

Instructions for Pre-Move Out Inspection Procedures

(For AB2330 Compliance)

Effective January 1, 2003, Landlords are required to notify and, upon request, conduct a pre-move out inspection. This new requirement is in addition to your current practice regarding post-move out walk-through and security deposit accounting procedures. This new requirement is outlined in California Civil Code 1950.5.

The intent is to notify the Resident of deficiencies that could result in deductions from their security deposit, and to provide the opportunity for the Resident to remedy the identified deficiencies in accordance with the terms of the Rental Agreement.

1. Review your Rental Agreement for the paragraph regarding Resident alterations to the premises. This new law allows the Landlord to set reasonable guidelines for the Resident with regard to making alterations and repairs.

YOU MAY CHOOSE TO LET YOUR RENTAL AGREEMENT STAND AS IS. The entire pre-move out inspection procedure is governed by the rights and obligations of the parties as set forth under your rental agreement.

YOU MAY CHOOSE TO MODIFY YOUR AGREEMENT. If your rental agreement is silent on this point, or you wish to modify your existing Rental Agreement, you may prepare and serve a Notice to Change Terms of Tenancy (F51), for those Residents with month-to-month Rental Agreements.

YOU MAY NOT CHANGE YOUR AGREEMENT IF YOU HAVE A FIXED TERM AGREEMENT. You must adhere to the language currently in your Rental Agreement regarding Resident alterations. However, you must comply with the pre-move out inspection procedure.

2. When serving a 30-day notice, use Notice to Terminate Tenancy (F73). This Notice contains language for the optional pre-move out inspection.
3. If the date that a tenancy will terminate changes or is extended, use Extension to Notice to Terminate Tenancy (F76). This Notice contains language for the optional pre-move out inspection.
4. If your Resident needs a form to terminate their tenancy, use the Resident's 30-Day Notice to Vacate (F74).
5. If the Resident gives notice either verbally or in writing, serve the Acknowledgment of Resident's Notice to Vacate (F75).
6. If, and only if, the Resident requests a pre-move out inspection, set the inspection at a mutually agreed upon time and date. Inspections are to be set no earlier than two (2) weeks prior to termination of the tenancy. It is acceptable to set regularly scheduled inspection dates.
7. You then must give at least forty-eight (48) hours prior written notice of the date and time of the inspection. Use Confirmation of Pre-Move Out Inspection (F78).

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8. At the set time for the inspection, you (the Landlord) must conduct the inspection regardless of the Resident being present. Use Pre-Move Out Inspection Checklist (F79) to list any deficiencies that could result in deductions from a Resident's security deposit. (This also includes unpaid rent, late fees, bank charges, prior maintenance repair charges, et cetera.) You will need to make two (2) copies, as the law requires one (1) copy to be given personally to the Resident or left behind inside the premises at the time of the inspection. **(Only itemize those defects that you will charge against the security deposit.)**
9. After the inspection, but prior to termination of the tenancy, the Resident has the opportunity to remedy identified deficiencies in a manner consistent with the Rental Agreement.
10. After the Resident vacates, you should conduct a final walk through. Use the same Inventory Checklist, (F22) that you used prior to move-in. You may itemize any damage not cured by the Resident, any damage that was not visible during the pre-move out inspection because of Resident's possessions, or any defects occurring during the actual move out.
11. Within twenty-one (21) days after the Resident vacates, you must furnish the Resident with an itemized statement indicating the basis for, and the amount of, any damages subtracted from the security deposit and you must send this accounting to the Resident with any remaining portion of the deposit, if any. Use the Security Deposit Accounting Statement (F80). This is the same form that you have always used.
12. If returning the full deposit, or if you do not charge Residents for damage, you do not need to conduct the walk through. However, if you fail to comply with the pre-move out inspection procedure, you must return the entire security deposit and you may not seek recovery in small claims court.
13. Prior to this new law, the penalty for a Landlord's bad faith retention of the security deposit was \$600. The new law increased the penalty to twice the amount of security deposit plus actual damages.

REMEMBER: You can only deduct charges that were actually incurred (i.e., do not charge for carpet if you don't replace it) and that are beyond ordinary wear and tear.