



Property Management Essentials:

Security Deposit Disposition

By Colorado Real Estate law, a landlord has 30 days to return the tenants security deposit after t have regained legal possession of the property – unless, they otherwise state in their lease: up to 60 days. No more than that.

With the Security Deposit Disposition, the landlord took in a certain amount of money from the tenant upon signing a lease agreement to cover any damages during their stay. When the manager is doing the Disposition, it iss simply an accounting of how much money was collected minus how much was used for repairs that are being charged to the tenant (beyond normal wear and tear). The difference is returned to the renter via check, and with an itemization of amounts deducted from their original deposit. It’s a good idea to mail that final check with a delivery confirmation so they tenant can’t come back and say they never received it. This will be covered in more detail in a future topic.



when the landlord gains possession of the property from the court. What happens when the tenant is still in the property and their possessions are still in the house? The landlord will have to order a sheriff’s eviction. Then, typically, it would be a good idea to get an attorney involved at this point. It’s usually at that moment the sheriff’s eviction takes place when the 30 day notice clock would start ticking.

What can the landlord withhold for? Please see our other reference material on “Normal Wear and Tear” where we go into details on this topic explaining many items and time periods that are and are not appropriate to withhold security deposit for in the name of normal wear and tear.

Key Topics

- *Colorado Real Estate Commission law*
- *30 or 60 days – when does clock start ticking?*
- *What about evictions*
- *What can you legally withhold for?*

One area where landlords get into trouble is determining exactly when the 30 day clock starts ticking from when they will need to return security deposit. When does it begin? The answer: when they regain legal possession of the property. It’s not a simple as it may sound. Obviously, the easiest way to regain possession of the property is when the lease is over and the tenant hands the keys back to the landlord. At this point we have the property back in legal possession.

What about an eviction? If the tenant is in the eviction process (the lease is now expired) when does the 30 days notice begin? The answer: the 30 days begins

For more information on this and other topics, please visit us online: <http://echo-summit.com/education>

If you prefer to watch a video on this topic, visit us at: <http://echo-summit.com/education/videos>