

May the landlord increase the security deposit?

Tenants often ask if it's legal for a landlord to raise their security deposits after they move in. The answer is that it depends on the situation:

- If you have a fixed-term lease (for example, a lease for a year), the landlord may not raise the security deposit during that year unless the lease allows this
- If you live in a city that has rent control, your ordinance probably restricts increases in security deposits while you remain a tenant of a particular landlord
- If the security deposit and other fees already add up to twice the monthly rent (if the place is unfurnished) or three times the monthly rent (if the place is furnished), the security deposit may not be increased.
- If none of these three things applies and you are a month-to-month tenant, then the landlord may force you to pay more into the security deposit- if she does it right. To legally raise a deposit, she must give you at least 30 days' written notice of the increase, and she must have it properly "served" on you. This means that she must try to have it handed to you at your residence or your place of work; a notice served by mail alone is not legal unless you voluntarily go along with it. *Cal. Civil Code §827.*

What is a legally valid asking price for a rental deposit?

Unfurnished rental unit	No more than 2 months rent , unless you have a waterbed, then 2 ½ months' rent is allowed
Furnished rental unit	No more than 3 months' rent, 3 ½ for a waterbed
Plus first months rent	Landlord is allowed to require you to pay first months rent and deposit

All this means is that it is important to keep copies of your rental agreement and the receipt for your security deposit. You may need those records to prove that you paid a security deposit, to verify the amount, and to determine whether the landlord had a

right to make a deduction from the deposit. *CA Civil Code §1950.5(o)*

How can I avoid deposit problems?

Problems involving security deposits often arise like this:

- The tenant moves out
- The landlord keeps all or part of the deposit on the ground of damage or lack of cleaning
- The tenant says that the place was left in good condition.

If a tenant and a landlord can't reach a compromise, the tenant will probably sue the landlord for the money withheld, leaving it up to the judge to decide who is telling the truth. For both sides, this is a pretty risky, messy, and time-consuming way of handling things.

The best way to try to prevent this from happening is to arrange to meet with the landlord or manager before you've moved your belongings out and after you've cleaned up. Be sure to take advantage to your right to a pre-move out inspection with your landlord. Tour the apartment together and check for any damage, dirt, and so on. Then remedy any uncleanliness or repairs the landlord has noted. (Of course you will not be obligated to clean the bathroom tiles with a toothbrush.)

If you can not get the landlord to meet with you when you leave, then make your own tour. Bring at least one reliable witness (a person who helped clean often makes a very convincing witness). Take some photos and keep all of your receipts for cleaning and repair materials, so you will be ready to prove your case if you later have to sue in small claims court to get your deposit back. (Remember after you are out, it is usually too late to come back and take pictures.)¹

What are my rights and suggested conduct during a landlord walk through?

At least a week before moving out, you should arrange a time for you and the landlord to walk

¹ California Tenants' Rights by attorneys Myron Moskovitz and Ralph Warner. Nolo Publishing, 15th Ed.

through the rental unit and complete the “Condition upon Departure” portion of the Landlord-Tenant Checklist.

Ideally, the walk-through should occur after you have moved all of your belongings and have thoroughly cleaned the rental unit. Carefully completing the checklist at this point will help identify problem areas, and will help avoid disagreements after you have moved. Items identified as needing repair or cleaning may result in deductions from your security deposit, unless you take care of them yourself or reach an agreement with the landlord.

What is the legal purpose of my security deposit?

A landlord may use the tenant’s security deposit for four purposes:

- For unpaid rent;
- For cleaning the rental unit when the tenant moves out, if the unit is not as clean as when it was rented;
- For repair of damages, other than normal wear and tear, caused by the tenant or the tenant’s guests; and
- If the lease or rental agreement allows it, for the cost of restoring or replacing furniture, furnishings, or other items of personal property, other than for ordinary wear and tear.

Cleaning Up When You Move Out

When you clean the unit, it should satisfy the “average” or “reasonable” incoming tenant.

Carpets and drapes – “useful life” rule

Ordinary wear and tear to carpets or drapes includes simple wearing down of carpet and drapes because of normal use or aging, and includes moderate dirt or spotting. In contrast, large rips or indelible stains justify a deduction from the tenant’s security deposit.

