

## **The NETHERLANDS**

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### **Tenure structure, in % of total stock, 2012**

**Owner occupied housing:** 60%:

**Social rental:** 30% (social housing organisations)

**Private rental:** 10%

### **Initial rent – is it free or regulated?**

The rents are regulated for 90% of the rental dwellings in the Netherlands.

Rents are regulated for all rental dwellings (flats and houses) with a rent below €711/month (2016). These dwellings are often called “social dwellings”. Rents are assessed through a points system.

Points are given for size, equipment, market value and so on. Points correspond to a certain maximum rent.

### **Can tenants challenge the initial rent?**

Yes, in court, by the Rental Commission – *Huurcommissie*, if the tenant suspects that the rent is too high for his/her flat.

This is possible within the first 6 months, to prevent the flat from becoming unregulated/liberalized.

A landlord can ask for a rent above €711 and thereby making it an unregulated/liberalized rental dwelling - but a tenant can challenge this increase if he/she thinks the number of points, when re-calculated, would lead to a lower maximum rent.

There are 1.600 challenges every year, concerning the initial rent. About 80% are won by tenants!

### **How often can the rent be increased?**

Once a year, usually on July 1, on an official form.

### **Any limitations to increases?**

- Regulated flats: rent increase according to inflation + income related increase.

- Unregulated/liberalized flats: No, freely negotiated between landlord and tenant. The system for a yearly increase is a clause in the rent contract. It often has inflation as a basis.

Tenant must challenge rent increases within 2 months, with the Rent Commission – but only for regulated rents.

A tenant can challenge a new rent, if he/she suspects that the rent is too high according to the system of points.

A tenant who challenges the rent pays €25 in advance and if his challenge is successful this sum is returned.

### **Duration of leases**

In the Netherlands tenants have indefinite/unlimited duration of lease in the regulated/social sector, **as well as** in the unregulated/liberalized sector.

Lease protection is strong!

Under a number of conditions there are also time-limited leases of 5 years, especially for students and young adults up to 28 years of age.

And since the 1st of July 2016, limited leases up to 2 years are also possible.

In exceptional cases, it is however possible to agree upon a minimum time, of usually 1 year.

**Notice periods**

Landlords can very rarely give notice; only for rent arrears, violation of duties of care, or misconduct, etc. And also in proven cases when the landlord needs the premises for his own use.

For tenant: 3 months if time limited lease.

For tenant: 1 month if unlimited.

**Security deposit**

1 months' rent is most common, sometimes 2 months'.

3 months' rent is considered unreasonable, by courts.

Deposits should be returned immediately, after the return of the dwelling.

Problems rarely occur, but it happens.