



Security Deposit Interest Rate

For security deposits held in 2023

The City of West Hollywood's Rent Stabilization Ordinance requires that tenants be paid interest on their security deposits by January 31 of each year in an amount determined by the City based on prevailing interest rates. For the rate this year, see below.

Tenants in rent stabilized apartments in the City of West Hollywood are entitled to interest on the money that their landlords are holding as security deposits (this includes last month's rent deposit, key deposit, cleaning deposit, or any other monies, regardless of what these deposits are called). Landlords are obligated to pay deposit interest to tenants every January for the previous calendar year. To be eligible for interest, tenants must have rented their apartment for at least one month. Tenants who move from their unit will be entitled to all interest

Interest is due in January 2024 for Security Deposits held during 2023 at the annual rate of 5.0%.

accrued through the last full month of the tenancy.

The rate used to calculate the landlords' interest payment to their tenants is established by the Rent Stabilization Ordinance and Regulations. Beginning with the interest

owed for calendar year 2022, the Rent Stabilization Ordinance requires the rate to be determined by averaging the interest rates for savings accounts of five online FDIC insured banks and rounding to the nearest one-tenth of one percent. The Rent Stabilization Commission announces the required interest rate annually, and notifies the City's landlords and tenants by mail.

All interest owed tenants for the period of January 1, 2023 through December 31, 2023 must be paid at the rate of 5.00% (five percent) simple annual interest. This payment must be made on or before January 31, 2024. The law requires annual payment

of deposit interest, whether the tenant requests payment or not.

Tenants who do not receive the appropriate interest payment, or an equivalent rent credit by January 31, 2024, may reduce the amount of their rent for payment for the month of February 2024 (or a subsequent month) by the interest due.

From the passage of the City's Rent Stabilization Ordinance on June 27, 1985 through December 31, 1993, the interest rate required for deposits was 5.5%. Beginning in 1994, the Ordinance required annual payment of interest. The annual rates since 2000 have been:

2000 - 5.75%	2012 - 0.00%
2001 - 1.25%	2013 - 0.00%
2002 - 0.75%	2014 - 0.00%
2003 - 0.5%	2015 - 0.00%
2004 - 0.5%	2016 - 0.00%
2005 - 0.5%	2017 - 0.00%
2006 - 0.5%	2018 - 0.00%
2007 - 0.5%	2019 - 0.00%
2008 - 0.5%	2020 - 0.00%
2009 - 0.5%	2021 - 0.00%
2010 - 0.25%	2022 - 1.70%
2011 - 0.25%	2023 - 5.00%

Interest at the 5.0% rate is due to tenants moving out during 2023, prorated through the last full month of the tenancy.

Si no entiende alguna parte de esta notificación, por favor llame al Departamento al (323) 848-6450 y pida hablar con un intérprete en español.


Если вам нужна информация на русском, пожалуйста, звоните в Отдел рент-контроля по телефону (323) 848-6450.

For more information contact:

Para mas informacion contacte:

для получения дополнительной информации обращайтесь:

City of West Hollywood
Rent Stabilization Division

 **Phone: (323) 848-6450**

 **Email: rsd@weho.org**

 **www.weho.org/rent**



To: _____
(Name)

(Address)

(City, State, Zip Code)

Dear: _____:

The City of West Hollywood Department of Rent Stabilization and Housing requires landlords to pay interest annually to tenants on their security deposits if the tenant resides in a rent stabilized unit. The interest rate for 2023 is **5.0%**. I have calculated the interest owed as follows:

(a) Total of all monies held as security deposit, regardless of what the deposits are called (last month's rent, damage deposit, cleaning deposit, etc.):

(a) \$ _____

Multiply the figure in line (a) by **0.05** (five percent):

x 0.05

(b) Total annual interest on the deposit:

(b) \$ _____

—————> **Note: Continue calculating only if interest is owed for less than a year** <—————

Divide the figure in line (b) by 12 to get the interest owed per month:

÷ 12

(c) Total monthly interest:

(c) \$ _____

(d) Number of full months between January 1 and December 31, 2023 (or move out) for which interest has not been paid:

(d) x _____

(e) Multiply the figure in line (c) by the number of months in line (d) for the total amount of interest owed:

(e) \$ _____

Check One:



- Please remit this amount to me either in the form of a direct payment or by instructing me in writing to take a one time rent reduction.
- Enclosed please find a check in the amount of \$ _____
- Please make a one time rent reduction in the amount of \$ _____ for the month of _____, 2024.

Thank you, _____
(Name)

(Address)

(City, State, Zip Code)

(Signature)

(Date)