Repainting walls

One approach for determining if you are responsible for repainting the unit is based on the length of the tenant’s stay in the rental unit. This approach assumes that interior paint has a two-year life.

(Some landlords assume that interior paint has a life of three years or more.)

Length of stay	Who is responsible/ Deduction
Less than 6 months	Tenant/full cost
6 months to 1 year	2/3 tenant/ 2/3 of cost
1 year to 2 years	1/3 tenant/ 1/3 of cost
2 or more years	Landlord

Damage to walls

Generally, minor marks or nicks in walls are the landlord’s responsibility as normal wear and tear (e.g., worn paint caused by a sofa against the wall). However, a large number of holes in the walls or ceiling that require filling with plaster, or that otherwise require patching and repainting, could justify withholding the cost of repainting from the tenant’s security deposit. Generally, large marks or paint gouges are the tenant’s responsibility

What’s the landlord’s duty to return the deposit?

The general rule is that there is no such thing as a nonrefundable deposit. Per California Civil Code Section 1950.5(f), within three weeks after you move out—whether voluntarily, by abandonment or by eviction—the landlord must do one of two things:

1. return all of your deposit, or;
2. give you personally or by first-class mail (California Civil Code Section 1950.5(f)), an “itemized statement” in writing saying why s/he is retaining part or all of the deposit, and return any remaining portion to you. If the deductions are more than \$125 the itemization must show (a) detailed information as to who did the repairs, time spent, hourly charge and invoices – if the landlord or his agent did the repairs; or (b) show receipts with address(es), name(s) and phone number(s) of the person(s) or entity who did the work. Deductions for materials must also be listed, along with copies of corresponding receipts. If the landlord cannot acquire receipts within 21 days after you move out, the landlord may bill your deposit in a good faith estimate but give you the contact information for who did the work and then provide receipts 14 days after

getting the receipts. The landlord doesn't have to provide receipts if you signed a detailed waiver *after* a notice of termination has been given or signed a waiver anytime within the 60 days prior to a fixed term lease expiration.

The security deposit cannot be used for repairing defects that existed in the unit before you moved in (California Civil Code Section 1950.5(e)), for conditions caused by normal wear and tear (California Civil Code Section 1950.5(b-2)), during your tenancy or a previous tenancy, or for cleaning the rental unit that is as clean as it was when you moved in.

If within the 21 days, the landlord does not provide you with a statement itemizing the deductions from the security deposit, the landlord loses the right to retain any of the security deposit, and must return the entire deposit to you—except for rent owed or if tenant damaged the premises (*Granberry v. Islay Investments* (1995) 9 Cal. 4th 738,745) [38 Cal. Rptr.2nd 650, 653]. If the landlord/manager fails to comply with these requirements, your recourse is to take the him/her to Small Claim Court.

Bad faith retention or deductions from your security deposit is illegal (California Civil Code Section 1950.5(k)).

California Civil Code Section 1950.5(f) states; Within three weeks after the tenant has vacated the premises, the landlord shall furnish the tenant, by

personal delivery or by first-class mail, postage prepaid, a copy of an itemized statement indicating the basis for, and the amount of, any security received and the disposition of the security and shall return any remaining portion of the security to the tenant.

California Civil Code Section 1950.5(e) states: The landlord may not assert a claim against the tenant or the security for damages to the premises or any defective conditions that preexisted the tenancy, for ordinary wear and tear or the effects thereof, whether the wear and tear preexisted the tenancy or occurred during the tenancy, or for the cumulative effects of ordinary wear and tear occurring during any one or more tenancies.

California Civil Code Section 1950.5(k) states: The bad faith claim or retention by the landlord or the landlord's successors in interest of the security or any portion thereof in violation of this section, may subject the landlord or the landlord's successors in interest to statutory damages of up to *two times the amount of the deposit in addition to actual damages*. The court can award a bad faith penalty in addition to actual damages whenever the facts of the case warrant—even if the tenant has not requested the penalty.

Let's assume that three weeks have passed since the day you moved out and you have received neither your deposit nor an itemization of what it was used for. It's time to take action. If you feel your landlord has improperly kept your security deposit, the first thing you should do is ask for it in writing.

