



City Comptroller Announces 2011 Security Deposit Interest Rate Set at **0.073%** for the City of Chicago

the State rate is
0.195%

The City of Chicago Residential Landlord and Tenant Ordinance (RLTO) requires the City Comptroller to set the rate of interest to be paid on security deposits held by landlords. The rate is calculated annually based on a formula tied to actual market rates. The new rate for 2011 of 0.073% applies to all residential rental agreements in which the lease term begins from January 1, 2011 to December 31, 2011. The amount of interest paid on security deposits is determined by the rate in effect on the date the lease term commences. Owner-occupied buildings of six or fewer units are not required to pay interest on security deposits.

City code requires that a general summary of the RLTO and a separate summary on security deposits, including the required rate of interest, be attached to each lease. Revised summaries containing the new rate of interest are being printed and will soon be available from CAR. Copies of the revised summary will be sent to each CAR office as soon as they are printed. These revised summaries should be attached to each lease executed during 2011.

If you have any questions or comments about the new rate of interest required on security deposits, please call Nat Paxson at (312) 214-5513, or send an email message to npaxson@chicagorealtor.com.