



**MARINDALE**  
MANAGEMENT

# Owner Compliance Guide

A practical, locally informed guide for rental property owners in Marin and Sonoma

Designed for owners of single-family rentals, small multifamily properties, ADUs, and second homes.

---

California owner risk rarely comes from bad intent.

It usually comes from a missed notice, an incorrect lease exemption, a deposit deduction that was not documented correctly, or a local rule the owner did not know existed.

This guide distills the rules that matter most in day-to-day ownership and highlights the local overlays that make Marin and Sonoma different from a generic California market.

It is written to help you ask better questions, spot expensive blind spots early, and understand what disciplined management should look like.

---

Updated Jan. 2026

*Informational resource prepared by Marindale Management. See legal disclaimer at the end.*

# 10 rules owners should keep in mind

Think of these as the ten places owners in Marin and Sonoma most often get surprised: deposits, exemptions, notices, relocation, screening, habitability, entry, local overlays, trust funds, and documentation.

## 1. Security deposits are no longer a judgment call

The default cap is one month's rent. The two-month exception is narrow and depends on ownership structure and portfolio size.

## 3. AB 1482 is not something to assume on or off

Coverage and exemption both turn on specifics: age of property, ownership type, lease language, and local rules.

## 5. "Substantial remodel" is narrower than many owners think

Cosmetic work is not enough. Some notices require permits, detail, and re-offer rights.

## 7. Habitability is operational, not theoretical

Leaks, heat, electrical issues, pests, smoke/CO devices, and delayed repairs can become leverage in disputes.

## 9. Local ordinances change the playbook

Petaluma, Larkspur, San Anselmo, San Rafael, Fairfax, and Novato do not all operate the same way.

## 2. Deposit returns are now more evidence-driven

The 21-day rule still applies, but photographs, receipts, and itemization matter more than ever.

## 4. No-fault terminations are expensive when mishandled

State relocation may be required, and some local cities go further.

## 6. Screening must be consistent and voucher-aware

California fair housing rules are broader than federal law, especially on source of income.

## 8. Entry rules are strict and easy to violate

Even reasonable owners create problems by entering too casually or without proper notice.

## 10. Owners need a real paper trail

When a dispute starts, the side with the clean file usually has the stronger position.

# Owner Compliance Guide

A practical, locally informed guide for rental property owners in Marin and Sonoma

## 1. Security deposits: know the cap before you advertise

### What the law says

For most residential tenancies, the maximum security deposit is one month's rent. A landlord may collect up to two months' rent only if the landlord is a natural person or an LLC whose members are all natural persons, and owns no more than two residential rental properties with no more than four total dwelling units offered for rent. A family trust can still qualify through the statute's definition of natural person. Service members are treated differently under the statute.

### Blind spot

Many owners think "small landlord" means any mom-and-pop owner. It does not. The exception depends on both ownership structure and total rental portfolio size. An owner with the wrong entity, too many units, or the wrong lease assumptions can easily over-collect.

---

## 2. Deposit returns: 21 days, but the real issue is proof

### What the law says

Within 21 calendar days after move-out, the landlord must return the balance of the deposit with an itemized statement. If deductions exceed \$125, copies of invoices or receipts are generally required. The tenant must be offered the option of a pre-move inspection, and the landlord must photograph the unit after move-out and after repairs; for tenancies beginning on or after July 1, 2025, the landlord must also photograph the unit at or before move-in.

### Blind spot

Owners often remember the 21-day deadline but miss the pre-inspection notice, the move-in and move-out photo trail, or the need to distinguish ordinary wear from tenant damage.

### Scenario

A tenant leaves scuffed paint, worn carpet paths, and two broken blinds. Charging for full repainting or carpet replacement without a condition baseline is the kind of deduction that routinely backfires.

---

### 3. Rent caps and exemptions: do not rely on assumptions

#### What the law says

Statewide AB 1482 generally caps annual rent increases at 5% plus CPI, or 10%, whichever is lower, measured against the lowest rent charged in the prior 12 months. Exemptions can apply to newer properties, certain separately alienable single-family homes and condos, and some owner-occupied duplex situations, but the exemption often depends on exact statutory language being included in the lease.

