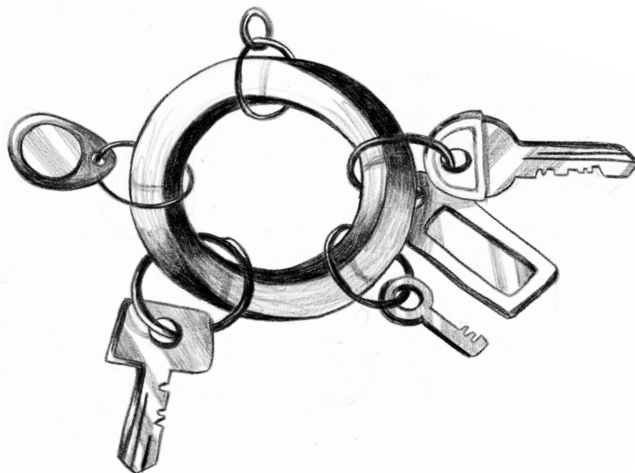


HOW TO RENT IN PRAGUE 101



Purpose of this manual is to practically empower migrant tenants to make use of their rights. We, migrants in the Tenants' Initiative (INN), wrote it because we had the feeling that foreigners in particular often do not know about their rights when it comes to renting in the Czech Republic.

We are not professionals, just people fighting for a common interest. Feel free to share this manual and contact INN in case of questions or trouble.

We are also interested in your firsthand experience: what issues did you face? How did you solve them? Is there something in this manual that does not correspond to your experience at all? Contact us!

DISCLAIMER:

- 1** In this document, you will find two types of contract, which exist in Czech law as of April 2024: fixed-term contracts and indefinite contracts. In practice, most contracts that you would sign nowadays are fixed-term contracts, usually for one year, as there is no obligation for landlords to give indefinite contracts. It means that every time your contract ends and you sign a new one with your landlord to renew your stay, you are entering a completely new agreement (including rent price, etc). Some points in this document will not apply to people with fixed-term contracts.
- 2** We are not attorneys and the information provided by us should not serve as a substitute for legal advice. You can approach different NGOs, such as SIMI, InBáze or Integrační centrum Praha, for legal advice. If you are a member of the Tenant's Initiative INN, we also can discuss your case in our Solidarity group and find a solution together.

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WHAT IS A RENTAL CONTRACT?

Who are the parties in a rental contract?

- **a landlord and a tenant**
 - **The contract must be signed by a landlord or by an authorized person that has a power of attorney. In the latter case, it is important to see the original of the power of attorney.**
- OR a rental agreement with a current tenant (a sublease agreement)
 - A sublease agreement to an apartment that is not occupied by the current tenant is only possible if the tenant has a written consent by the landlord.
 - In general, you can sublease a room in a flat without the landlord's consent if you continue to live there, but the rental contract may stipulate that the landlord must agree with the acceptance of new persons into the household if they are not relatives of the tenant.

