

SECURITY DEPOSITS

Example Only: This document is not offered as a legal form or instrument, and should not be used as a substitute for seeking necessary advice from an attorney or other qualified professional.

WHAT CAN THE SECURITY DEPOSIT BE USED FOR?

Security Deposit (also called “damage,” “cleaning,” and “pet deposit”) may be used for several purposes.

- To reserve the premises before a tenant moves in.
- To cover the unpaid rent if the tenant abandons the residence.
- For unpaid gas, water, or electric bills
- To pay for damages beyond “normal wear and tear” (“normal wear and tear” is defined as deterioration which occurs based upon the use for which the rental unit is intended without negligence, carelessness, accident, or abuse of the premises or equipment by the tenant or their guests. If it can be cleaned - it is not wear and tear).
- Any breach of the lease causing damage.

WHEN IS A TENANT ENTITLED TO A FULL RETURN OF THEIR DEPOSIT?

The tenant is entitled to the full return of the security deposit within one month (or 60 days if the lease says 60 days) of leaving the premises and returning the keys in the landlord’s hand, termination of the lease, or surrender and acceptance of the premises, whichever is later, if:

- 1) The tenant has given proper **WRITTEN** notice of the date they are moving. Proper notice is the time stated in the lease. If no time is stated, notice should be given within the time required by law, (usually the ending date must be at the end of a month) and
- 2) The tenant does not owe the landlord any money, and
- 3) The apartment is left in the same condition as the tenant found it when they moved in, minus “normal wear and tear” (see above).

WHAT PRECAUTIONS SHOULD BE TAKEN TO PROVE THE CONDITION OF THE PREMISES?

****Before moving in** – a list should be made of existing damages and necessary cleaning. **ALSO TAKE PICTURES BEFORE YOU MOVE IN OF ANY DAMAGES OR DIRT YOU FIND** (actual photos are better than video camera DO

NOT use cell phones). Both parties should initial the list and keep a copy for their records.

**Before moving out – the tenant should make an appointment with the manager/ landlord to join the tenant at the property to review the condition of the premises, listing any damages and necessary cleaning. Both parties should keep a copy of the list, and initial both copies.

WHAT ARE THE LANDLORD'S RESPONSIBILITIES IN RETURNING THE SECURITY DEPOSIT?

The landlord should agree to join the tenants on a tour of the premises, listing any damages and necessary cleaning, at the time the tenant vacates to avoid any misunderstanding concerning a refund of the deposit. Both parties should initial and keep a copy of the list.

After the tenant vacates, the landlord must return, within one month (or 60 days if the lease says 60):

- 1) the full amount of the security deposit minus proper deductions; and
- 2) a list of damages caused by the tenant; and
- 3) proof of the amount required for repairs.

If the amount required for repair is greater than the security deposit, the landlord can bill the tenant for the difference.

WHAT IF THE LANDLORD DOES NOT RETURN THE SECURITY DEPOSIT?

If the landlord does not send the deposit AND a written list of damage charges to the tenant within one month (or 60 days lease says 60), **or** the tenant disagrees with the landlord's damages list, the tenant must send the landlord a letter to inform them that a claim will be made if the security deposit is not returned within (7) days of receipt of the letter by the landlord.

The letter must state *the address of the property, the dates of occupancy, and the amount of the security deposit paid*. If the tenant has received an itemized statement, but disagrees with the claims for damages, the tenant should also state: *"I disagree with your charges."* (In Colorado you must also send this by certified mail and state *"If the deposit is not returned within 7 days, I intend to file a lawsuit for triple the amount, attorney fees and costs."*)

After (7) days of receipt of the letter by the landlord, the tenant may file a claim against the landlord with the court in the county in which the landlord lives or where the rented property was. If triple damages are under \$7,500 the tenant may file in small claims court. If it is determined by the court the deposit has

been wrongfully withheld, the tenant may be entitled to (3) times the amount of the security deposit (treble damages) plus costs and attorneys fees.

However, the landlord has the right to counterclaim for any damages caused by the tenant. The amount of damages which he is able to prove will be subtracted from the tenant's reward.

WHAT IF THERE IS A DANGEROUS GAS LEAK? - Colorado Revised Statute Section 38-12-104

The tenant should immediately contact Public Service or the appropriate utility company and should immediately leave the living space.

If the landlord refuses to repair a dangerous condition of a gas appliance, piping or other equipment within (72) hours (Saturday, Sunday and holidays excepted), after receipt of **written notice** that such hazardous condition exists, the tenant may leave the premises, after which the lease agreement between the tenant and landlord ends and all rights and future obligations of the tenant terminate/end. If the problem is not fixed quickly the renter may terminate the lease per Colorado Law. Call 303-831-1935 for information.

The tenant may demand the immediate return of any or all of the security deposit to which the tenant is entitled and any rent rebate. The landlord must return the deposit or send a written statement listing exactly the reasons for the retention of any portion of the security deposit within (72) hours. If the (72) hours falls on a Saturday, Sunday or legal holiday, the deposit must be returned by noon the following business day.