" a property means the property owner is going out of the rental business.



Landlords who wrongfully evict are liable for damages.



Photo by PNW Production from Pexels <https://tinyurl.com/2p984syv>

Wrongful eviction. If a landlord evicts a tenant to perform repairs or demolish the property, and the repair or demolition is not begun within two months, or if the landlord's claim was false or in bad faith, the tenant may sue to move back into the unit and be compensated for damages. If the tenant can prove the landlord's conduct was willful, the tenant can recover the greater of \$750 or three times the actual damages. (*B.M.C. section 13.76.150 B.*)

Bad faith is presumed where a landlord evicts for owner or relative move-in, and the owner or relative does not move in within three months of the tenant's vacancy, or does not occupy the unit as a principal residence for at least 36 continuous months. (*B.M.C. section 13.76.130 A.9.g.*) Under state law, a tenant who can show an owner's fraudulent intent not to reside in the property for at least six months may receive additional compensation. (*Civil Code section 1947.10.*) If a unit that was withdrawn under the Ellis Act is re-rented within two years of the withdrawal date, displaced tenants may sue for damages resulting from their displacement. If the re-rental occurs more than two, but less than ten years from the withdrawal date, displaced tenants may sue for damages if the owner failed to offer them the chance to re-rent. (*B.M.C. section 13.77.040.*)

Improper Landlord Actions

A landlord may not retaliate against a tenant for exercising his or her rights under the Rent Ordinance or other laws. "Retaliation" can take the form of attempting to evict the tenant, increasing rent, refusing to renew a lease, or threatening to do any of those things. Tenant actions protected by law include reporting housing code violations or filing a petition with the Rent Board. A landlord's retaliatory motive can be a defense to an eviction action.

"Self-help" evictions – that is, forcing a tenant out of a unit without a court order – are prohibited in California. It is illegal for a landlord to:

- remove exterior doors or windows,
- change the locks to prevent a tenant from entering the rental unit,
- remove a tenant's personal property from the rental unit, or
- cut off utilities with the intent to deny the tenant use of the unit.

A landlord may not try to force a tenant to move out through

theft, fraud, or extortion, or by using, or threatening to use, force, threats, or menacing conduct that interferes with the tenant's right to quiet enjoyment of the premises. However, a warning given in good faith that a tenant's conduct violates or may violate the lease or applicable laws, or an explanation of the lease terms or applicable law, is permissible.

A landlord may not demand or collect rent, or issue a notice of rent increase, or issue a three-day notice to pay rent or quit if **all** of the following are true:

- The unit substantially lacks any of the standards of a habitable unit listed in *Civil Code section 1941.1*, contains lead hazards, or is deemed and declared substandard because a condition listed in *Health and Safety Code section 17920.3* (e.g., lack of sanitation, pest infestation) endangers the life, health, property, safety, or welfare of the public or the unit's occupants;
- The landlord has received a written citation directing him or her to abate the nuisance or repair the substandard conditions;
- The conditions have existed for more than 35 days after issuance of the citation and there is no just cause for the delay in repairing them; and
- The conditions were not caused by the tenant.

A tenant who is being evicted may assert, as a defense, that the landlord failed to provide a tenantable unit or breached the implied warranty of habitability. In addition, a landlord who tries to evict a tenant for nonpayment of rent where all of the above conditions exist is liable to the tenant for attorney's fees and costs.

A tenant who is illegally evicted may sue to regain possession of the unit and for damages. A tenant should contact an attorney or tenants' rights group if the landlord takes retaliatory action or attempts to force him/her out without going through the eviction process.

Local and State Laws

The following ordinances and statutes are either unique to the City of Berkeley or relatively new statewide requirements. This is not an exhaustive list of laws affecting landlords and tenants.

Residential Housing Safety Program. Most rental property owners must certify that their units meet housing safety standards by a City-prepared checklist by July 1st of each year, and give a copy of the certification to the tenant. For more information, contact the city's Housing Department at (510) 981-5445.

Smoking ban in apartments. Under new city legislation



Retaliation and self-help evictions are prohibited.