#### Blind spot

A property may be legally exempt in theory and still be treated as covered in practice if the required notice language was never given in the rental agreement.

#### ADU example

An owner who lives on-site and rents an ADU may have stronger exemption arguments than an absentee owner of the same unit type. The occupancy facts matter.

---

### 4. Just cause and no-fault terminations: where owners get into real trouble

#### What the law says

Once the tenancy qualifies, California generally requires just cause to terminate. At-fault grounds and no-fault grounds are treated differently. For covered tenancies, no-fault terminations usually require either a direct relocation payment or waiver of the final month's rent, equal to one month of rent, within statutory timing. A defective relocation notice can void the termination.

#### Blind spot

Owners sometimes believe a sale, a desire for flexibility, or a vague renovation plan is enough. It usually is not. The reason must match the statute and, in some cities, local protections may be stricter.

#### Scenario

A landlord decides to “take back” a unit in Petaluma to do work and re-rent later at a higher price. State law, local rules, relocation obligations, and any city-specific notices all need to line up before a notice is served.

---

## 5. Substantial remodel: cosmetic work does not qualify

### What the law says

Under current California law, cosmetic improvements alone - painting, decorating, minor repairs, and work that can be done safely with the tenant in place - do not qualify as a substantial remodel. In many cases, the notice must include a description of the work, expected duration, and the required permit or contract backup. If the remodel is not commenced or completed, the owner may have to re-offer the unit.

### Blind spot

Owners often call a turnover renovation a substantial remodel when the work is really a value-add project rather than a true vacancy-required project tied to health, safety, or substantial reconstruction.

### Operational point

Do not draft this notice first and gather support later. Get the scope, contractor, permits, and timeline aligned first.

---

## 6. Screening and fair housing: California is broader than federal law

### What the law says

California fair housing law prohibits discrimination based on a broader list of protected characteristics and specifically protects source of income, including Section 8 and other housing subsidies. If there is a government rent subsidy, owners may not assess affordability based on the full contract rent rather than the tenant's share, and if credit history is used, the applicant must be offered the option to provide lawful alternative evidence of ability to pay.

### Blind spot

Risk often comes from informal comments rather than formal policy: "ideal for a single professional," "no kids," "we do not take Section 8," or inconsistent treatment of applicants.

### Best practice

Use one written screening standard, one written process, one application path, and one documentation method for every applicant.

## 7. Habitability and entry: the everyday rules that become litigation fuel

### Habitability

California deems a dwelling untenable if it substantially lacks basics such as weatherproofing, plumbing, hot and cold water, heat, electrical lighting and wiring in good working order, clean and sanitary grounds, and functioning smoke and carbon monoxide protections where required.

### Entry

A landlord may enter only for legally permitted reasons such as emergency, repairs, agreed services, showings, abandonment, or court order. Outside emergencies and a few narrow exceptions, at least 24 hours' written notice is the standard expectation.

### Scenario

An owner who lets a contractor in because “the tenant knew we were trying to schedule it” may think this is harmless. Tenants, judges, and city programs often do not.

---

## 8. Tenant screening: consistency is the rule that protects you

### What the law says

Tenant screening must follow fair housing rules that prohibit discrimination based on protected characteristics. California law also protects source of income, which includes housing vouchers and other rental assistance programs. Owners generally may not reject an applicant simply because a portion of the rent is paid through a voucher.

### Blind spot

Risk often arises when screening decisions become informal or inconsistent — approving one applicant with marginal credit but rejecting another with similar qualifications because of a voucher or subsidy.

### Best practice

Use one written screening standard covering income, credit, and rental history. Apply the same criteria to every applicant and keep a simple record of how each application was evaluated.

## 9. Local overlays: Marin and Sonoma are not one legal market

### What this means

State law is only the floor. Several cities in Marindale's service orbit add or alter the rules on rent, just cause, notices, relocation, language access, or timing. Owners should verify the city before assuming the state template works.

---

## 10. Documentation discipline: the invisible part of good management

### Keep

Signed lease and addenda, exemption notices, screening file, notices served, proof of service, move-in photos, repair approvals, invoices, communications on habitability or access, and the full security-deposit accounting trail.

### Avoid

Backdating, side deals by text, undocumented owner instructions, and legal-sounding emails written in anger.

### Owner rule of thumb

If a decision matters, it belongs in the property file.

## Selected local overlays owners should verify

City	What stands out	What owners commonly miss	Practical takeaway
Petaluma	Local residential tenancy protections apply broadly; no general local apartment rent cap, but mobilehome rules are separate.	Small-owner exemptions require exact written notice. City notice-of-rights timing matters. No-fault terminations can trigger relocation benefits.	Do not use a generic California notice package without confirming Petaluma-specific notices and relocation rules.
Larkspur	Local rent regulation limits increases to 5% + CPI or 7%, whichever is lower.	Owners often miss enhanced no-fault notice requirements, increased relocation assistance, and right-of-return rules.	Larkspur is one of the clearest examples of a city where the state rent-cap template is not enough.
San Anselmo	Local rent stabilization ordinance adopted in 2024 applies to many properties with 3+ units. Annual allowable increase is 60% of CPI or 5%, whichever is lower.	Utilities generally cannot be billed as a separate direct charge unless separately metered and in the tenant's name. Fair-return process exists for owners seeking more.	Check property size and parcel configuration early. San Anselmo is not a plain AB 1482 market for many multifamily properties.
San Rafael	Citywide cause-required-for- eviction applies to properties with at least 3 units, with additional temporary protections in the Canal Opportunity Zone through December 31, 2026.	Owners sometimes assume only state just-cause applies. San Rafael has its own city framework and certain relocation rules.	Before any termination in San Rafael 3+ unit properties, verify the municipal code path, not just the state code.
Fairfax	Local rent stabilization and just-cause ordinances were repealed by Measure I in November 2024.	Owners who learned the old Fairfax rules may still be using outdated assumptions.	Fairfax currently tracks the state framework more closely, but confirm any remaining local procedures such as mediation resources.
Novato	As of this update, a draft tenant protections ordinance was scheduled for City Council consideration on March 24, 2026.	Owners may rely on old assumptions while the local rulebook is in flux.	If your property is in Novato, confirm current ordinance status immediately before serving notices or updating lease templates.
Santa Rosa	No current general residential rent stabilization / just-cause ordinance is in force for apartments based on the city's official historical summary; mobilehome rules are separate.	Owners sometimes assume Santa Rosa still has local apartment rent control because of older Measure C materials.	For standard rentals, state law remains the baseline unless a separate local rule clearly applies.

## Quick owner checklist before you sign, raise rent, or serve notice

- Confirm whether the property is covered by AB 1482, exempt, or subject to a stricter local rule.
- Use the correct exemption notice in the lease if you are relying on one.
- Check whether the city requires additional tenant-rights notices or relocation benefits.
- Before any no-fault notice, verify the reason, the evidence, and the payment timing.
- Before deducting from a deposit, confirm photos, move-in condition, receipts, and ordinary-wear analysis.
- Keep one clean file with every notice, approval, invoice, and communication that matters.

## Questions About Your Property?

Rental housing in California has become increasingly complex, particularly in Marin and Sonoma counties where local regulations and evolving state law often intersect.

If you would like to discuss the specific circumstances of your property, we would be happy to have a conversation.

### Marindale Management

Residential Property Management & Home Stewardship

Marin & Sonoma Counties

[www.marindalemanagement.com](http://www.marindalemanagement.com)

[info@marindalemanagement.com](mailto:info@marindalemanagement.com)

(415) 322-9660

## Legal disclaimer

This guide is provided for general informational purposes only. It is not legal advice, does not create an attorney-client relationship, and should not be relied upon as a substitute for advice from qualified California counsel on a specific fact pattern.

Housing law in California is highly procedural, local ordinances can change quickly, and outcomes often turn on exact notice language, timing, ownership structure, and city-specific rules.

Before serving termination notices, relying on an exemption, increasing rent in a regulated jurisdiction, or making deductions from a security deposit, owners should confirm the current law and obtain legal advice where appropriate.