

Essentials Dutch real estate law: The temporary lease agreement



Are you looking for a temporary home or do you just want to rent out your home temporarily? Since 2016, it has been possible in the Netherlands to lease temporarily without a tenant being automatically entitled to rent protection. In this blog we briefly discuss the regulations regarding this temporary lease agreement.

No tenant protection

Before July 1, 2016, it was the case that if a temporary lease agreement was entered into, a lessor still needed a special legal ground to terminate the lease agreement. In practice, the termination of the lease agreement was therefore not a simple matter. On 1 July 2016, however, the landlord has now received a new option from the legislator and can agree on a temporary lease agreement that lasts a maximum of 2 years in the case of an independent home (it is a maximum of 5 years for a non-independent home). If the rental period stays within this period, the lessor will be able to terminate the lease at the end of the contract period. With this form of a temporary lease, the tenant always has the right to cancel the lease prematurely with due observance of the notice period.

Tenant protection despite temporary lease agreement

Although a landlord no longer has to officially cancel the lease, the landlord is still obliged to inform the tenant in writing a maximum of three months and at least one month in advance that the lease will be terminated. If the landlord does not do this, or too early or too late, the tenant will in principle still be entitled to tenant protection and it will become probably very difficult for the landlord to cancel the lease.

Extension of temporary lease agreement

It happens regularly that tenants and landlords decide at the end of the temporary lease that they would like to continue the lease. However, any extension of the lease will, in principle, legally result in a lease for an indefinite period of time even if less than 2 years have elapsed (or 5 years in the case of a non-independent property). In short, if a lease agreement of one year is extended for another year, the tenant will automatically be entitled to tenant protection. If a lease for an indefinite period is not intended, it is generally advisable to agree on a lease for at least 2 years (or 5 years). Otherwise, if the lease is continued, after one year, for example, it already will be converted into a lease for an indefinite period.

Do you have any further questions about the temporary lease agreement? Then contact M2 Advocaten.