Not fixing major habitability problems not caused by the tenant affects the landlord's rights to raise the rent or evict.

OTHER LAWS AFFECTING RENTAL PROPERTIES

effective May 1, 2014, smoking is banned in all multi-unit residences (including common areas). Violators may be fined up to \$500. Landlords must post notice of the ban and include a smoking prohibition clause in all new leases. For existing leases without a smoking ban, the Board encourages mutually agreed-upon lease addendums prohibiting smoking to ensure safe and healthy housing for all. A sample addendum is available on our website. While state law allows landlords to unilaterally ban smoking, even if previously permitted, this does not preempt Berkeley's Rent Ordinance, which does not allow a landlord to evict a tenant for non-compliance with a unilaterally-imposed lease term where none existed before (*Regulation 1313*).

Disclosure of tenant screening fee rights. Before collecting a fee from prospective tenants to run a credit check or process a rental application, landlords must furnish a "Tenant Screening Fee Rights" statement and disclose the maximum fee allowed under state Civil Code section 1950.6(b). (*B.M.C. Chapter 13.78*.)

Electronic payments. Landlords cannot require tenants to pay rent electronically, online, or through an automatic deduction system. Tenants may agree to pay rent in one of those ways, but they also have the right to rescind such an agreement at any time. (*Civil Code section 1947.3*.)

Buyout Ordinance. Effective April 30, 2016, new local legislation adds tenant protections in buyouts, including a tenant's right to rescind the buyout agreement within 30 days after signing and a landlord's duty to provide a written disclosure of the tenant's rights at the start of negotiations. Landlords must also file the signed buyout agreements with the Rent Board. Data from the buyouts, including compensation paid and length of tenancy, will be made publicly available.

Masking unlawful detainers. AB 2819 changes state law on the masking of eviction court cases, or unlawful detainers (UDs). Old law made UD's publicly available if the tenant did not win within 60 days the complaint was filed. The masking did not filter out UD's in which the tenant prevailed after the 60-day mark or had their case dismissed. As a result, those tenants would be captured by tenant screening companies. The new law limits what UD's become public only to those where a landlord wins at trial.

Bed bug law. AB 551 creates rules for landlords and tenants to help control bed bug infestations. Beginning July 1, 2017, landlords must give notices to prospective tenants about bed bug identification and prevention. Such notice is required for all other (existing) tenants by 2018. Tenants who report bed bugs are protected from landlord retaliation. Landlords on notice of bed bugs are prohibited from renting infested units. Tenants are required to cooperate in the inspection and treatment of bed bugs.

Humanitarian rental status. Regulation 1017 authorizes the Rent Board to adopt resolutions allowing owners to rent to displaced persons at below-market rent for a defined period, as a housing response to national disasters. The regulation was expanded to cover more categories of displaced persons, including refugees and locally-displaced tenants.

Short-Term Rentals. A 2017 City of Berkeley ordinance requires residents who provide short-term rentals (less than 14 consecutive days) to register with the City. Hosts, who can be owners or tenants, are responsible for a 12% transient occupancy tax and a 2% monthly code enforcement fee. To qualify, the unit must be the Host's primary residence, covered by liability insurance of \$1,000,000, and located in an approved zoning district. Tenant hosts require proof of the owner's approval and, for rent-controlled units, may only charge a daily rent that is proportional to the legal rent paid to the owner. Units that are prohibited from being short-term rentals are Below Market Rate units, units with a no-fault eviction in the last five years, and accessory dwelling units built after 4/1/17 or used as a long-term rental between 4/1/07 and 4/1/17. The short-term rental need not be the host's primary residence if it is an accessory dwelling unit built before 4/1/17 and was not used as a long-term rental between 4/1/07 and 4/1/17, or if the short-term rental is in an approved accessory building.

Housing Discrimination Based on Source of Income. In July 2017, the City of Berkeley passed legislation to prohibit landlords from discriminating based on a tenant's or prospective tenant's source of income. Under the new law, source of income includes governmental rental assistance and Section 8 vouchers. Passed in October 2019, SB 329 similarly clarifies state law by including Section 8 voucher holders as a protected class.