SAMPLE LETTER REQUESTING THE RETURN OF THE SECURITY DEPOSIT

1500 Acorn Street #4
Cloverdale, CA 99921

September 15, 2004

Smith Realty Co.
10 Jones Street
Cloverdale, CA 99912

Dear Sir (Madam),

As of this date, you have not returned the deposit which I paid you in the amount of \$800 at the commencement of my rental of the property located at 1500 Acorn Street #4, Cloverdale, CA.

Pursuant to California Civil Code Section 1950.5, I hereby request the immediate return of this deposit. California Civil Code Section 1950.5 states:

The landlord may claim of such payment or deposit only such amounts as are reasonable necessary to remedy tenant defaults in the payment of rent, or for the cost of cleaning necessary to return the unit to the same level of cleanliness it was in at inception of the tenancy. The repayment or deductions made for these specific purposes. Any remaining portion of such payment or deposit **SHALL BE RETURNED** to the tenant no later than **TWENTY-ONE DAYS** after termination of this tenancy—be it due to an eviction, abandonment or a voluntary move.

The bad faith retention of a landlord or transferee of payment or deposit or any portion thereof, in violation of this section, may subject the Landlord or his transferee to *damages up to two times the amount of the deposit in addition to any actual damages*. The court can award a bad faith penalty in addition to actual damages whenever the facts of the case warrant—even if the tenant has not requested the penalty.

Please be advised that unless I receive this money within Seven (7) days from receipt of this letter, I will not hesitate to commence legal proceedings against you.

Sincerely yours

Sally Tenant

[In the following page you will find a form letter that you can just simply fill in. As we state in our cover letter, we recommend that you write your own letter in your own words with more detail, but we also provide you with this form letter in case you feel you need it].

Your Name

Address

City/State/Zip

Landlords/Manager Name

Date

Address

City/State/Zip

Dear

As of this date, you have not returned the deposit which I paid you in the amount of \$ _____ at commencement of my rental of the property located at _____

Pursuant to California Civil Code Section 1950.5, I hereby request the immediate return of this deposit. California Civil Code Section 1950.5 states in part:

The landlord may claim of such payment or deposit only such amounts as are reasonably necessary to remedy tenant defaults in the payment of rent, or for the cost of cleaning necessary to return the unit to the same level of cleanliness it was in at inception of the tenancy --if the repayment or deposit is made for any or all of these specific purposes. Any remaining portion of such payment or deposit SHALL BE RETURNED to the tenant no later than TWENTY-ONE DAYS after termination of this tenancy.

The bad faith retention of a landlord or transferee of payment or deposit or any portion thereof, in violation of this section, may subject the Landlord or his transferee to damages *up to two times the amount of the deposit* in addition to any actual damages. The court can award a bad faith penalty in addition to actual damages whenever the facts of the case warrant—even if the tenant has not requested the penalty.

Please be advised that unless I receive this money within _____ days from receipt of this letter, I will not hesitate to commence legal proceedings against you.

Sincerely yours

Your Name

MOVE-OUT INSPECTION RIGHTS

Effective January 1, 2003, tenants have the right to request an inspection of the premises before they move out. This new law gives tenants an opportunity to correct any identified deficiencies in the condition of the property, and thereby minimize deductions, if any, from their security deposits.

The new procedures for the move-out inspection are as follows:

1. **Providing Notice of Inspection Rights.** Within a reasonable time after either the landlord or tenant gives notice to terminate the tenancy, or before the end of a fixed-lease term, the landlord must give the tenant written notice that the tenant may request an initial inspection, and may be present at that inspection.
2. **Scheduling the Inspection.** If the tenant requests an inspection, the parties must try to schedule a mutually acceptable date and time. If the tenant does not request an inspection, the landlord's duties regarding the inspection are discharged.
3. **Providing 48-Hour Notice of Inspection.** For a tenant requesting an inspection, the landlord must give at least 48 hours prior written notice of the date and time of the inspection, whether the parties agreed to a mutual time, or could not schedule a mutually acceptable time.
4. **Conducting the Inspection.** The landlord or landlord's agent must conduct the inspection at a reasonable time no earlier than two weeks before the end of the lease. The landlord must proceed with the inspection whether the tenant is present or not, unless the tenant withdraws the request for inspection.
5. **Preparing the Inspection Statement.** Based on the inspection, the landlord must prepare an itemized statement of repairs or cleaning that is proposed to be the basis of any deductions from the security deposit. This statement must include the statutory language in California Civil Code sections 1950.5(b) and (d) which set forth,

among other things, the items that may be properly deducted from the security deposit, including the following:

