

Technicalities of the Landlord taking a deposit

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DEPOSIT (with specimen receipt)

The landlord is allowed deposit from the tenant. The deposit must be paid before the tenant takes occupation. **What amount is to be paid?** The amount to be paid depends on the agreement between the landlord and tenant. It could be an amount equal to one month's rental, or any amount agreed upon. **What must the landlord do when he or she receives a deposit?**

1. Give the tenant a receipt in which the following must be written: -
 - Date
 - For deposit and the amount
 - Tenant's name, address of the dwelling for which deposit is paid, the type of dwelling (e.g. flat, room, garage, cottage).
2. Invest the deposit with a bank in an interest bearing account.
3. Provide the tenant with written proof when the tenant makes request regarding accrued interest.

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Name: Ms. S Tenant

Address: Flat 6, High Court Mansions, 89 Smith Street,
Cape Town

Amount: One thousand two hundred rands R1 200.00
for security deposit in respect of above flat.

Signature

Exception: If the deposit is kept by the landlord's estate agent, any accrued interest is paid by the registered estate agent to a special fund (Estate Agents Fidelity Fund). Such accrued interest

is not paid to the estate agent or the landlord. The tenant in this instance will not receive any accrued interest at the end of the lease period.