

Real Estate

More Housing Program - Chapter III

Vacant Buildings



About Law.
Around People.



The More Housing Program also approved several additional measures aimed to ensure good property conservation and encouraging the use of vacant properties (including the so-called "forced lease", which was one of the most controversial measures in this process):

Vacant Buildings and Forced Leases

- A significant change has been made to the law governing the tax definition of a vacant building, under which it is now mandatory for telecommunications companies and gas, electricity and water suppliers to send, by October 1st of each year, an updated list of the absence of supply contracts or low consumption for each urban building or autonomous unit, including the property's tax number.
- In addition, the More Housing Program proceeds the review of several laws (including the Legal Regime for Urbanization and Building) in

- housing and lease in vacant properties, including the following:
 - Approval of a line of financing promoted by Banco Português de Fomento, S. A., to support the execution by municipalities of compulsory works in properties in poor state of repair, under the terms of the Legal Regime for Urbanization and Building, for a maximum amount of €150,000,000.00;
 - Creation of a duty of use subject to periodic inspection by the Municipality, with regard to habitability conditions (*ex officio*, periodically or at the request of the IHRU, I. P., which now has relevant supervisory powers in this context), with the latter being able to order the owner to restore the use under the authorized terms; and
 - Possibility of notifying owners of autonomous unit or divisions

susceptible of independent use in buildings located outside the interior territories, vacant for more than 2 years, of:

- (i) the duty to carry out the works necessary to comply with the duty of maintenance; or
- (ii) duty to use the property including, if the Municipality so decides, submitting a lease proposal (the rent for which may not exceed 30% of the general rent price limits by type depending on the municipality in which the property is located).

In the event of a refusal or failure to respond within 90 days, and if the property remains vacant, the municipality may proceed with the forced lease of the property.

Meet the team:

