

HOLDING DEPOSIT

Sometimes, the tenant and the landlord will agree that the tenant will rent the unit, but the tenant cannot move in immediately. In this situation, the landlord may ask the tenant for a [holding deposit](#). A holding deposit is a deposit to hold the rental unit for a stated period of time until the tenant pays the first month's rent and any security deposit. During this period, the landlord agrees not to rent the unit to anyone else. If the tenant changes his or her mind about moving in, the landlord may keep the holding deposit. The "Holding Deposit" is not refundable, however you may transfer it to another similar unit.

You may also lose your deposit even if the reason you can't rent is not your fault - for example, if you lose your job and cannot afford the rental unit.

If you and the landlord agree that all or part of the deposit will be refunded to you in the event that you change your mind or can't move in, make sure that the written receipt clearly states your agreement.

A holding deposit merely guarantees that the landlord will not rent the unit to another person for a stated period of time. The holding deposit doesn't give the tenant the right to move into the rental unit. The tenant must first pay the first month's rent and all other required deposits within the holding period. Otherwise, the landlord can rent the unit to another person and keep all or part of the holding deposit.

If you give the landlord a holding deposit when you submit the rental application, but the landlord does not accept you as a tenant, the holding deposit is not refundable to you. You may want to wait to give any deposit until after receiving your approval letter.