

Real Estate

More Housing Program - Chapter IV

Lease Agreements



About Law.
Around People.



Lease contracts

One of the areas most affected by the measures approved under the More Housing Program was renting, where measures were approved to provide:

- (i) security in the lease market, and
- (ii) a greater speed and coordination in legal proceedings related to leases.

These measures include the following:

➤ Lease Update

- The initial rent for new lease agreements for housing purposes on properties in which lease agreements have been in force for the 5 years prior to the entry into force of the More Housing Program is limited to the value of the last rent charged in relation to the same property in a previous agreement, considering a coefficient of 1.02. This limitation applies to lease agreements for residential purposes that exceed the general rent price limits by type and by municipality provided for in the applicable legislation (Lease Support Program).

- This coefficient may, however, be increased if the rent set out in the previous lease agreement has not been subject to one or more legally foreseen updates, in which case the update resulting from the update coefficients of the previous 3 years may also be added, with the 2023 coefficient for this purpose being 1.0543.

- With regard to properties that have undergone extensive refurbishment or restoration works, as certified by the Municipality, the initial rent for new lease agreements may be increased in the amount corresponding to expenses borne by the landlord, up to an annual limit of 15%.

- The rent regime described above will take effect until 31.12.2029.

➤ Transition to the NRAU (legislation in force regarding new urban lease agreements)

- With regard to residential leases entered into prior to 1990 that have not yet been transferred to the NRAU regime, it is no longer possible for landlords to promote this transfer, and tax measures to compensate landlords will be defined.

➤ Tenant and Landlord Desk

- The Balcão do Arrendatário e do Senhorio (Tenant and Landlord Desk) is created (replacing the National Lease Desk and Lease Injunction Service), specifically designed to deal with lease matters linked to the special eviction procedure and lease injunctions, with jurisdiction throughout the national territory and qualified as urgent procedures.
- Once the relevant applicable conditions have been verified and established under this regime, the State must pay the rents due under lease agreements for residential purposes due after the opposition period has expired, within the maximum limit of 9 times the Guaranteed Minimum Monthly Remuneration, with the State being subrogated to the applicant's rights. This measure will take effect on 01.01.2024.

Meet the team:

