

Decree law by Catalan government on public housing and new types of accommodation

Legal flash

January 2021



On December 11, 2020, the Official Journal of the Catalan Government published Decree Law 50/2020, of December 9, on urgent measures to stimulate the development of public housing and new types of rented accommodation ("<u>Decree Law</u> <u>50/2020</u>").

This legal flash highlights the most significant developments of Decree Law 50/2020, which entered into force on December 12, 2020.

Main developments

- It regulates "accommodation with complementary common areas" as a new type of housing for rent.
- It establishes a new framework of prices applicable to public housing.
- It amends Act 11/2020 to avoid the lessee having to bear certain expenses.



Accommodation with complementary common areas

Decree Law 50/2020 aims to promote rented housing by regulating a new type of accommodation to address the needs linked to the emancipation of young people and the demand owing to labor mobility, and to be able to offer new housing alternatives to the elderly.

- * "Accommodation with complementary common areas" is defined as housing that, under applicable habitability regulations, has a private living area that is smaller than the surface established for other types of housing and that has complementary common areas that meet the necessary minimum requirements and quality standards provided under these regulations.
- Habitability certificates are required for both accommodation with complementary common areas and housing used to carry out an economic activity.
- The sum of the private living area and the proportional share of the complementary common areas cannot be less than the minimum area of a whole home required under habitability regulations. Also, until Decree 141/2012, on habitability, has been amended, the following requirements must be met:
 - The private living area must have an inside usable space of at least 24 m², while the complementary common areas must have an inside usable space of at least 6 m². The sum of both usable areas cannot be less than 36 m², unless the housing is a temporary residential unit.
 - The minimum surface of the set of common areas, the living room, dining room and kitchen cannot be less than 4 m² per person, and 20 m² per housing unit.
- The horizontal division of property used for this type of accommodation is prohibited, as long as the accommodation with complementary common areas uses up the whole building. If the accommodation occupies part of a building divided horizontally, that part must be used as a single private element that is independent from the other elements of the building.
- > The consolidated text of the Urban Planning Act has been amended and now excludes from the supplementary reserves for urban systems the increase in the residential use density intended for certain accommodation with complementary common areas.



Public housing qualifying as such after Decree Law 50/2020 entered into force will be subject to the following sales and rental prices:

| | GENERAL SALES ARRANGEMENT (€/m²) | | GENERAL RENTAL ARRANGEMENT/ASSIGNMENT OF USE (€/m²) | |
|------|-------------------------------------|----------|--|---------|
| AREA | HOUSING | ANNEXES | HOUSING | ANNEXES |
| A | 2,385.63 | 1,192.81 | 8.95 | 4.48 |
| В | 1,938.32 | 969.16 | 7.27 | 3.63 |
| C | 1,714.67 | 857.33 | 6.43 | 3.21 |
| D | 1,491.02 | 745.51 | 5.59 | 2.80 |

| | SPECIAL SALES ARRANGEMENT (€/m²) | | SPECIAL RENTAL ARRANGEMENT/ASSIGNMENT OF USE (€/m ²) | | |
|------|-------------------------------------|----------|--|---------|--|
| AREA | HOUSING | ANNEXES | HOUSING | ANNEXES | |
| A | 2,096.74 | 1,048.37 | 7.87 | 3.93 | |
| В | 1,817.18 | 908.59 | 6.81 | 3.41 | |
| C | 1,607.50 | 803.75 | 6.02 | 3.01 | |
| D | 1,397.83 | 698.91 | 5.24 | 2.62 | |

The maximum prices will be automatically updated on an annual basis from January 1, 2022, according to the percentage change in the consumer price index.

In the case of second and later transfers, and the lease of public housing classified before Decree Law 50/2020 came into force, the maximum sales and rental prices will be those set out in the definitive classification, updated according to the consumer price index.

Amendment of the act on rent control

Decree Law 50/2020 amends Act 11/2020, of September 18, on urgent measures on rent control, and establishes that in rental agreements for housing leased within five years before the law entered into force, any clause under which the lessee is obliged to cover general expenses and individual services not set out in the previous rental agreement will be void.



CUATRECASAS

For additional information, please contact Cuatrecasas.

©2021 CUATRECASAS

All rights reserved.

This legal flash is a compilation of legal information prepared by Cuatrecasas. The information and comments in it do not constitute legal advice.

The intellectual property rights on this document are held by Cuatrecasas. Any reproduction, distribution, assignment or any other full or partial use of this legal flash is prohibited, unless with the consent of Cuatrecasas.