



MANAGEMENT BULLETIN #424

DATE: January 23, 2013
TO: Owners & Management Agents
FROM: Diane Smith, Assistant Director
Asset Management Services
RE: **2013 Interest Rate on Security Deposits**

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Beginning January 1, 2013 the applicable interest rate on security deposits **for Chicago tenants and renters in Evanston is .023%**. The rate of interest applies to all residential rental agreements that become effective on or after January 1, 2013. Owner occupied buildings of six or fewer units in the City of Chicago are not required to pay interest on security deposits. Interest on security deposits must be paid in cash or credited to the rent each and every year.

City of Chicago code requires that a general summary of the Residential Landlord Tenant Ordinance ("RLTO") and a separate summary on security deposits, including the required rate of interest, be attached to each newly executed 2013 lease.

Residential developments in the State of Illinois (but outside of Chicago) with 25 or more units **owned or managed by the same entity** are required to pay **tenants .005%** on security deposits in 2013. To be certain you are using the appropriate security deposit interest rate when paying interest to your tenants, check with your local municipality.

For the RLTO summary or for more information go to the Chicago Realtor's website at www.chicagorealtor.com/advocacy.