- a. Defaults in the payment of rent;
- b. Repairing damages, other than ordinary wear and tear, caused by the tenant or the tenant's guest or licensee;
- c. Cleaning costs (see section E below for New Cleanliness Standard); and
- d. Future defaults by the tenant to restore, replace, or return personal property as authorized by the rental agreement.

6. **Delivering the Inspection Statement.** The landlord must give the inspection statement to the tenant if the tenant is present for the inspection, or leave it inside the premises.

7. **Providing an Opportunity to Correct.** The tenant must be given an opportunity to avoid deductions from the security deposit by remedying any identified deficiencies in a manner consistent with the rental agreement.

This new law does not change the landlord's existing duty to give the tenant, within three weeks after the tenant vacates the premises, an itemized statement of the final disposition of the security deposit. The landlord may use the security deposit for the following purposes: (a) Items set forth in the inspection statement that the tenant failed to correct; (b) Items arising between completion of the inspection and termination of the tenancy; and (c) Items not identified during the inspection due to the presence of the tenant's possessions.

Additional Considerations. It is unclear from the statutory language whether a landlord carrying out the move-out inspection procedures must also comply with the separate right-of-entry requirements (see section B above). The move-out inspection rules are primarily set forth in California Civil Code section 1950.5(f). However, the landlord's right to enter the leased premises to conduct this move-out inspection has also been incorporated into the right-of-entry statute set forth in California Civil Code section 1954. Hence, a prudent landlord should, for the

time being, comply with both statutes until the courts or the Legislature clarifies the following issues:

1. **Waiver of 48-Hour Notice.** Section 1950.5(f) allows waiver of the 48-hour notice of inspection if the waiver is in writing signed by both the landlord and tenant. However, section 1954 independently requires the landlord to provide written notice of the landlord's intent to enter to conduct a move-out inspection, and section 1954 does not explicitly allow waiver. Thus, to be prudent, a landlord should provide written notice of an upcoming inspection, and refrain from invoking the right to waive that notice requirement until the courts or the Legislature clarifies this issue.

2. **Normal Business Hours.** In the event that the tenant wants a move-out inspection but the parties cannot mutually agree to a date and time, the landlord must unilaterally set a date and time for the inspection, and notify the tenant accordingly. A landlord should err, if necessary, on the side of caution by making sure that any unilaterally scheduled date and time are during

"normal business hours" as required by section 1954. There is no statutory definition for "normal business hours," but some practitioners interpret it as excluding evenings and weekends.

3. **Methods of Service.** Section 1950.5(f) does not provide any specific methods of serving the required notices. However, because section 1950.5(f) has been incorporated into section 1954, a prudent landlord should deliver the inspection notices in one of the following ways:

- a. Personal delivery to the tenant;
- b. Left with someone of suitable age and discretion at the premises;
- c. Left on, near, or under the usual entry door in a manner that a reasonable person would discover the notice; or
- d. Mailed to the tenant. A notice mailed at least six days before an intended entry is presumed reasonable notice absent evidence to the contrary.

Source: California Assembly Bill 2330 (Migden), amending California Civil Code section 1950.5(f) and 1954.

