

# SECURITY DEPOSITS in the CITY OF PORTLAND



**community**  
alliance of  
**tenants**

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*As of March 1<sup>st</sup>, 2020, Portland laws changed. Here's what you need to know:*

## WHAT MUST A LANDLORD DO UNDER THE PORTLAND LAW?

### **MOVE IN- Your landlord must do the following:**

- Provide the tenant with a Condition Report\* form for the unit with a complete list of items and their condition
- Tenants have 7 days from the start of lease to complete and submit the Condition Report with any other damage found to the unit  
Otherwise, Landlord must provide complete condition report with digital photos to the tenant by the 17th day of tenancy
- Deposit the Security Deposit and last month's rent (if any) into a separate account from Landlord's personal or business accounts within 2 weeks of receiving funds

### **DURING HOUSING- Your landlord must do the following:**

- Once per year the tenant can request a receipt of the account and any interest\* earned, which the Landlord must provide
- Update the condition report with repairs/ replacements to the unit & provide a copy to the tenant within 10 business days
- Replaced items must be noted with date replaced, condition, & depreciated value

### **MOVE OUT- Your landlord must do the following:**

- Conduct Final Inspection & walk-through with the tenant to document new damages within 1 week of the move-out date
- Prepare an itemized list and description of repairs, documentation and photos of visual damage beyond normal wear & tear, and a refund of deposit or a written accounting of how deposit was used within 31 days of move out
- May only charge for items listed in the rental agreement\* or depreciation schedule (see back page for depreciation details)
- If applicable, return interest\* to the tenant with any unused security deposit minus an optional 5% administrative fee
- Provide tenant with completed Rental History form, including rent payment history, within 5 days of lease termination notice

### **\*IF YOU MOVED IN BEFORE MARCH 1<sup>st</sup> 2020:**

**The following aspects of the law don't apply to tenants who moved in before March 1<sup>st</sup>, 2020:**

- Limitations to only charge for items listed in the rental agreement or depreciation schedule
- Restrictions on deposit amounts
- Keep deposits in a separate account
- Provide a condition report at move in

*Other restrictions may apply, please see our more detailed resources for more information*

### **HOW CAN YOUR DEPOSIT BE USED?**

- Repair/replacement for items written in the lease, if the damage/ malfunction was caused by the tenant
- Actual costs to repair the unit to its condition at the beginning of the lease
- Cleaning costs based on market rate prices†
- Unpaid rent and fees

*†Proof of market rate charges required for labor costs over \$200*

# HOW DOES PORTLAND LAW COMPARE TO OREGON LAW?

Question:	Oregon	Portland
Does the law define the meaning of “normal wear and tear”?	No	Yes, see depreciation below
Do landlords have to fix things that they want to charge me for from my deposit?	No	Yes
Do landlords have to pay back interest on my deposit?	No	Yes, see front page
Are deposits required to be in a separate account from personal/business accounts?	No	Yes, see front page
Are landlords required by law to do a final walk through inspection?	No	Yes
Do landlords have to provide a rental history report?	No	Yes, see front page
Is there a limit on how much a landlord can charge for a security deposit?	No	Yes, see below
Are there pre-inspection requirements?	No	Yes, see front page

## HOW MUCH CAN A LANDLORD CHARGE FOR A DEPOSIT\*?

- If you pay the last month’s rent upfront then,
  - Deposit can be **no more than half of one month’s rent**
- If you DO NOT pay the last month’s rent upfront then,
  - Deposit can be **no more than one month’s rent**

## IMPORTANT NOTE:

If an application is conditionally approved, an additional security deposit of up to half one month’s rent could be added. Additional amount may be paid in installments over three months, if requested by the tenant

# HOW DO ITEMS LOSE VALUE OVER TIME?: Depreciation Schedule

## HOW DOES THE LAW DEFINE “WEAR AND TEAR”?

Item:	Depreciation Rate:	Time Period:
Appliances or Equipment	6.67%	15 years
Carpets, non-permanent flooring & window dressings (blinds, etc.)	10%	10 years
Fixtures (faucets, permanent flooring, etc.)	5%	2 years
Personal Property (non-structural)	3.34%	30 years

## IF A LANDLORD FAILS TO COMPLY:

Landlords may be liable for up to double the amount of the security deposit, reasonable attorney fees and costs.

If you believe your landlord is in violation of this law, you can call the Renters’ Rights Hotline for general information at (503) 288-0130, the City of Portland at 503-823-1303, or **contact your local Legal Aid office or an attorney.**

**For more details, visit:** <https://portland.gov/phb/rental-services/security-deposits>

Information is for general purposes only and is not a substitute for legal advice