

## **BELGIUM, Flanders**

**Organisation:** Vlaams Huurdersplatform, The Flemish Tenants Platform

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### **Tenure structure**

**1. Owner occupied housing:** 70%

**2. Rental housing:**

(i) private rental: 20%

(ii) social rental: 7%

**3. Other:** 3%

**The Flemish Tenants Platform is the umbrella organization which supports Tenants Unions and Social Tenants groups in Flanders.**

**Before 2014, legislation on renting was the authority of the federal Belgian government. Since 1 July 2014 the legislation on renting has become the authority of the three regions; Flanders, Brussels and Wallonia.**

### **Initial rent – is it regulated or unregulated?**

The initial rent in the private rental sector when a new tenant moves in, and a new lease is signed, is in principal freely negotiated between tenant and landlord – if the lease is for less than 3 years.

Exceptions:

1. If it is a short term lease, of maximum 3 years, and the lease has been extended to another short term lease with the same tenant, then, even when there is a new lease, the rent of this new lease cannot exceed the adjustment to the cost of living.

2. If the landlord gives notice of a short term lease, of maximum 3 years, then the new initial rent with another tenant cannot exceed the adjustment to the cost of living.

This second ruling law is very hard to apply for tenants because they do not know the initial rent of the former lease with another tenant, neither do they know if the landlord terminated the short term of the lease with the former tenant.

### **How often, and by how much, can the landlord increase the rent?**

- Once a year by indexation (adjusting to the cost of living) on demand of the landlord

- by agreement between 9 and 6 months before the ending of every 3-year period. When there is no agreement, a judge can decide to change the rent when the value of the property has decreased/increased by 20% - or when the owner can prove that the value has increased by 10% because of unnecessary works.

The increase should be presented to the tenant in written, or by sentence of a judge when there is no agreement by sentence of a judge.

There are generally no limitations to the increase in rent, but when the parties do not agree on a rent review, the judge should sentence in fairness - the judge can authorise a fair rent.

### **Challenge rent increases?**

A sitting tenant can challenge a new rent at any time by written letter to the landlord, and when necessary to the cantonal judge.

A tenant can challenge the new rent at any time, without a proper motive or when the agreement on rent revision did not take place between the 9<sup>th</sup> and 6<sup>th</sup> month preceding each term of 3 years.

### **Duration of leases**

Standard leases are for 9 years, but most leases, around 50%, are short-term leases - up to 3 years.

Every lease of more than 3 years is automatically a lease for 9 years. So if the lease stipulates a duration of for example 4 or 6 years, then it becomes automatically (by law) a lease contract of 9 years and is considered a long term lease.

### **Notice periods**

**9-year leases:** The landlord can give notice of termination of the lease 6 months before the end of the lease.

A tenant can end the lease with a notice period of 3 months. But if the contract ends by notice of the tenant, he should pay a notice fee of 1, 2 or 3 months' rent when the lease is for the first, second or third year.

**Short term leases, up to 3 years:** The landlord can terminate the lease by a notice of 3 months before the agreed end of the short term - maximum 3 years.

### **Security deposit**

2 months is most common, on a blocked bank account.

Return of the deposit is quite a problem in Belgium. When there is a disagreement, the cantonal judge has to decide.

### **Other information on rent regulations**

We are currently waiting for the Flemish parliament and government to introduce rent reforms. Notwithstanding this, the tenant's unions propose 'conventional renting'. This means that landlords in exchange for subsidies or other government support agree on regulated renting levels, residential security and compliance of the dwelling with basic quality standards. This would be a first important step towards rental regulation. It is quite possible that the Flemish government will adopt our propositions on that point.

The Belgian private rental market is marked by poor quality, and unaffordability. This is also the result of a policy that until now has supported home ownership. But there is a growing consciousness even within the political parties that there is need for a paradigm-shift and that the private rental market needs more support, both on the side of the tenants and on the side of the landlords.