LANDLORD-TENANT CHECKLIST – GENERAL CONDITION OF ROOMS

Street Address	Unit Number			City			Estimated Cost of Repair/Replacement
Condition on Arrival		Condition on Departure					
Living Room							
Floors & Floor Coverings							
Drapes and Window Coverings							
Walls & Ceiling							
Light Fixtures							
Windows, Screens & Doors							
Front Door & Locks							
Smoke Detector							
Fireplace							
Other							
Other							
Kitchen							
Floors & Floor Coverings							
Walls & Ceilings							
Light Fixtures							
Cabinets							
Counters							
Stove/Oven							
Refrigerator							
Dishwasher							
Garbage Disposal							
Sink & Plumbing							
Smoke Detector							
Other							
Other							
Dining Room							
Floors & Floor Covering							
Walls & Ceilings							
Light Fixtures							
Windows, Screens & Doors							
Smoke Detector							
Other							
Other							
Bathroom(s)		Bathroom 1	Bathroom 2	Bathroom 1	Bathroom 2		
Floors & Floor Coverings							
Walls & Ceilings							
Windows, Screens & Doors							
Light Fixtures							
Bathtub/Shower							
Sink & Counters							
Toilet							
Other							
Other							
Bedroom(s)		Bedroom 1	Bedroom 2	Bedroom 3	Bedroom 1	Bedroom 2	Bedroom 3
Floors & Floor Coverings							
Windows, Screens & Doors							
Walls & Ceilings							
Light Fixtures							
Smoke Detectors							
Other							
Other							
Other Areas							
Furnace/Heater							
Air Conditioning							
Lawn/Ground Covering							
Garden							
Patio, Terrace, Deck, etc.							
Other							
Other							

Tenants acknowledge that all smoke detectors were tested in their presence and found to be in working order, and that the testing procedure was explained to them. Tenants agree to test all detectors at least once a month and to report any problems to Landlord/Manager in writing. Tenants agree to replace all smoke detector batteries as necessary.

LANDLORD-TENANT CHECKLIST – FURNISHINGS

Estimated Cost of
Repair/Replacement

	Condition on Arrival			Condition on Departure			
Living Room							
Coffee Table							
End Tables							
Lamps							
Chairs							
Sofa							
Other							
Other							
Kitchen							
Broiler Pan							
Ice Trays							
Other							
Other							
Dining Area							
Chairs							
Stools							
Table							
Other							
Other							
Bathroom(s)	Bath 1		Bath 2	Bath 1		Bath 2	
Dresser Tables							
Mirrors							
Shower Curtain							
Hamper							
Other							
Other							
Bedroom(s)	Bedroom 1	Bedroom 2	Bedroom 3	Bedroom 1	Bedroom 2	Bedroom 3	
Bed (single)							
Bed (double)							
Chairs							
Chests							
Dressing Tables							
Lamps							
Mirrors							
Night Tables							
Other							
Other							
Other Areas							
Bookcases							
Desks							
Pictures							
Other							
Other							

Use this space to provide any additional explanation: _____

Landlord- Tenant Checklist completed on moving in on _____, _____, and approved by:
 _____ and _____
 Landlord/Manager Tenant

 Tenant

 Tenant

Landlord-Tenant Checklist completed on moving out on _____, _____, and approved by:
 _____ and _____
 Landlord/Manager Tenant

 Tenant

California Civil Code Section 1950.5 (January, 2003)

(a) This section applies to security for a rental agreement for residential property that is used as the dwelling of the tenant.

(b) As used in this section, "security" means any payment, fee, deposit or charge, including, but not limited to, any payment, fee, deposit, or charge, except as provided in Section 1950.6, that is imposed at the beginning of the tenancy to be used to reimburse the landlord for costs associated with processing a new tenant or that is imposed as an advance payment of rent, used or to be used for any purpose, including, but not limited to, any of the following:

- (1) The compensation of a landlord for a tenant's default in the payment of rent.
- (2) The repair of damages to the premises, exclusive of ordinary wear and tear, caused by the tenant or by a guest or licensee of the tenant.
- (3) The cleaning of the premises upon termination of the tenancy necessary to return the unit to the same level of cleanliness it was in at the inception of the tenancy. The amendments to this paragraph enacted by the act adding this sentence shall apply only to tenancies for which the tenant's right to occupy begins after January 1, 2003.
- (4) To remedy future defaults by the tenant in any obligation under the rental agreement to restore, replace, or return personal property or appurtenances, exclusive of ordinary wear and tear, if the security deposit is authorized to be applied thereto by the rental agreement.

(c) A landlord may not demand or receive security, however denominated, in an amount or value in excess of an amount equal to two months' rent, in the case of unfurnished residential property, and an amount equal to three months' rent, in the case of furnished residential property, in addition to any rent for the first month paid on or before initial occupancy.

