

# Renting: Signing a Lease, Deposits, & Fees

## Before Signing a Lease:

- A landlord may require a prospective tenant to complete an application and pay an application processing fee.
- The tenant should ask if this processing fee is refundable.
- The processing fee is usually a separate fee from a security deposit.
- Before signing a lease, it's important that the tenant inspect the property and make a listing to be added to the lease that sets out existing damages before the lease is signed.
- If this is not done, the tenant may be held responsible for those damages that existed prior to the start of the lease.

This handout is intended to provide information; it is not intended to be a legal advice.

## Security Deposit:

- The terms "security deposit" and "damage deposit" mean the same thing under North Dakota law.
- The tenant can be required to pay a security deposit of up to one month's rent.
- A tenant who has a felony conviction can be required to pay up to two months' rent as a security deposit.
- The security deposit must be deposited by the landlord into an interest-bearing account.
- The accrued interest is for the benefit of the tenant, except if the period of occupancy was less than nine months, then the landlord is not required to pay the accrued interest to the tenant.
- Upon the termination of the lease, the landlord may retain a sum from the security deposit for damages caused by the tenant, tenant's pet or guests, unpaid rent, and cost of cleaning and repairs.



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## Security Deposit Continued:

- The landlord may not retain a sum from the security deposit for reasonable wear and tear.
- An itemized listing of sums deducted from the security deposit and the remaining balance must be given to the tenant within 30 days after the termination of the lease.
- The security deposit will stay with the property until the end of the lease. This is true even if there is more than one renter and some of the renters have moved out early.
- If the tenant has a pet an additional deposit may be charge.
- Pet deposits can't exceed \$2,500 or two months' rent whichever is greater.
- A pet security deposit does not apply to a service animal required by a tenant with a disability.

## Property Abandoned by Tenant:

If the tenant's property is left on the premises of the leased property for 28+ days after the landlord received notice that the tenant vacated the premises, or it reasonably appears that tenant has left, and the tenant's property has an estimated value of less than \$2,500 then:

- The tenant's property becomes the property of the landlord.
- The landlord may dispose of the property in any manner they choose, without any legal process.
- If there are expenses for storing or moving the property which exceed the proceeds from the sale of that property, the landlord can deduct those expenses from the security deposit.

## Additional Resources

[North Dakota Department of Labor and Human Rights](#)

[High Plains Fair Housing](#)

[Legal Services of North Dakota](#)

[ND Supreme Court Self Help Center: Small Claims Court](#)

[North Dakota Office of Attorney General: Tenant Rights](#)

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