

# What does the <u>Affordable</u> <u>Rent Act</u> mean for me?

The Affordable Rent Act entered into force on 1 July 2024. In many cases, it will put an end to excessively high rents. Read about what the new legislation means for you if you rent accommodation (a self-contained residence or a room).



### About the Affordable Rent Act

The aim of the Affordable Rent Act is to ensure greater availability of affordable accommodation. In other words: to ensure that, in more cases, the rent matches the quality of the accommodation provided. This quality is determined by a straightforward points system

All accommodation is awarded points for quality. For self-contained residences, the WWS points system is used. Points are awarded according to the number of square metres, the energy performance certificate, the WOZ value (value of immovable property), kitchen facilities and whether or not there is a garden or balcony, for example. The points are then added up. The total number of points – representing the quality of the accommodation – determines the maximum rent. For shared accommodation (for instance, people have a room of their own and share certain communal areas such as a kitchen or bathroom), the WWSO points system is used.

Social housing (accommodation scoring up to 143 points) has always been limited to a maximum rent. The Affordable Rent Act is creating a new sector subject to a rent ceiling: the mid-priced rental segment. Accommodation scoring between 144 and 186 points falls in this segment. Previously, there was no fixed rent ceiling for this category of accommodation. Landlords could charge whatever they wanted. Now that the rent rules apply to this segment, too, more affordable accommodation will become available.

Accommodation scoring 187 points or more is classified as private-sector rental and is not subject to a rent ceiling.





#### Landlords must follow the rules

Tenants can appeal to the Rent Tribunal (Huurcommissie) and try to enforce a lower rent. A new provision is that, from 1 January 2025, landlords can be fined by the municipality if they do not stick to the rules.

## Legislation applies to all rental contracts signed on or after 1 July 2024

The Affordable Rent Act applies to all new rental contracts signed on or after 1 July 2024, for accommodation scoring 186 points or less. This means that landlords of such accommodation cannot charge a rent that is higher than the maximum determined by the relevant points system. From 1 January 2025, landlords will also be expected to inform new tenants how many points their accommodation scores.

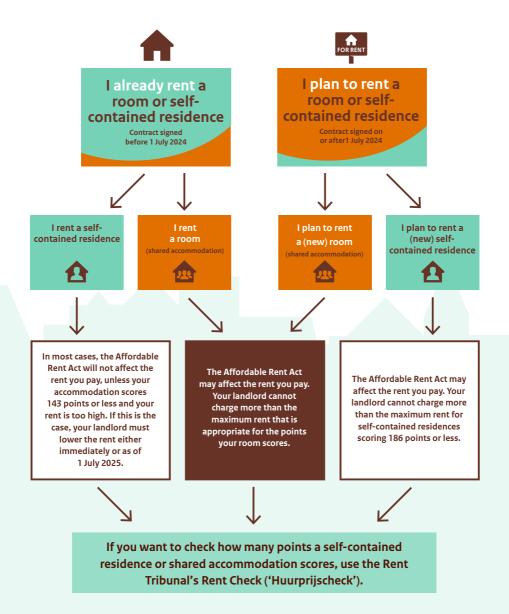
## Affordable Rent Act sometimes applies to existing rental contracts

The new legislation also means a change for existing contracts for accommodation scoring up to 143 points. If the rent is now too high according to the points system, the landlord must lower it\*.

**Please note:** this also applies to private landlords, both of self-contained residences and of shared accommodation (such as student rooms).

\*In some cases a transitional period of one year applies.

## What does the <u>Affordable Rent Act</u> mean for me as a tenant?



#### Do the rent check

If you think you should be paying less rent, check how many points your accommodation scores using the Rent Tribunal's **Rent Check** ('Huurprijscheck'). This will allow you to calculate what the rent ceiling is for your accommodation.

Please note: it takes a while to fill in the rent check form, but it's worth the effort. You may be entitled to a rent reduction.

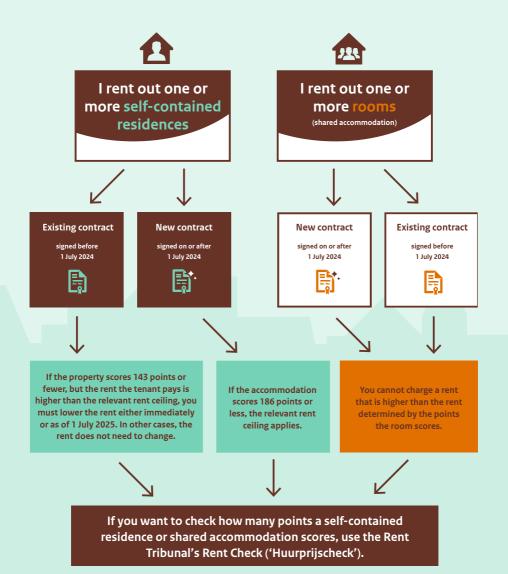
>> Go to huurprijscheck.nl

## If you've done the rent check and are entitled to a rent reduction, take the following steps:

- First, talk with your landlord.
- If you can't reach an agreement, contact the Rent Tribunal (Huurcommissie). The Rent Tribunal will investigate the situation and rule on your accommodation's points and the associated rent. The ruling is binding: your landlord must comply with it.
- You can also contact your municipality's <u>reporting office for tenants</u>. The municipality monitors compliance with the law and, from 1 January 2025, can issue fines to landlords who charge too much rent.



## What does the <u>Affordable Rent Act</u> mean for me as a landlord?



#### Do the rent check

Fill in all the details of the accommodation in the Rent Tribunal's **Rent Check** ('Huurprijscheck') to find out how many points it scores and the maximum rent that can be charged. Self-contained residences are assessed using the WWS points system. A different system, the WWSO points system, applies to shared accommodation, such as rooms.

As of 1 January 2025, landlords are expected to inform new tenants how many points their accommodation scores. You can download the Rent Check results for free and attach them to the rental contract. This is a quick and easy way to meet the requirement.

The two points systems have been updated with the introduction of the Affordable Rent Act. So, even if you did a rent check before, it's important that you do it again.

>> Go to huurprijscheck.nl

#### What role do the Rent Tribunal and the municipality play?

Tenants can also carry out a rent check themselves, and inform you if they believe they are paying too much rent. Tenants can appeal to the Rent Tribunal and have their rent reviewed. The Rent Tribunal (Huurcommissie) will then look into the case. It will rule on the accommodation's points and appropriate rent. The ruling is binding: as a landlord, you must comply with it.

The municipality monitors compliance with the Affordable Rent Act. As of 1 January 2025, if you are charging too much rent, you will risk a fine of up to €100,000.

## For more information visit ismijnhuurteduur.nl

