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PRESS RELEASE

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CITY ATTORNEY SUES LANDLORD AND PROPERTY MANAGER ACCUSED OF KEEPING STUDENTS' SECURITY DEPOSITS FOR UNITS THEY NEVER MOVED INTO

SAN DIEGO — The City Attorney's Office filed a civil enforcement action against a University City landlord and his property manager, alleging they collected security deposits from college students looking for housing, then kept the money after the students never signed a final lease, never got keys, and never moved in.

The lawsuit, brought on behalf of the People of the State of California, names the property manager and the landlord, individually and as trustee of the family trust that owns condominium units at the Venetian Condos on Nobel Drive near UC San Diego. It alleges violations of California's Unfair Competition Law based on the unlawful retention of security deposits under Civil Code section 1950.5.

The City Attorney's Office began looking into the case after **CBS 8 reported** in September 2025 that several current and former UC San Diego students said they had lost deposits on Venetian Condos rentals.

According to the Complaint, two groups of four students reached out to the Venetian Condos in early 2023 to line up housing for the fall. Each group was told to pay a $2,000 security deposit to the landlord and to sign a draft lease that did not identify a unit. The property manager told them a unit would be assigned once inventory was "finalized."

One group toured a specific unit in February 2023 and was told it would be theirs. Both groups paid in March 2023, and the property manager confirmed receipt of each payment as a security deposit.

Months later, in June 2023, each group received a new lease for a different unit, along with a demand for an additional $4,250 in prepaid rent and just two days to sign. One group showed up for a scheduled meeting at the property, but the property manager did not. Neither group agreed to the new terms, and both withdrew and asked for their deposits back.

The Complaint alleges that the defendants kept all $4,000 and, after the students asked for refunds, recast the payments as nonrefundable "holding deposits." More than three years later, none of the students have been repaid.

"These students did everything right. They planned ahead, toured the unit, paid what they were told was a security deposit, and asked for it back when the deal changed under them. Instead, they were left out $2,000 per group with no home to move into when the school term started and no refund," said **City Attorney Heather Ferbert**. "Calling a payment a security deposit and then pocketing it when it's time to give it back is not a gray area. Students and renters in San Diego are protected by state law, and we will enforce it."

The City Attorney's Office believes other renters lost money the same way. The lawsuit asks the court to order the defendants to repay everyone affected, including people who never took them to court, and to bar them from misleading renters about deposits. It also seeks civil penalties of up to $2,500 per violation.

This case is being handled by the City Attorney's Housing Protection and Civil Code Compliance Unit (HPU) and prosecuted by Senior Deputy City Attorney Paul F. Prather. The Complaint is attached **here**.

Under California law, a security deposit belongs to the renter. A landlord can use it only for things like unpaid rent, damage, or cleaning after a tenant moves out, and must return what's left within 21 days. The City Attorney's Office laid out these rights in a **consumer alert** earlier this year.

Anyone who paid a deposit to Venetian Condos and didn't get it back, or who has had a deposit kept unlawfully by another landlord, is encouraged to file a **complaint** with HPU. While the City Attorney's Office can't represent individuals in private disputes, it can take action against landlords who make a practice of breaking the law.

For help getting a deposit back, renters can turn to free or low-cost legal services from the San Diego County Bar Association (sdcba.org, 800-464-1529), the San Diego Volunteer Lawyer Program (sdvlp.org, 619-235-5656), or the Legal Aid Society of San Diego (lassd.org, 877-534-2524). UC San Diego students can also contact Student Legal Services.

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