What can be rented? Flat versus non-flat

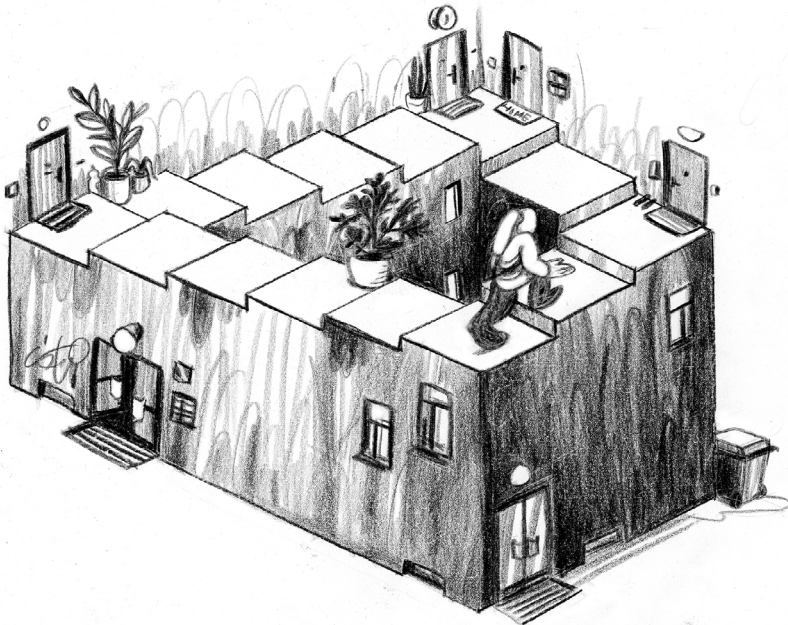
- The flat must be correctly and precisely identified in the contract.
- You may encounter advertisements for spaces that were not approved as residential spaces by the Construction Authority. Apart from flats (byty), there are also non-flat spaces (nebytové prostory). It is possible to rent non-flat spaces as well, but the landlord is nevertheless bound by the same rules that would apply if they rented out a proper flat. Unless you agree otherwise, they have to provide a flat that is clean and could be commonly accepted as being in good condition. By default, this will also include basic necessities like supply of clean water, collection of waste water, heat, waste collection, lighting and cleaning of the common parts of the building, access to TV and radio broadcasting, operation and maintenance of chimneys, and operation of an elevator (if there is one).

What should be the form of the contract?

- Written form - the law requires a written contract in this situation.
- Oral form:
 - Nevertheless, the landlord cannot move you out based on the fact that the contract is oral. However, in these cases you still have to prove that such a contract exists (e.g. rent payments).
 - The tenant, on the other hand, can invoke the invalidity of the contract. If you want to move out before the oral contract ends, that is your right. The law is in favor of the tenant in the case of an oral contract.

Law vs. contract

- **You do not need to have any specific consent of a landlord to have legal residency - it is enough to have a rental contract. You have the right to ask for residency in the place you live even if the contract says otherwise. However, the place must have a construction agreement for housing granted by the Construction Authority, it cannot be a non-residential space.**
- Same goes for pets: even if the contract prohibits pets, it is an invalid provision, you can have them. The only exception is if the presence of the pet causes extraordinary hardships to the landlord or neighbors in the house. You have the right to keep your pet!
- **As a general rule for flat rental agreements: everything that is in the contract but in conflict with the law is, in case it benefits the landlord, an invalid provision. The law can be overruled if the part of the contract which contradicts the law is to the benefit of the tenant. In case of doubt: the law overrules the contract.**





WHEN MOVING IN

What are your rights and obligations when you move in?

- When you move in you typically sign a protocol with the items in the flat, current information from gas, electricity and water counters, etc. There is no obligation to do this, but it is advisable. There are enough cases when landlords wrongfully accused tenants of damaging the flat and used that as a reason not to return the deposit.
- **Take photos or videos of the property! And save a copy/store it online :) It should be specified in the protocol or in the contract that there is a video or a photo of the flat, you must have proof that you made the pictures when you moved in, specify where the pictures were taken and when they were sent (ideally the day you took them).**
- **Check the gas, electricity and water meters yourself - do not trust the landlord!**

How to avoid a scam?

- Never pay in advance if you do not see the landlord and you do not see the flat!
- No "reservation fee" for the landlord!
- Use email or post for communication, not WhatsApp, etc.
- Keep proof of everything! Take pictures of the state of the flat when first moving, a copy of the protocol, gas and water meters, as well as all communication and contracts with the landlord.
- Check if the person is the legal owner...

What payments does the contract usually include?

