



Annual Interest on Security Deposits

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 accrued through the last full month of the tenancy.

Interest is due in January of 2012 for Security Deposits held during 2011 at the annual rate of 0.25%.

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 2001, the Rent Stabilization Ordinance requires the rate to be determined by averaging the interest percentage paid by five local banks to their customers for regular savings accounts. 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, 2011 through December 31, 2011 must be paid at the rate of 0.25% (one-quarter of one percent) simple annual interest. This payment must be made on or before January 31, 2012. 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, 2012, may reduce the amount of their rent for payment for the month of February 2012 (or a subsequent month) by the interest due. A payment the month of February 2012 (or a subsequent

month) by the interest due. A worksheet and form letter is printed on the REVERSE of this SHEET to help landlords and tenants do the calculation.

Tenants who move from their unit during 2012 are entitled to all deposit interest accrued through the last full month of their tenancy. The interest should be included with the settlement of their security deposit and paid at the rate for the prior year (i.e. the same rate they were paid in January), rather than the rate set for the calendar year in which they move. The interest rate for tenants who move during 2012 is 0.25% (one-quarter of one percent).

Interest at the 0.25% rate is due tenants moving out during 2012, prorated through the last full month of the tenancy.

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 were:

1994--3.25%	1995--5%
1996--4.75%	1997--5%
1998--4.75%	1999--4.25%
2000--5.75%	2001--1.25%
2002--0.75%	2003--0.5%
2004--0.5%	2005--0.5%
2006--0.5%	2007--0.5%
2008--0.5%	2009--0.5%
2010--0.25%	2011--0.25%

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.

The Department of Rent Stabilization and Housing is located at 8300 Santa Monica Boulevard on the First Floor. The telephone number is (323) 848-6450. Office hours are Monday through Thursday, 8:00 a.m. to 5:00 p.m., and Friday, 8:00 a.m. to 4:30 p.m. A Rent Stabilization Information Coordinator is available at City Hall every Friday, including modified Fridays.

To: _____
(Name)

(Address)

(City, State, and 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 2011 is 0.25%. I have calculated the interest owed as follows:

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

Multiply the figure in line (a) by 0.25 % (one-quarter of one percent), or .0025:

Total annual interest on the deposit:

Note: Continue calculating only if interest owed is not for 1 full year

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

Total monthly interest:

Number of full months between January 1 and December 31, 2011 (or move out) for which interest has not been paid:

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

(a) \$ _____.	_____
	x .0025
(b) \$ _____.	_____
←	
	÷ 12
(c) \$ _____.	_____
(d)	x _____
(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 amount of \$ _____.

Please make a one time rent reduction in the amount of \$ _____ for the month of _____, 2012.

Thank you, _____
(Name)

(Address)

(City, State and Zip Code)

(Signature)

(Date)