ITALY

Organisation: Sindacato Unitario Nazionale Inquilini ed Assegnatari, SUNIA National Union of Private and Social tenants **Rapporteurs:** Emiliano Guarneri / Simone Porzio **E-mail addresses**: emiliano.guarneri@sunia.it / simone.porzio@sunia.it

Tenure structure, in % of total stock (2012)

- **1. Owner occupied:** 80%
- **2. Social rental**: 5%
- 3. Private rental: 14%
- **4. Others**: 1%

Initial rent - is it regulated or unregulated?

The Italian law allows both.

The rent cannot generally be modified during the lease. But, the landlord – if he/she chooses - can increase the rent according an index, according to changes (fluctuation) in prices of common goods, as determined by the National Institute of Statistics, Istat.

Landlords can also choose to opt out from such increases, and instead get tax breaks, but this very rarely happens.

Generally two kinds of leases

1. Free leases with unregulated rents, which are, at least, 4+4 years long. After the first 4 years, the rent is automatically renewed at the same rent as for the previous 4-year period. Free lease rent minimum duration is 4+4 years. At the end of the 8th year the landlord can terminate the contract.

2. Regulated leases which are, at least, 3+2 years long, where landlords receive tax breaks. Landlords choose which "lease model". Rents cannot be increased during these 5 years, except for Istat fluctuation. Rents can only be increased after the 2nd period.

If you want to rent a flat for a shorter, temporary, time, say 1 or 2 years, you have to use a different lease-model. "Temporary" location is allowed for students or for work reasons; duration is from 3 till 18 months (renewable, e.g. 12+12 months) or from 6 till 39 months if you are a student. "Temporary" leases must be "motivated" by the tenant or the owner.

When the lease expires, you need to sign a new lease. Any duration must be renewable at the same rent, excluding Istat fluctuation - see above.

Can the tenant challenge/ the initial rent?

Yes, if the rent for a regulated lease is not in accordance within the range managed in "territorial union agreements".

For free unregulated leases, rents cannot be challenged.

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

Annually, within the Istat fluctuation; index based on changes in prices of common goods, as determined by the National Institute of Statistic, Istat. Increases should be presented in written.

Question: If I rent, privately, a flat for say 1 year (with a 1-year lease contract), and then I want to stay one more year – can the landlord then charge any (unlimited) rent then, for the 2^{nd} year? **Answer:** No, the rent depends on the lease contract. If I had a temporary 6+6-month lease contract, at the end of the year the lease is expired and if I want to stay longer then I have to sign a

new lease. But a duration shorter than 4+4 year must be "regulated" - not free!

Duration of lease

Leases are time-limited by law: - Free lease: at least 4+4 year - Regulated lease: at least 3+2 year Both established by negotiations between landlord and tenant.

Notice period

Usually 6 months.

Security deposit

1 to 3 months of rent. Usually there are no problems getting the deposit back.