Tenant Protection Ordinance. Effective March 14, 2017, new local legislation protects tenants against landlord harassment and prevent illegal evictions. The law grants civil remedies that may be pursued by tenants and the City Attorney, including injunctive relief and treble damages for egregious landlord conduct.

Third-Party Rent Payments Allowed. Passed in August 2018, AB 2219 allows tenants to pay rent through a third party, provided that the third party acknowledges that the payment doesn't create a tenancy with the third party.

Extra Time to Respond to Eviction Notices. Effective as of September 2019, AB 2343 gives more time for tenants to respond to eviction notices or lawsuits by excluding weekends and holidays from being counted toward the number of days to respond.

Protecting Survivors of Domestic Violence. Passed in August 2018, AB 2413 broadens and strengthens tenant protections for

domestic violence survivors who are being unfairly punished by nuisance ordinances and evictions.

Longer Notice for Large Rent Increases. Starting January 1, 2020, landlords must give at least 90 days' notice for rent increases greater than 10%. AB 1110 increased the notice period, which was previously 60 days. State law remains unchanged for rent increases of 10% or less, in which at least 30 days' notice is required.

Statewide Anti-Rent Gouging and Just Cause Eviction Protections. Effective January 1, 2020, AB 1482 limits annual rent increases to 5% plus inflation and requires just cause to evict tenants who have lived in their unit for at least one year. The state law does not override local rent controls with stronger protections, like the Berkeley Rent Ordinance. The statewide rent cap does not apply to certain units, including those that are less than 15 years old, single-family homes owned by a natural person, owner-occupied duplexes, and government-subsidized housing (e.g. Section 8, Shelter Plus Care). Accordingly, some units that are partially or fully exempt from the Berkeley Rent Ordinance will be subject to the statewide rent cap. These include single-family homes that are owned by certain corporate entities and units that were built after 1980, but more than 15 years ago.

Fair Chance Access to Housing Ordinance. New local legislation prohibits rental housing providers in Berkeley from asking about and using criminal history and/or criminal background checks in their rental housing advertising, applications, tenant selection process, or decision-making. Housing Providers must include the City's Notice to Rental Applicants and Tenants prominently on their application materials, websites, and at any locations under their control that are frequently visited by applicants. Some types of housing are exempt, including owner-occupied properties with 1-3 units; units under a rental agreement allowing owners to move back to their home; units with tenants seeking to sublet or find a roommate. Subsidized housing providers are not exempt unless complying with state or federal law. Housing providers may also review the state's lifetime sex offender registry if they are concerned about the safety of persons at risk.

Tenant screening fees. AB 2943, passed in September 2024, prohibits landlords from charging tenant candidates a screening fee if they are not selected to fill a vacancy. Alternatively, a landlord can have a screening fee policy in which 1) applications are reviewed in the order received, 2) the first qualified applicant gets the unit, and 3) fees are not charged to applicants who were not considered.

New Laws on Security Deposits. Under AB 12, effective July 1, 2024, landlords can only charge security deposits up to one

month's rent for unfurnished and furnished units. Landlords who only own two rental properties with no more than four units total can charge up to two month's rent for the security deposit, unless the tenant is in the military. This exception applies when ownership is held by natural persons, a family trust, or LLCs where all the members are natural persons.

Under AB 2801, landlords must take photographs at the beginning and the end of a tenancy and provide that to tenants when justifying deductions taken from the security deposit as follows: starting July 1, 2025, landlords must take photographs of the unit right before occupancy; and starting April 1, 2025, landlords must take before-and-after work photographs after the tenant moves out as proof of charges being deducted from the security deposit. The photographs must be included with the itemized statement of deductions, receipts/bills/invoice, and any remaining portion of the deposit that must be returned to the tenant within 21 days after the move-out.

Ten days to respond to UD actions. AB 2347, passed in September 24, 2024, extends the time for tenants to respond to unlawful detainer complaints (court eviction cases) from five to 10 days (excluding weekends and court holidays).

