



COVID-19

Legal Insights no. 17B

Regulation of the Exceptional Support Program to the Residential Lease

Considering Law No. 4-C/2020, foresees the application of exceptional measures in order to the flexibilization of the rents owed under lease agreements, the present Regulation intends to implement the conditions of access to the financial support provided by IHRU, I. P..

Under the terms of number 5, of article 5th, of [Law No. 4-C/2020, of April 6th](#), by resolution of the Directive Council of the Institute of Housing and Urban Rehabilitation, I. P. (IHRU, I. P.), of April 14th, 2020, it has been approved the Regulation of the Exceptional Support Program to Residential Leases.

The financial support provided by IHRU, I. P. is solely intended for **residential leases**, to support the payment, in full or in part, of the rents due from April 1st, 2020, until the month following the end of the state of emergency.

The **monthly loan without interests** is available to tenants, guarantors of students, students and landlords who, under the terms of [Ordinance No. 91/2020, April 14th](#), have a loss of income in their household of more than 20%.

The financial support to be granted by IHRU, I. P., will be for the amount requested by the applicant up to the **maximum financed amount**, corresponding to:

- i. the difference between the monthly rent due and the amount resulting from the application to the household's income of a 35% effort rate, multiplied by the number of months in which the support is given, taking into consideration that the remaining monthly available income of the household may not be less than the IAS value, in the case of eligible **tenants, student guarantors and students**;
- ii. the value of rents due and not paid by the tenants in the case of eligible **landlords**.

With regard to the **reimbursement of the loans** granted, the Regulation under analysis foresees a **grace period** of 6 months for the reimbursement of loans made to tenants, student guarantors and students. This reimbursement will generally be made in monthly instalments corresponding to one twelfth of the monthly rent, and the first installment of the reimbursement is due on the first working day of the month following to the end of the grace period.

The loans granted to eligible landlords shall be reimbursed in 12 monthly installments corresponding to one twelfth of the total amount of the loan. The first monthly reimbursement installment shall be due on the first working day of the month following the one in which the landlord last benefited from the

loan granted by IHRU, I.P.. However, the monthly reimbursements due by the landlords may be settled until the 8th day of each month without any penalty for late payment.

It should be noted that for each use of the loan granted by IHRU, I. P., **stamp duty** (“*Imposto do Selo*”) will be due by the borrower.

The **application process** for financial support provided by IHRU, I. P. is made through an electronic platform available on “[Portal da Habitação](#)”, and the decision of said institute is communicated to the interest party by email within 8 days after the applicants have provided all the necessary information.

The **non-performance** of the contractual obligations foreseen in this Regulation enables IHRU, I. P., to unilaterally terminate the respective loan agreement and demand immediate reimbursement of the amounts granted, without prejudice to other legal and contractual sanctions that may be applicable.

To access the full text of the Regulation of the Exceptional Support Program to Residential Leases, please click [here](#).

For further information, please contact:

João Pinheiro da Silva

Real Estate

Email: jpsilva@ctsu.pt

Lisboa: Av. Eng. Duarte Pacheco 7, 7.º piso

1070-100 Lisboa, Portugal

Porto: Praça do Bom Sucesso, 61, Piso 13, fração 1309

4150-146 Porto, Portugal

Tel.: +351 219245010

Fax: +351 219245011

geral@ctsu.pt

www.ctsu.pt

If you do not intend to receive these communications, you may oppose, at any time, to the use of your data for these purposes, by sending a written request to the following email address: geral@ctsu.pt. CTSU also ensures the right to access, update, rectify and delete, as per the applicable law, upon written request sent to the above mentioned email address. This communication contains only general information, therefore it is not an advice nor a provision of professional services by CTSU. Before any act or decision which may affect you, you should seek advice from a qualified professional. CTSU is not liable for any damages or losses suffered as a result of decision-making based on this communication.

CTSU - Sociedade de Advogados, SP, RL, SA is an independent law firm member of Deloitte Legal network. “Deloitte Legal” means the legal practices of Deloitte Touche Tohmatsu Limited member firms or their affiliates that provide legal services. For legal and regulatory reasons, not all member firms provide legal services.