



Residential Landlord and Tenant Ordinance Security Deposits

ATTACH THIS SEPARATE SUMMARY TO THE LEASE

An amendment to the Chicago Residential Landlord and Tenant Ordinance requires this separate summary which describes the rights, obligations, and remedies, and the new rate of security deposit interest, and the rate for each of the prior two years - to be attached to each written rental agreement, or be given to tenants who have an oral agreement.

(Effective June 30, 1997)

Security Deposit Summary (Municipal Code Chapters 5-12-080, 5-12-081 and 5-12-170)

- A landlord must give a tenant a receipt for a security deposit that includes the owner's name, the date it was received and a description of the dwelling unit. The receipt must be signed by the person accepting the security deposit.
- A landlord must pay interest each year on security deposits (eff. 11-6-86) and prepaid rent (eff. 1-1-92) held for more than six months.
- The rate of interest that a landlord must pay is set each year by the City Comptroller. (eff. 7-1-97)
- Before a landlord can deduct expenses for damages from the security deposit, the landlord must provide the tenant with an itemized statement of the damages within thirty days of the date the tenant vacates the dwelling unit.
- Within 45 days of the date the tenant vacates the dwelling unit a landlord must return all security deposit and required interest, if any, minus unpaid rent and expenses for damages.
- In the event of fire, a landlord must return all security deposit and required interest, if any, minus unpaid rent and expenses for damages, within seven days from the date that the tenant provides notice of termination of the rental agreement. (eff. 1-1-92)

Under Chapter 5-12-081 of the Municipal Code of Chicago, the City Comptroller shall calculate and announce the rate of interest to be paid on security deposits. As of January 1, 2011, based on information from the City Comptroller's Office, the interest rate to be paid on security deposits is 0.073%. The rate is based upon the average of the rates of interest of the following types of accounts at Chase Bank, which is the commercial bank having the most branches located in the City of Chicago: savings account 0.01 percent, insured Money Market 0.01 percent and six-month Certificate of Deposit (based on a deposit of \$1,000) 0.20 percent.

Security Deposit Interest Rate

Current rate: January 1, 2010 through December 31, 2011: 0.073 percent

Rates for the prior two years

January 1, 2010 through December 31, 2010 0.073 percent

January 1, 2009 through December 31, 2009 0.12 percent

For a complete copy of the Residential Landlord and Tenant Ordinance, visit the Office of the City Clerk, Room 107, City Hall, 121 N. LaSalle Street, Chicago, Illinois, 60602, or the Municipal Reference Library, Harold Washington Library, 5th Floor, Government Documents, 400 S. State Street, Chicago, Illinois 60604. For a copy of the Residential Landlord and Tenant Ordinance Summary, visit the Department of Housing and Economic Development at 121 N. LaSalle St., 10th Floor., or call 312-742-RENT (7368), or e-mail the Department of Housing at housing@ci.chi.il.us.

SEE PDF OF THE CITY OF CHICAGO FULL RLTO SUMMARY ON THE C.A.R. WEBSITE