

**Los Angeles City Rent Stabilization
Reminders and Updates
by Patricia A. Harris**

Hopefully, if you own in the City of Los Angeles, you have already paid your building's registration fees of \$18.71 per unit which was due by February 28, 2009. If not, be sure to do so immediately!

Collect \$9.35 Fees in June

The Los Angeles Rent Stabilization Division allows owners to pass-through one half of these fees (\$9.35) with a 30-day notice, collectible in the month of June only. That means you **MUST** serve the notice found on the following page in the month of May in order to collect this annual fee from your tenants. AOA recommends you serve the notice on May 1st to collect this fee along with the rent due on June 1st.

NOTE: The notice of the one-time annual charge *must be accompanied with a copy of your Rent Stabilization registration certificate to show that you paid the fees.*

Code-Enforcement Pass-Through Fees

The \$35.52 per unit charge for the Housing Department's code-enforcement inspection fee may also be passed through to your tenants. This fee, however, must be amortized over a 12 month period and is collectible at a monthly rate of \$2.96. ***A 30-Day Notice of Change of Terms of Tenancy*** must be served to each tenant before you can collect this fee. That means with proper service, you can legally raise your rents (as long as you paid your bill!), \$2.96 per month.

Other Los Angeles Rent Stabilization Updates

- **SECURITY DEPOSIT INTEREST:** Please note that the required 2010 interest that must be paid on security deposits for units in L.A. City is .55 percent. A landlord may pay tenants the actual rate of interest earned if security deposits are kept in a separate account by providing a copy of the bank statement showing the actual interest rate earned for the year.
- **ALLOWABLE ANNUAL RENT INCREASE:** The Los Angeles Rent Control annual rent increase for 2010 is 4% through June 30th and then will go down to 3%, effective July 1, 2010.

Note: All AOA forms may be downloaded by members by visiting www.aoausa.com.