#### **CATALONIA**, Spain

Organisation: Federació d'Associacions de Veïns d'Habitatge Social de Catalunya

Social Housing Neighbourhood Federation of Catalonia

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Tenure structure, in % of total stock, 2013

Owner occupied housing: 82%

Social rental: 1 Private rental:10

Others: 7

## Initial rent – is it free or regulated?

The initial rent for a privately tented dwelling is free to negotiate between landlord and tenants.

## Can tenants challenge the rent?

Yes, but he/she has to wait until 1 year has passed, then he/she can every year challenge the initial rent, if the rent is much higher than CPI, Consumer Price Index.

#### How often can the landlord increase the rent?

Once a year, in written.

Rent increases are limited by CPI.

The landlord and tenant can, from the 3rd lease year, negotiate the rent, both upwards and downwards, without having to link it to CPI.

If a tenant makes improvements to the property, it is possible to reach an agreement with the owner, and deduct the costs of the work from the monthly rent.

## Challenge rent increases?

Not possible.

Only way for tenant to decrease the rent would be to refer to less demand in the neighbourhood.

#### **Duration of lease**

Leases are normally from 1 year, up to a maximum of 3 years, and then tenants have the right to extend the lease each year automatically if landlord do not do nothing about it.

If neither the landlord nor the tenant serves a notice to terminate the contract 1 month before it ends, the contract is renewed by yearly terms up to a maximum of 3 years.

Tenants are entitled to put an end to the contract before the 3 years' period, by giving notice at least 30 days prior to the termination of the contract.

Short term contracts are designed for holiday rentals, but can last as long as one year.

# **Notice period**

One month before the end of the lease contract.

# Can landlord terminate the lease, before the end of the lease period?

A landlord can evict a tenant and regain his property on several grounds, including failure to pay the rent. But courts have often ruled that these arrears must exceed 6 months' rent before any action can be taken. At present, after 10 days if tenants do not pay the rent, landlords can start a legal action to terminate the lease. This is call express judgement.

Security deposit 2 months' rent, and it is normally not a problem for tenants to regain their deposits.