

NORWAY

Organisation: Leieboerforeningen, Lbf, Tenants Association of Norway

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Tenure structure, (2011)

Owner occupied housing: 77 %

Rental housing: 23 %

(i) social rental: 11 % (municipal dwellings)

(ii) private rental: 86 % (private persons, institutional owners, organisations)

(iii) others: 3 %

Initial rent, free or regulated?

Free, in reality – but in theory, the rent must not be ‘unreasonable’, compared to rents which are normally obtained when concluding the new letting of similar property, on similar terms.

Can the tenant challenge the initial rent?

Yes, if a party considers the rent to be unreasonable.

In some areas of Norway there is a court specialising in lease disputes, the Rent Disputes Tribunal, *Husleietvistutvalget*. Otherwise there are Rent Evaluation Boards. If the parties do not accept the outcome, they may take the case to the district/city court, *Tingretten*.

There is no specific limit, for when a tenant must challenge the rent. If time passes however, it could indicate that the tenant has accepted the agreement as it is.

If the tenancy has run for a period of 2 years and 6 months, the tenant can demand that the rent be fixed to the current level of rents.

How often can the landlord increase the rent?

Every 12 months, in writing, according to the official CPI, Consumer Price Index.

Every 3 years, to a level defined as ‘average’.

But if the lease is 3 years or shorter, and the parties want to enter into a new contract, the landlord can offer a new lease with a market rent - and the tenant must accept this.

Landlord does not need to state any motive for increases.

Deduction shall be made for that part of the rental value that is due to the tenant’s improvements and investments.

Challenge rent increase?

If the case is regarding adjusting to the current level of rent, the parties may request that the dispute be decided by a Rent Evaluation Board.

Anyone who has paid a higher rent than is lawful, may claim reimbursement of the difference between the amount paid and the lawful amount unless the payer must be regarded as having a major share in responsibility for the infringement.

A tenant can challenge his/her rent every 3 years, to a level defined as an ‘average’ – but very rare though.

Costs: To bring a case to the Rent Disputes Tribunal or the Conciliation Board is 1025 NOK (€109).

Duration of leases

A lease in the private unregulated sector may be agreed for any specified or unspecified period.

Unspecified period = indefinite lease = if there is no expiry date in the lease.

Specified period: the main rule is then that the contract may not be less than 3 years.

The term of the tenancy is negotiated and agreed by the landlord and the tenant

Notice period

3 months' notice, or agreed by the parties.

The parties may also decide that the contract cannot be terminated in the lease period.

If the landlord wants to terminate the contract, there needs to be objective grounds for termination. And termination may be set aside if the termination is considered, by the court, to be unreasonable. Examples of objective grounds: the property will be used as a dwelling by the landlord himself, the property must be vacated owing to demolition or alteration, or the tenant has breached the tenancy agreement.

The landlord can terminate the contract with immediate effect if there is a serious breach of the agreement, like rent arrears.

A tenant should challenge the termination within 3 months.

Security deposit

Most common is 3 months' rent, but 6 months is possible.

The landlord needs to keep the deposit in a special account in the tenant's name, with a normal interest rate.

Any problems connected with return of deposit?

A large number of the cases in the Rent Disputes Tribunal is regarding deposit claims after termination of the contract;

- Sometimes the bank does not want to pay out because the landlord is claiming a part of the money. The rules are clear; if the landlord wants to claim the deposit, he has to take the case to court. If he does not take the case to court within a certain time period, the money is to be paid to the tenant.
- In some cases the landlord asks the tenant to transfer the money directly to the landlord's account. The tenant can claim that such a deposit be transferred back at any time during the lease. Some landlords do however not accept such a claim, and the tenant must take the case to court to get the deposit back.