



Types of Rental Property in Portugal

Understand what to expect from the different types of rental contracts available in Portugal...

Whether you're looking for somewhere to rent on a short or long-term basis, there are a good range of flats, houses, villas and even hotels to suit your needs.

Short-term Rentals

These are always furnished and it is relatively easy to find flats or houses of all sizes during the autumn/winter season which runs from October to Easter, especially in the coastal resorts. Many of these properties are in purpose-built self-catering holiday complexes, where agents will be looking to fill the winter season with short-term tenants. Short-term rental prices tend to increase greatly in the summer season and landlords may be reluctant to extend the contract to include the summer months.

A **contract** is required and the tenant usually pays one month's rent in advance, with an additional payment of one or two month's fee as **deposit**. Utilities are usually included in the contract, although electricity may be metered on arrival and departure and settled separately.

Hotels may also be able to offer special extended stay prices over the winter.

Long-term Rentals

There is an adequate supply of long-term rental properties in the major cities and their surrounding areas, ranging from studios to villas with swimming pool. They may be furnished (*mobilado* or *com móveis*) or unfurnished (*sem móveis*).

Prices depend on the size of property (number of rooms, or *assoalhadas*) and the official certification of the property as to age, quality and facilities. The quality of property can vary, a fact that is reflected in the monthly rental.

- Most good quality rental property will have a kitchen equipped with appliances (*cozinha equipada*) and this will usually be specified in the advertisement
- Service charges tend to be included in the amount specified for the rental
- Fees for gas or electricity usually have to be settled as extras

Special attention should be paid to central heating; while most new properties now have central heating, this may not be the case with older homes. Many properties, flats or houses therefore have open fireplaces. Where there is no central heating, tenants may also buy large portable gas heaters.

Contracts

Contracts can be for different durations but are most often for one year, renewable by mutual consent between landlord and tenant. In general, Portuguese law stipulates that there is a rule of automatic renewal of contract; the landlord can give notice only in certain circumstances determined by law.

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The New Law on Urban Rental (*Novo Regime do Arrendamento Urbano* - NRAU), stipulates that only some core details are needed for the rental contract:

- Identification of the landlord and the tenant
- Identification of the premises: address, entry in the Buildings Registry
- The Licence for Usage as a dwelling (*Licença de utilização*): number and the public authority that granted the licence
- Date of contract
- Duration of contract
- Amount of monthly rental

In addition, other information may be added, if agreed between landlord and tenant, such as the exact state of repair of the premises at the time of rental or the condominium rules and regulations, if applicable.

All contracts for a duration of six months or over should be in writing. The tenant may need an NIF number (*Número de Identificação Fiscal*) and bank account details.

Insurance

By law, the landlord must have basic buildings insurance (*seguro à habitação*) against fire damage. It is also advisable that tenants take out their own household contents insurance

Source: AngloInfo Algarve ®