This subdivision does not prohibit an advance payment of not less than six months' rent if the term of the lease is six months or longer.

This subdivision does not preclude a landlord and a tenant from entering into a mutual agreement for the landlord, at the request of the tenant and for a specified fee or charge, to make structural, decorative, furnishing, or other similar alterations, if the alterations are other than cleaning or repairing for which the landlord may charge the previous tenant as provided by subdivision(e).

(d) Any security shall be held by the landlord for the tenant who is party to the lease or agreement. The claim of a tenant to the security shall be prior to the claim of any creditor of the landlord.

(e) The landlord may claim of the security only those amounts as are reasonably necessary for the purposes specified in subdivision(b). The landlord may not assert a claim against the tenant or the security for damages to the premises or any defective conditions that preexisted the tenancy, for ordinary wear and tear or the effects thereof, whether the wear and tear preexisted the tenancy or occurred during the tenancy, or for the cumulative effects of ordinary wear and tear occurring during any one or more tenancies.

(f) (1) Within a reasonable time after notification of either party's intention to terminate the tenancy, or before the end of the lease

term, the landlord shall notify the tenant in writing of his or her option to request an initial inspection and of his or her right to be present at the inspection. At a reasonable time, but no earlier than two weeks before the termination or the end of lease date, the landlord, or an agent of the landlord, shall, upon the request of the tenant, make an initial inspection of the premises prior to any final inspection the landlord makes after the tenant has vacated the premises. The purpose of the initial inspection shall be to allow the tenant an opportunity to remedy identified deficiencies, in a manner consistent with the rights and obligations of the parties under the rental agreement, in order to avoid deductions from the security. If a tenant chooses not to request an initial inspection, the duties of the landlord under this subdivision are discharged. If an inspection is requested, the parties shall attempt to schedule the inspection at a mutually acceptable date and time. The landlord shall give at least 48 hours prior written notice of the date and time of the inspection if either a mutual time is agreed upon, or if a mutually agreed time cannot be scheduled but the tenant still wishes an inspection. The tenant and landlord may agree to forgo the 48-hour prior written notice by both signing a written waiver. The landlord shall proceed with the inspection whether the tenant is present or not, unless the tenant previously withdrew his or her request for the inspection.

(2) Based on the inspection, the landlord shall give the tenant an itemized statement specifying repairs or cleaning that are proposed to be the basis of any deductions from the security the landlord intends to make pursuant to paragraphs (1) to (4), inclusive of subdivision (b). This statement shall also include the texts of subdivision (d) and paragraphs (1) to (4), inclusive, of subdivision(b). The statement shall be given to the tenant, if the tenant is present for the inspection, or shall be left inside the premises.

(3) The tenant shall have the opportunity during the period following the initial inspection until termination of the tenancy to remedy identified deficiencies, in a manner consistent with the rights and obligations of the parties under the rental agreement, in order to avoid deductions from the security.

(4) Nothing in this subdivision shall prevent a landlord from using the security for deductions itemized in the statement provide for in paragraph (2) that were not cured by the tenant so long as the deductions are for damages authorized by this section.

(5) Nothing in this subdivision shall prevent a landlord from using the security for any purpose specified in paragraphs (1) to (4), inclusive, of subdivision (b) that occurs between completion of the initial inspection and termination of the tenancy or was not identified during the initial inspection due to the presence of a tenant's possessions.

(g) (1) No later than 21 calendar days after the tenant has vacated the premises, but not earlier than the time that either the landlord or the tenant provides a notice to terminate the tenancy under Section 1946 or 1946.1, Section 1161 of the Code of Civil Procedure, or not earlier than 60 calendar days prior to the expiration of a fixed-term lease, the landlord shall furnish the tenant, by personal delivery or by first-class mail, postage prepaid, a copy of an itemized statement indicating the basis for, and the amount of, any security received and the disposition of the security and shall return any remaining portion of the security to the tenant.

(2) Along with the itemized statement, the landlord shall also include copies of documents showing charges incurred and deducted by the landlord to repair or clean the premises, as follows:

(A) If the landlord or landlord's employee did the work, the itemized statement shall reasonably describe the work performed. The itemized statement shall include the time spent and the reasonable hourly rate charged.

