

Monthly Fee In Lieu Of Security Deposit – Disclosure Form

YOU MAY PAY A MONTHLY FEE INSTEAD OF A SECURITY DEPOSIT.

This fee is not a security deposit and will not be refunded when you move out of the property. By paying this fee, the landlord is permitting you to move into the housing unit without paying a security deposit. If you do not make all payments or you damage the premises beyond wear resulting from its ordinary use, you may be required by the landlord, the landlord's insurance company, or a debt collector to pay the unpaid amounts, including costs of repairing the damages in excess of wear resulting from ordinary use of the premises.

Washington state law may allow you three different options:

- (1) Paying the full security deposit upon signing the lease.
- (2) If applicable, paying the full security deposit and other move-in fees in up to three installments (see below for more detail).
 - some local laws provide for a longer period of time.
- (3) If offered by your landlord, paying a monthly deposit waiver fee instead of a security deposit. If you choose this option, you will not pay a security deposit or last month's rent in advance. Your recurring monthly charge will be \$_____ IN ADDITION to your monthly rent payment, instead of a security deposit and/or last month's rent in the amount of \$_____.

IF YOU CHOOSE TO PAY A MONTHLY DEPOSIT WAIVER FEE INSTEAD OF A SECURITY DEPOSIT, HERE IS THE AMOUNT YOU WILL PAY OVER THE LEASE TERM COMPARED TO THE ONE-TIME DEPOSIT PAYMENT:

Monthly Nonrefundable Deposit Waiver Fee: _____	One-time Refundable Security Deposit: _____
Total Cost of Monthly Fees Over Lease Term: _____	_____

In the event your tenancy terminates and you have not paid rent or other amounts due pursuant to the lease, and you have not paid to repair damages beyond wear resulting from ordinary use of the premises, insurance coverage will pay your landlord up to:

\$_____ for any unpaid rent and fees, and

\$_____ for any damages.

Total coverage: \$_____

IMPORTANT: IF YOU CHOOSE TO PAY A RECURRING MONTHLY FEE INSTEAD OF A SECURITY DEPOSIT:

(1) YOU ARE NOT AN INSURED PARTY UNDER THE INSURANCE POLICY PURCHASED BY THE LANDLORD USING YOUR FEES;

(2) YOU ARE NOT A BENEFICIARY TO ANY INSURANCE COVERAGE OR ANY INSURANCE BENEFITS UNDER THE INSURANCE POLICY THAT THE LANDLORD PURCHASES USING YOUR FEES; AND

(3) YOU ARE STILL OBLIGATED TO PAY RENT AND ALL PAYMENTS REQUIRED BY THE LEASE, INCLUDING COSTS TO REPAIR DAMAGES BEYOND WEAR RESULTING FROM ORDINARY USE OF THE PREMISES.

The landlord may seek to obtain payment from you before filing any claims with the insurance provider. If you fail to pay the landlord for unpaid rent or other unpaid payments or the costs to repair damages beyond wear resulting from ordinary use of the premises, and an insurer pays the landlord instead, then the insurer may seek reimbursement from you of its payments to the landlord.

If you choose to pay the recurring monthly fee instead of a security deposit, then you are permitted at any time to pay the landlord a security deposit in the amount of \$_____ and stop paying the recurring fee beginning in the month following payment of the security deposit.