No Eviction When Social Security Benefits Interrupted. AB 246 protects tenants from eviction for nonpayment of rent due to interruptions with Social Security benefits caused by the federal government.

Stoves and Refrigerators as Habitability Requirements. For new or renewed leases starting in 2026, AB 628 requires rental units to include a working stove and refrigerator to be considered habitable.

Electronic Refund of Security Deposits. AB 414 provides more flexibility for landlords and tenants to agree on refunding security deposits electronically and providing itemizations of any security deposit deductions by email after the tenant moves out.

New Tenant Association Rent Adjustment Petition. Tenant Associations can now seek rent ceiling reductions on behalf of all tenants affected by common area issues. Please see our Tenant Individual Rent Adjustment Petitions webpage for important information on filing requirements.

ANNUAL GENERAL ADJUSTMENTS (AGAs) FROM 1981 - 2026

1981:	5% OR 6.2% if owner paid for space heating
1982:	9% plus, if the landlord paid for gas and electricity, including space heating, an additional increase as follows: \$4: studio \$7: 1-bedroom \$9: 2-bedroom \$10: 3-bedroom \$12: 4-bedroom \$16: house w/ 3+ bedrooms <i>Bonus of 1% for each year the 1982 AGA is deferred</i>
1983:	4.75% OR 5% if landlord paid for electricity or gas
1984:	0%
1985:	2%
1986:	3% plus \$2.50 per month
1987:	3.5%
1988:	\$25.00 per month OR \$15.00 per month for residential hotels
1989:	3% OR 3.5% if landlord paid for gas, electricity, or heating in the unit
1990:	\$16.00 per month
1991:	4% OR \$17.00 per month, whichever is higher
11/1/91:	1991 Inflation Adjustment ("Searle" increase): 45% of the 5/31/80 rent
1992:	\$26.00 per month
1993:	\$20.00 per month
1994:	\$18.00 per month
1995:	1.5%
1996:	1%
1997:	1.15%
1998:	0.8%
1999:	1% OR \$8.00 per month, whichever is lower
2000:	\$6.00 per month*
2001:	\$10.00 per month, plus \$8.00 if the landlord pays for heat to the unit*
2002:	3.5% OR \$30.00 per month, whichever is lower, plus \$9.00 if the landlord pays for heat to the unit*
2003:	0%
2004:	1% plus \$3.00 per month if initial rent was established under the Costa-Hawkins Act between January 1, 1999, and December 31, 2002, OR 1.5% plus \$3.00 per month for all other units*
2005:	0.9%*
2006:	0.7%*
2007:	2.6%*
2008:	2.2%*
2009:	2.7%*
2010:	0.1%*
2011:	0.7%*
2012:	1.6%*
2013:	1.7%*
2014:	1.7%*
2015:	2.0%*
2016:	1.5%*
2017:	1.8%*
2018:	2.3%*
2019:	2.5%*
2020:	2.1%*
2021:	1.0%*
2022:	2.1%*
2023:	4.4%*
2024:	1.9%*
2025:	2.1%*
2026:	1.0%*

* AGAs for these years may not be implemented on any unit that had an initial rent established on or after January 1 of the previous year.

GENERAL CALENDAR

January 1 st	Annual General Adjustment (AGA), calculated according to the formula in the Rent Ordinance, raises the lawful rent ceiling for eligible units
February	Lawful Rent Ceiling Notices mailed to tenants and landlords
Late May	Billing mailed to landlords for annual registration fee
July 1 st	Payment due from landlords for annual registration fee
Around October 31 st	Rent Stabilization Board publishes the Annual General Adjustment for the following year
By November 15 th	Rent Stabilization Board publishes interest rates to be used in calculating interest on security deposits
Late November	Information mailed to landlords and tenants concerning next AGA and security deposit interest
By December 1 st	Most landlords give 30-day notice of implementing the next AGA on January 1 st
December	Landlords must refund security deposit interest (as rent credit or cash payment)



BERKELEY

RENT STABILIZATION BOARD

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