(B) If the landlord or landlord's employee did not do the work, the landlord shall provide the tenant a copy of the bill, invoice, or receipt supplied by the person or entity performing the work. The itemized statement shall provide the tenant with the name, address, and telephone number of the person or entity, if the bill, invoice, or receipt does not include that information.

(C) If a deduction is made for materials or supplies, the landlord shall provide a copy of the bill, invoice, or receipt. If a particular material or supply item is purchased by the landlord on an ongoing basis, the landlord may document the cost of the item by providing a copy of a bill, invoice, receipt, vendor price list, or other vendor document that reasonably documents the cost of the item used in the repair or cleaning of the unit.

(3) If a repair to be done by the landlord or the landlord's employee cannot reasonably be completed within 21 calendar days after the tenant has vacated the premises, or if the documents from a person or entity providing services, materials, or supplies are not in the landlord's possession within 21 calendar days after the tenant has vacated the premises, the landlord may deduct the amount of a good faith estimate of the charges that will be incurred and provide that estimate with the itemized statement. If the reason for the estimate is because the documents from a person or entity providing services, materials, or supplies are not in the landlord's possession, the itemized statement shall include the name, address, and telephone number of the person or entity. Within 14 calendar days of completing the repair or receiving the documentation, the landlord shall complete the requirements in paragraphs (1) and (2) in the manner specified.

(4) The landlord need not comply with paragraph (2) or (3) if either of the following apply:

(A) The deductions for repairs and cleaning together do not exceed one hundred twenty-five dollars (\$125).

(B) The tenant waived the rights specified in paragraphs (2) and (3). The waiver shall only be effective if it is signed by the tenant at the same time or after a notice to terminate a tenancy under Section 1946 or 1946.1 has been given, a notice under Section 1161 of the Code of Civil Procedure has been given, or no earlier than 60 calendar days prior to the expiration of a fixed-term lease. The waiver shall substantially include the text of paragraph (2).

(5) Notwithstanding paragraph (4), the landlord shall comply with paragraphs (2) and (3) when a tenant makes a request for documentation within 14 calendar days after receiving the itemized statement specified in paragraph (1). The landlord shall comply within 14 calendar days after receiving the request from the tenant.

(6) Any mailings to the tenant pursuant to this subdivision shall be sent to the address provided by the tenant. If the tenant does not provide an address, mailings pursuant to this subdivision shall be sent to the unit that has been vacated.

(h) Upon termination of the landlord's interest in the premises, whether by sale, assignment, death, appointment of receiver or otherwise, the landlord or the landlord's agent shall, within a reasonable time, do one of the following acts, either of which shall relieve the landlord of further liability with respect to the security held:

(1) Transfer the portion of the security remaining after any lawful deductions made under subdivision (e) to the landlord's successor in interest. The landlord shall thereafter notify the tenant by personal delivery or by first-class mail, postage prepaid, of the transfer, of any claims made against the security, of the amount of the security deposited, and of the names of the successors in interest, their address, and their telephone number. If the notice to the tenant is made by personal delivery, the tenant shall acknowledge receipt of the notice and sign his or her name on the landlord's copy of the notice.

(2) Return the portion of the security remaining after any lawful deductions made under subdivision (e) to the tenant, together with an accounting as provided in subdivision (g).

(i) Prior to the voluntary transfer of a landlord's interest in the premises, the landlord shall deliver to the landlord's successor in interest a written statement indicating the following:

(1) The security remaining after any lawful deductions are made.
(2) An itemization of any lawful deductions from any security received.

(3) His or her election under paragraph (1) or (2) of subdivision (h).

This subdivision does not affect the validity of title to the real property transferred in violation of this subdivision.

(j) In the event of noncompliance with subdivision (h), the landlord's successors in interest shall be jointly and severally liable with the landlord for repayment of the security, or that portion thereof to which the tenant is entitled, when and as provided in subdivisions (e) and (g). A successor in interest of a landlord may not require the tenant to post any security to replace that amount not transferred to the tenant or successors in interest as provided in subdivision (h), unless and until the successor in interest first makes restitution of the initial security as provided in paragraph (2) of subdivision (h) or provides the tenant with an accounting as provided in subdivision (g).