GENERAL MISSOURI SECURITY DEPOSIT GUIDELINES

For Landlords, Security Deposits in Missouri are governed by a State statute, RSMo. §535.300. The Statute follows: (My notes are in Bold following each provision)

535.300. Security deposits, limitation — holding of security deposits, requirements — return of deposit or notice of damages, when — withholding deposit, when — tenant's right to damages — security deposit defined. —

- 1. A landlord may not demand or receive a security deposit in excess of two months' rent. You may not ask for or collect more than this amount for a security deposit).
- 2. All security deposits shall be held by the landlord for the tenant, who is a party to the rental agreement, in a bank, credit union, or depository institution which is insured by an agency of the federal government. Any interest earned on a security deposit shall be the property of the landlord. A housing authority created under section <u>99.040</u> or any other government entity acting as a landlord shall not be subject to this subsection.
- 3. Within thirty days after the date of termination of the tenancy, the landlord shall:
 - (1) Return the full amount of the security deposit; or
- (2) Furnish to the tenant a written itemized list of the damages for which the security deposit or any portion thereof is withheld, along with the balance of the security deposit.

Ensure within 30 days after the tenant vacates you do one of these things – See my form for a Security Damages Statement to Comply with #2

The landlord shall have complied with this subsection by mailing such statement and any payment to the last known address of the tenant.

- 4. The landlord may withhold from the security deposit only such amounts as are reasonably necessary for the following reasons:
- (1) To remedy a tenant's default in the payment of rent due to the landlord, pursuant to the rental agreement;
- (2) To restore the dwelling unit to its condition at the commencement of the tenancy, ordinary wear and tear excepted; provided, however, that this subdivision does not preclude a landlord and tenant from agreeing, in the rental agreement between them, upon amounts or fees to be charged for cleaning of the carpet, and such amounts actually expended for carpet cleaning can be withheld

from the security deposit, so long as the rental agreement also includes a provision notifying the tenant that he or she may be liable for actual costs for carpet cleaning that exceed ordinary wear and tear, which may also be withheld from the security deposit. Within thirty days of the end of the tenancy, the landlord shall provide the tenant a receipt for the actual carpet cleaning costs; or

(3) To compensate the landlord for actual damages sustained as a result of the tenant's failure to give adequate notice to terminate the tenancy pursuant to law or the rental agreement; provided that the landlord makes reasonable efforts to mitigate damages.

These are the ONLY things you can use a security deposit for in Missouri.

5. The landlord shall give the tenant or his representative reasonable notice in writing at his last known address or in person of the date and time when the landlord will inspect the dwelling unit following the termination of the rental agreement to determine the amount of the security deposit to be withheld, and the inspection shall be held at a reasonable time. The tenant shall have the right to be present at the inspection of the dwelling unit at the time and date scheduled by the landlord.

You MUST allow the tenant to be at the walkthrough, use my provided form for this purpose.

6. If the landlord wrongfully withholds all or any portion of the security deposit in violation of this section, the tenant shall recover as damages twice the amount wrongfully withheld.

There are penalties, including double the deposit for not following this law.

- 7. Nothing in this section shall be construed to limit the right of the landlord to recover actual damages in excess of the security deposit, or to permit a tenant to apply or deduct any portion of the security deposit at any time in lieu of payment of rent.
- 8. As used in this section, the term **"security deposit"** means any deposit of money or property, however denominated, which is furnished by a tenant to a landlord to secure the performance of any part of the rental agreement, including damages to the dwelling unit. This term does not include any money or property denominated as a deposit for a pet on the premises.

Pet deposits are not treated the same.