

Greetings from Israel!

IUT's most recent member, the Organisation for the Protection of Tenant's Rights, was established in 1956. It is a voluntary organisation, supported only by membership fees. Attorneys – legal advisors, technical consultants and members of the management group all work on a voluntary basis. There are today (2004) some 35 000 protected residential tenants, and additional 15 000 persons with “protected” business leaseholds.



The organisation's main objectives are to protect the integrity of the Tenant Protection Law in the Israeli Parliament - the Knesset – and in the government, and also in the courts and local authorities, and to provide technical and legal counselling to our members. The organisation works for tenants irrespective of religion and ethnic background.

History still lingers...

The Tenants Protection Law was enacted during the time of the British mandate, before the establishment of the State of Israel in 1948. Amendments have since then been made until the final formulation of the Law in 1972. The law stipulates that the amount of the rent is controlled and may not be raised arbitrarily by the landlord. The government raises it once a year based on the consumer price index. Also, the landlord is precluded from evicting the tenants as long as they have not breached the law and the terms of the signed contract. As long as the tenant pays the rent in due time and complies with the terms of the original contract, there is no need to renew the rental contract each year and he or she may continue to live in the flat for unlimited time.

Survivors and immigrants arrive

Protected Tenants in Israel acquired this right by the historical background. During the time of World War II there was a severe shortage of residential flats in most western countries, and so also in Israel. There was little or no new construction, also no construction of public housing. Without such laws that protected the tenants, rents would have gone through the roof.

At the end of the War, upon the establishment of the State of Israel in 1948, Holocaust survivors were arriving and new immigrants from all over the world arrived daily. Construction, public and private, could not keep up with the need for new flats.

“Key money”, regulated by the law!

In order to live in those flats that were protected by the Law from 1948, for which there was fierce competition, the custom spread of paying “key money” - an illegal custom of course. The money was split between the outgoing tenant and the landlord. The money was paid “under the table” and increased with time. Since it was no longer possible to control or to revoke this custom, in 1958 this custom was stipulated in a special law. This law specified the rules of division between the tenant and the landlord. The amount of “key money” itself was established by supply and demand, and changed periodically. In fact, to this day, it is governed by the market economy within the confines of this law. Over the years, the amounts ranged between 60 to 80 percent of the value of the property when vacant. Thus, in fact, the tenant acquired his or her right to protection against market rental fees, arbitrary evictions and various types of mistreatment.

It was later decided to “turn a new page” and it was stipulated that a building constructed after 1954 would not be included in the Law.

When a tenant leaves his flat after having lived in it for more than five years, he receives 60 percent of the key money paid by the new tenant. A protected tenant in Israel is someone who has paid “key money” for the rights conferred on him by the law. The property is still not his, despite the large amounts of money paid. Upon his demise the property reverts to the landlord, unless a descendant lived with the tenant for at least six months before he or she died.

The tenant must pay 50 percent of the proportional costs applicable to the flat in connection with the maintenance of the common facilities in the building.

Anyone who is not a Protected Tenant is not protected from eviction, nor with respect to the rental fee that he or she has to pay. The tenant must renew his contract with the landlord each year.

As in most major cities, the difficulty to find a roof over one's head is considerable. Those who suffer most are young couples, single persons and of course those who have no money.

Rents

Free rental in the city centres is high. The rent for a two-room flat may cost 600-700 \$US per month. This is equivalent to the salary of a young teacher, a nurse or a low-level clerk. Students often live together in a family flat. When moving in, these flats are usually empty, without any kitchen appliances. Not included in the rent are municipal taxes and costs for electricity.

Landlords and the salami method

The Organisation for the Protection of Tenant's Rights is fought against by the Landlords Organisation, which is rich and strong and makes every effort to cancel the Law or to "clip its wings", by attempts to insert amendments by the salami method – until the tenant will remain with no rights at all. The tenant organisation was established to face up to them, and prevent them from amending the Law to the detriment of the tenants. Organisation representatives do this in the Knesset, and lobby the Israeli government and the various authorities, and also the Supreme Court.

The Organisation for the Protection of Tenant's Rights provides counselling to tenants on understanding the Law with respect to what they may and may not do. The organisation has six voluntary lawyers who provide legal advice to those tenants who are members of the organisation with respect to various arguments and disputes that arise.

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