



FAQs on the new legal amendments to the Private Residential Leases Act

20/03/2025

💡 To help you **navigate** this document, you can either **click** on a section or a specific question in the **Table of Contents** to be taken directly to the relevant part of the document or use the search tool (**Ctrl + F** on *Windows* or **Command + F** on *macOS*) to quickly find specific terms. For example, searching for keywords like 'tenant obligations' or 'lease renewal' will take you directly to the relevant sections.

Table of Contents

Lease Contracts & Terms 1

1. If a lease contract is renewed for one year, should the terms apply equally to both the tenant and the landlord? 1
2. Is it mandatory for a one-year lease contract to have a six-month di fermo period? Can the di fermo period be extended to one year? 1
3. Is there any update on changes to the legislation regarding the duration of agreements, specifically concerning the di fermo period and tenant obligations? 1
4. For one-year agreements, the lease is automatically renewed if stipulated in the contract, but for six-month agreements, there are no automatic renewals, and the contract needs to be registered again with additional costs. Are there any plans to make renewals automatic for six-month agreements as well? 2
5. In the case of a breach of contract by the lessee, does the lessor still need to give a three-month notice?..... 2
6. When a lessor terminates a lease, they have to make a declaration. If the lessee terminates the lease, does the lessor still have to make the declaration? In other words, is the lessor forced to make a false declaration to terminate the contract? 2
7. Are there any changes to the rent rise limit? Are any changes planned? 2
8. Regarding termination with 1 months' notice by the lessee, when can it be given? 3

Tenant Management & Obligations 3

9. Do landlords have access to the blacklist of tenants? 3
10. Will tenants who leave the property and cannot be traced also be included in the blacklist? 3
11. If a dispute is registered in January 2024, will the outcome be added to the register of defaulters? 3
12. Are there any thoughts on implementing more in-depth mandatory screening for tenants that could be standardized? 3
13. In the case of a breach, is the process the same? For example, if there is a breach by the lessee and the lessor requests termination, how is it handled?..... 4
14. What is the limit for advising the lessee that the contract will not be renewed? Is email acceptable for this notice? 4

Housing Authority & Registration 4

15. I am trying to change the address for a TCN (Third-Country National), but Identity Malta insists on an HA registration. These are properties with an MTA license but not registered with the HA. What can be done? 4
16. What is the position of the Housing Authority when a government entity or department needs to rent a private residence to a resident to meet service exigencies, particularly regarding registration? 4
17. Registering a new address is taking a long time, and as a result, the address is not available in the drop-down menu. Sometimes this process takes more than three weeks. Is this response time here to stay, and will the lessor be liable for fines in this case? 4
18. Are there any planned changes to the Housing Authority (HA) platform? If so, what are they? And can landlords expect any changes to the current process? 5
19. What is the difference between tenants and residents when registering a contract? .. 5
20. What are the options for logging in to the Housing Authority platform? 5
21. Regarding the automatic email notification that the contract will terminate in 4 months, the final email notification does not include the address. Why is this? 5
22. Feedback is not being received from HA. 5
23. For a 1-year contract, if the lessee's wife is to join, do you need to de-register to add the new person? 5

Legal & Arbitration 6

24. Is the Arbitration Panel the same as the Adjudicating Panel? 6
25. A question was raised about a court case where the court decided the rent value for a pre-1995 dwelling allocated to a tenant by the Housing Department. The tenant has since moved to a new dwelling, despite being entitled to a rent subsidy, and left unpaid ARMS bills. Does the Housing Authority offer any remedies to landlords in such situations? 6
26. Can landlords request help from the Adjudicating Panel regarding difficult tenants? . 6
27. Are there mechanisms or contact addresses where illegal activities can be reported? For example, if a tenant only needs an address to register but will not be staying there, and a landlord wants to report this, how can they do so? 6

Property & Lease Regulations 7

28. What happens if a property has more than five bedrooms? 7
29. Article 3(2)(c) states that the provisions of the act do not apply to premises not let for primary residential purposes. What are the obligations of the lessor if the lessee does not plan to reside in the premises but might sublease it for residential purposes? Does the lease still need to be registered? 7
30. If the lease is for 2 years, is the lessee obliged to pay for the first 9 months? 7
31. If the property is registered under a company, should the lessor be the company or an individual? 7
32. If a company is renting an apartment for its employees and pays the rent, does this contract need to be registered with the Housing Authority? 7