• Rent

- According to the law, rent is a monthly payment in advance, but the date of payment can be specified differently in the contract
- Can be either rent + utilities or one amount in the contract that includes everything

• Deposit

- **Deposit cannot be higher than 3 months rent**
- There are different opinions on when the landlord has to return the deposit. By default, according to the Civil Code, the deposit should be returned the day the contract ends. However, some lawyers argue that it could be contractually postponed, usually up to a month, but could be up until a year after the contract end date.
- Landlords often refuse to give the deposit back. Be aware that **the only legal reason for a landlord to withhold the deposit is unpaid rent or another debt (or damage) that is connected with your landlord-tenant relationship.** If landlords want to withhold the deposit to pay for damages, they should be able to show that it was your responsibility as a tenant to put them in order.
- Tenants have used the method of not paying rent for the last three months before the end of the contract and in this way, getting the deposit back indirectly. While this might be successful in some cases, be aware that **it is not legal without an agreement with the landlord.** If you do not pay the last rent, the landlord can return you the deposit and ask you to pay the last rent with a high interest rate from the amount you owe per year (this interest rate is calculated on the basis of a governmental decree, it was 15% at the time of writing this guide).
- In case your landlord does not return the deposit: **send them a pre-court warrant.** This document basically says that you are about to take the case to court.
- This document is important because:
 1. It is often enough for landlords to return the deposit
 2. If you send it, the court can ask the landlord to cover the costs of the court procedure if they lose. **Consultation with a lawyer might help you to have the pre-court warrant written in a legally correct way.**
- **You have a right to request an interest rate on the deposit, which could range from 5-10% per year. It is a legal obligation, so you have a right to the interest rate even if the rental contract does not mention it, or unlawfully stipulates that you have no right to claim this interest. However, the Civil Code does not specify the height of the interest rate. The general rule is that it should be determined according to the interest rates applicable to local (and comparable) bank loans at the time you entered the contract.**

• Billing and utilities

- Unless you agree with your landlord that you will acquire one or more services on your own, there are two possibilities of paying for them:
 - Rent + deposit for the utilities or one amount in the contract (rent)
 - Rent + a "flat fee" for utilities (which means that the landlord is not obliged to provide you with a bill, but you also do not have to pay more)

¹To calculate interest: <https://www.cnb.cz/arad/#/en/indicators>

- **In the first case, the bill must come four months after the end of the given billing period (which cannot be longer than a year). The landlord must allow you to see the documentation behind the bills as well. In general, the bills need to be settled within four months after your receipt of the bill - whoever has additional payment pays the other party. In case you do not get your billing in time, there is a fee of 50 CZK per day that the landlord has to pay.**
- The term utilities mainly includes water, heat, gas, waste, cleaning, electricity in the common spaces; utilities do not include fee for the house management and repairs.

WHILE LIVING IN THE FLAT

Maintenance and repairs:

- **Routine maintenance and small repairs are the responsibility of the tenant (cleaning, repair of devices, doors, windows, ...), small repairs are either those listed in Section 4 of Governmental Decree No 308/2015 Coll., or other repairs if their cost does not exceed 1000 CZK per one repair.**
- **In any event, the total costs of repairs in one year must not exceed CZK 100 per square meter of the tenant's flat. Any repairs beyond this limit are the responsibility of the landlord.**
- **Visits of the landlord must be announced in advance, at least a week. Inspections are not allowed without a reason.**

Rent increase:

When can the owner increase the rent?

- **Long term contract:**
 - It depends on what is written in the contract. However, most contracts only contain a 'price escalation clause'.
 - Price escalation clause = rent can be annually increased by the current inflation.
 - If there is no specific agreement in the contract, the rent increase is provided by the Civil Code: the rent can be increased only to the extent that corresponds to standard rents in the area determined in line with the applicable Governmental Decree, but no more than by 20% over the last 3 years.

What if the increase exceeds 20%?

If your landlord demands more than 20%, the requirement is against the law and you are not obliged to accept it. If the landlord were to take the matter to court, it is highly likely that the court would reject it.

- If the landlord renovates the property, they may agree with tenants occupying a two-third majority of flats within a building to increase rents by up to 10% of their justifiable costs.

Fixed term contract:

- **Any time your fixed term contract expires, you are entering a brand new agreement with the landlord. Unfortunately, the legal protection described above does not apply to this case.**

When the issue of the rent increase goes to court, how much rent should the tenant pay during the court period?

