

CZECH REPUBLIC

Organisation: Czech Union of Tenants, Sdružení nájemníků ČR

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Tenure structure, 2014

1. Owner occupied housing: 56%

2. Rental housing: 23%

(i) private rental: 12%

(ii) social rental: 5%

(iii) other rental: 6%

3. Co-operatives: 9%

4. Other: 12%

Initial rent, free or regulated?

Initial rents are negotiated agreements between tenant and landlord. So, in principle the initial rent is unregulated. The level of regulation is determined by the level of local usual rent, utility value, for a comparable apartment in the area, or by expert opinion.

Agreed rents are not possible to contest.

But, the tenant and landlord can at any time during the rental lease period modify the lease if there are significant changes in the socio-economic situation or if the utility value of the apartment was markedly different.

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

The landlord can raise the rent by up to 20% every 3 years. But the landlord must prove that, for example, the utility value of the house/flat has increased, after investments/renovations in the flat, or because of inflation/deflation.

Rent increases must be announced in written.

Sitting tenants in the Czech Republic do not generally challenge rent increases

In the Czech Republic there is no special court, or other institution, that deals with rental issues.

The Czech Union of Tenants (SON) seeks legal base for the introduction of a "rent mirror", something to what they have in neighbouring country Germany.

Any disputes over rent are resolved by civil court in connection with the provisions of the Civil Code.

Duration of lease

Tenants who have at any time in the past entered a lease of indefinite duration continue to have indefinite leases – a landlord cannot unilaterally change the lease contract for a specified period. Sometimes even new leases can be arranged for an indefinite period.

But, a landlord and tenant can agree on periodic, short term, leases for example one year. Then they can agree on an indefinite lease period.

Rental period is always stipulated in the lease between landlord and tenant.

If the parties negotiate a rent in the lease agreement, it can be changed only by agreement of both parties or by a court of decision on a proposal by one of the parties to the lease.

Landlords usually conclude a contract of indefinite period only when they know the new tenant from the past or if any close person recommends the new tenant. If they do not know the new tenant, they usually want to conclude a contract only for a fixed period.

Notice period

Notice period is 3 months with the fact that in the next 2 months, the tenant may apply to the court for the court to discuss the legitimacy of testimony. This request court has suspensive effect.

Security deposit

3 months of rent, but the law admits deposits of up to 6 months' rent.

The deposit is guaranteed by the provisions of the Civil Code, but sometimes there are problems that the landlord does not return the deposit. Remedy is however possible judicial proceedings on evidence.

Other information

In the Czech Republic there is a law on services associated with the use of apartments – a legacy from the 'old days' – before 1991. These rights are treated as rights and mutual obligations of the landlord and tenant in the provision and payment of heat, hot water, water and sewage, a lift, cleaning common areas in the house, etc.