The answer depends on the type of court procedure. If the landlord is asking a court to decide that the rent is to be increased, the tenant can pay the same rent till the court decides differently. It is the court decision that establishes the landlords right to receive higher rental payments. However, if the court decides in favor of the landlord, the tenant will have to pay the lost rent since the court action has been filed. That's why it is important to think about this possibility and put money aside because rent debt can lead to a lease termination.

The situation is different if the landlord claims that the rent increased for some other reason (e.g. due to a clause in the contract, which states that there would be some automatically triggered rent increase). The landlord is claiming that the tenant already owes them rent. This can lead to them being able to terminate the contract. However, there is a way to prevent the landlord from terminating the contract without paying them directly while the amount of rent is disputed. The tenant can deposit the contested sum with a notary public and notify the landlord about it. This prevents them from legally terminating a contract for the failure to pay rent for the time of the dispute.

Who pays for the court costs?

Who loses pays. If the court fully grants the landlord's request, the losing party bears the court costs, even those of the winning party. That can include: court fees, legal representation expenses or expert appraisals if they are conducted e.g. to determine the market value of the flat.

What if I don't have money to sue the landlord?

There are non-governmental organizations in Czech Republic (e.g. SIMI - association for integration and migration), which can provide assistance with the basic concept of filling a lawsuit. When the matter reaches the court, the individual can request both exemptions from court fees and the appointment of a state-funded lawyer or a lawyer at a reduced fee. If the court grants these requests, the lawyer typically supplements the filed lawsuit and accompanies the individual throughout the entire process. However, it is necessary to genuinely lack financial means. For example, car or property ownership can be seen as a sign of good material condition. Financial need is proven by filling out a form where you need to provide detailed information about your assets, income, and other relevant details. More generally, lawyers sometimes choose to represent people for free (pro bono), some non-governmental organizations can point you to such lawyers representing clients in your situation.

Are there other ways to not accept a rent increase other than through the court?

If you do not accept the rent increase (and the rent did not increase without the intervention of a court), nothing happens until the landlord files a lawsuit asking for such an increase. You will be paying the old rent and wait for the court ruling. However, if the landlord files a lawsuit, then the court is not bound by the 20% limit anymore.

What about the utility price increase?

Services can be reconciled, which means you pay advances and at the end, everything is calculated, resulting in either an additional payment or a surplus.

Alternatively, services can be lump-sum, where you pay a fixed amount, and it is not further discussed or calculated. In any event, utility price increases should typically roughly reflect the current market prices of these services. Contracts will often contain clauses to this effect.

Rent reduction:

In what circumstances can a rent reduction be sought?

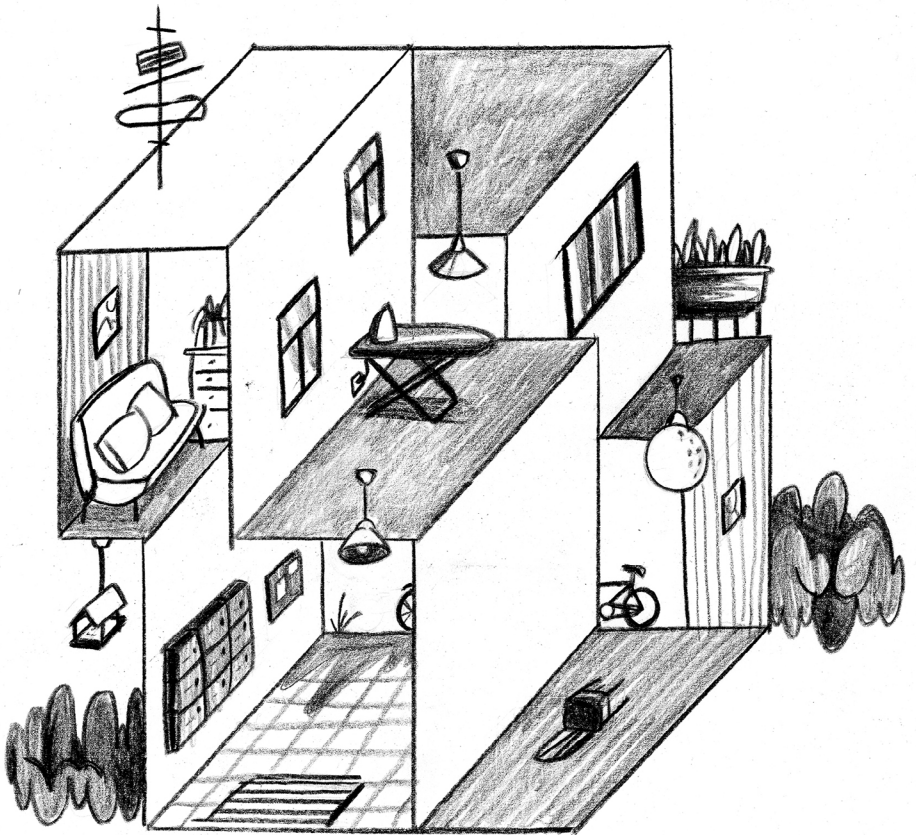
Here are two cases where a rent reduction can occur:

- 1) The rent reduction for an indefinite period of time.
In this case, the same rules apply as when increasing rent, except that it is the tenant who files the proposal to reduce the rent, not the landlord.
- 2) The temporary rent reduction due to the decrease of living standard.
The quality of living standard can be reduced due to an ongoing renovation.

According to the law, the tenant is entitled to a reasonable discount on the rent. However, the exact amount can be challenging to determine. There are no specific regulations regarding the exact amount, so it is advisable to engage in negotiations with the landlord and try to find a reasonable solution. Another solution can be to withhold a portion of the rent and deposit it at a notary. That will protect the tenant from eviction for non-payment of the full rent. In this case, a court will have to determine what is the reasonable discount given by the specific situation.

Can you seek a rent reduction in case of external factors (eg. neighbor disputes, construction work, ...)?

In theory, yes. The landlord is responsible for ensuring that your living conditions are standard and without any issues. This also includes external factors that may not be under the landlord's control, such as noisy neighbors or dust due to ongoing reconstruction in the next-door house. However, as a tenant, you do not have direct control over these actions. In such cases, you should contact the landlord and request appropriate measures to address the situation. It is the landlord as the owner of the property who is in the best position to take legal action against such issues.





WHEN MOVING OUT

What to be aware of when moving out?

- **Prepare a protocol, compared with the one you did when moving in, and which contains a list of things and their state to confirm that everything is OK, and have it signed by the landlord.**
- Take pictures and have the state of the flat well documented
- Do not forget to check the meters and note down the numbers – this will be your argument to get the deposit back.
- See point on the deposit

Termination of a contract:

- indefinite or fixed-term contracts
 - **The tenant can terminate the contract with immediate effect (i) if the flat ceases to be suitable for living by no fault of the tenant, (ii) if the landlord causes harm to the tenant by acting in exceptionally serious breach of their duties or (iii) if the landlord does not carry out a repair of a serious defect of the flat after a repeated request to do so.**
 - **The landlord can terminate the contract with immediate effect in the case of an exceptionally serious breach of duty (e.g. if the tenant causes serious and irreparable damage to the flat, does not pay rent for three months, ...). Furthermore, the Civil Code exhaustively lists cases in which the landlord can terminate the contract with a termination period of 3 months (e.g., if the tenant commits a criminal offense against them, if the flat must be vacated for reasons of public interest, ...).**
- **Fixed-term contract: in addition to the situations listed above, it can be terminated by the tenant only when circumstances change unexpectedly (e.g., you are forced to move because of getting a job offer in another city), and the tenant cannot be rightfully asked to continue renting. It is usually argued that there is a 3 months termination period in these cases. The tenant should always state reasons for termination, unless the contract stipulates otherwise.**
 - the landlord can only terminate the contract in situations described above.

- **Indefinite term contracts**

- **The tenant can terminate the contract even without stating a reason. The landlord can terminate the contract for reasons described above, but also if the landlord needs the flat for themselves or certain specified relatives. The applicable termination period is 3 months in all listed cases.**
- In case of termination of a long-term contract, the tenant has the right to raise objections within two months from receiving the notice; it is the landlord's obligation to inform the tenant about this; if they do not do so, the termination is invalid.
- Termination of the contract; meet the landlord and give them a copy of the notice (and ask them for written confirmation that they received it); if you do not meet them, use registered post to send the notice (you can ask the Post Office to send you a confirmation of delivery - "Dodejka") - do not use other ways of communication (WhatsApp etc.).
- The termination period starts on the first day of the following month after the termination notice was delivered.
- If the contract terminates, but you continue to live there for three months and pay rent, the original contract renews itself, unless the contract says otherwise.

RESOURCES/SOURCES:

1. Consultation: dTest Magazine: <https://www.dtest.cz/>
2. Video Nájem bytu v otázkách a odpovědích (Renting an apartment questions and answers) <https://youtu.be/EnVBvjmTfiY?si=uKCA6hBqYbSOellj>
3. Meeting with lawyer Zsófia Folková "Thematic Mondays with MigAct: this week we will talk about rental rights" organized by INN and co-hosted with MigAct Initiative on 24.04.2023
4. [SIMI](#) can assist with legal counselling

WHAT IS THE TENANTS' INITIATIVE?

Since September 2022, the Tenant's Initiative is building a membership organization that gives tenants a voice and is able to defend them against injustice. We organize public meetings to discuss our issues and work together with individual tenants to resolve conflicts with their landlords and landladies. Since its beginning, our Initiative has recruited over 200 new members, confirming that we are on the right track and will continue our activities! As the Migrant's group inside the Initiative, we organize around topics that migrants are especially affected by, such as language barriers and working on making the Tenant's Initiative accessible to foreigners.

You can learn more about us on our website:

<https://iniciativanajemniku.cz/en/domu-english/>

And you can contact us via our mail: ahoj@iniciativanajemniku.cz

or phone: **+420 704 589 454**

Why become a member of the Tenants' Initiative?

Membership in the Tenants' Initiative is not only about a joint effort to improve the conditions of tenants in the Czech Republic. It is also about solidarity, belonging and collective support of all members.

In the Tenants' Initiative there are other migrants like you, who are interested in improving their housing situation collectively. You do not need to speak Czech to join!

Everyone can decide how active a member they want to be: you can get involved in a specific tenant cause or working group, and regularly participate in the running of the Initiative. Or you can just occasionally hand out flyers at the Initiative's next public event. Or you can become a passive member and turn to the Initiative when you run into a problem with your landlord.

Thanks to regular contributions, membership also has specific benefits:

Member support

- provision of legal assistance and advice from friendly lawyers
- help when applying for housing allowance from our cooperating network of social workers
- collective support in negotiations with the owner
- support in organizing neighborhood meetings in your neighborhood

Material benefits of membership

- membership of the Ponrepo cinema club and discounted half-price admission to cinema screenings
- the opportunity to educate yourself: free educational events, workshops and training sessions

Realization

- the possibility of direct implementation with active involvement in the Initiative
- the possibility to get involved in specific cases that try to solve individual cases and situations of affected tenants
- the opportunity to make decisions and directly influence the form and future direction of the Initiative

How do I become a member?

You can do so at our regular meetings in Prague and Brno or fill out the form on our website and we will get back to you.

The goal of INN is financial independence so that we can best defend the rights of tenants. Therefore, members pay monthly contributions, which enable us to organize events, continue to grow, or support co-tenants in need. Contributions are in the amount of CZK 50 / CZK 150 / CZK 250, depending on the financial possibilities of our members.

If you have other questions or experience injustice from the owner of the apartment, write us an e-mail at: ahoj@iniciativanajemniku.cz.

Together we can strengthen the rights of tenants and ensure decent housing for all. We can't do it alone. Join the Initiative!