33. If a company defaults, how can such a situation be resolved? 8
34. Is the deposit obligatory or not? 8
35. Was there a change to the deposit request prior to 1 September 2024 changes? 8

Occupancy & Space 8

16. If a two-bedroom apartment is occupied by four tenants and one of the tenants becomes pregnant, does the lease need to be terminated, or can they continue living in the apartment? 8
37. What is the definition of "family"? I have a lease for a 3-bedroom apartment with 4 adults and 2 children. The adults include both parents, the brother of one of the parents, and the mother of one of the parents. Is this considered a family? 8
38. Regarding the number of beds in a 2-bedroom apartment, where one of the bedrooms is small and can accommodate 1 person, and the other is a larger room that can accommodate more than 2 people, is this allowed under the new legislation? 9



Lease Contracts &

Terms

1. If a lease contract is renewed for one year, should the terms apply equally to both the tenant and the landlord?

The principle underlying the law is that the landlord has the discretion to set the term and rent of the lease. However, to balance this, the tenant has the freedom to withdraw from the contract after an initial six-month period in the case of a one-year lease, provided adequate notice by registered mail is given.

When it comes to renewals, the law was previously silent, leading to disputes. Tenants argued they were not bound by any minimum statutory period upon renewal, while landlords claimed the six-month period applied anew. Following mediation, the government decided that, upon

renewal, tenants would be bound for a minimum period of three months in the case of a one-year extension.

2. Is it mandatory for a one-year lease contract to have a six-month *di fermo* period? Can the *di fermo* period be extended to one year?

No, for a one-year lease contract, the *di fermo* period is limited to six months; it cannot be extended to one year. This provision was introduced to strike a balance between the interests of both landlords and tenants. A *di fermo* period of one year is

only applicable for leases with a duration of three years.

The intent behind this measure is to encourage long-term leases without imposing an obligation on landlords to commit to them. Another factor supporting long-term leasing is that the majority of landlord-tenant relationships (approximately 75%) are reported to be positive.¹ Additionally, data shows a

consistent increase in lease renewals year over year, suggesting that the market is stabilizing—potentially due to the law or the more stable rental prices compared to the pre-2020 situation.

3. Is there any update on changes to the legislation regarding the duration of agreements, specifically concerning the *di fermo* period and tenant obligations?

The original proposal suggested that the *di fermo* period should be set at one year. However, this was met with objections from entities representing tenants. The issue was extensively debated during the first parliamentary sitting and in the committee discussions on the bill. Ultimately, the decision was made to retain the existing *di fermo* period as it is, with no current plans to revisit or amend this aspect of the legislation.

¹ Briguglio, M., Micalef, B. and Gauci, T. (2024). *Tenant and landlord experiences of the Maltese residential rental market: Three years after the introduction of the Private Residential Leases Act*. Publication by the Housing Authority. Available at:

<https://housingauthority.gov.mt/wp-content/uploads/2024/03/Tenant-and-Landlord-experiences-of-the-Maltese-Residential-Rental-Market.pdf>

4. For one-year agreements, the lease is automatically renewed if stipulated in the contract, but for six-month agreements, there are no automatic renewals, and the contract needs to be registered again with additional costs. Are there any plans to make renewals automatic for six-month agreements as well?

The law gives the minister the authority to introduce regulations regarding shared spaces. In the coming weeks, a subsidiary legislation is expected to be announced that will regulate shared spaces in a manner

similar to entire units. While shared spaces can be rented out for six months, landlords will also have the option to offer long-term leases, as long as the necessary requirements are met. However, automatic renewals for six-month agreements are not currently planned.

5. In the case of a breach of contract by the lessee, does the lessor still need to give a three-month notice?

No, in the case of a breach of contract, the lessor must send a judicial letter to the lessee, allowing them 15 days to comply. If the lessee does not comply, the lessor can initiate a summary procedure before the Rent Regulation Board, which can make a decision at the first sitting without going through a full trial.

6. When a lessor terminates a lease, they have to make a declaration. If the lessee terminates the lease, does the lessor still have to make the declaration? In other words, is the lessor forced to make a false declaration to terminate the contract?

De-registration refers to removing the registration of the lease, not terminating

the contract itself. There are two types of termination:

- **By law:** If someone tries to terminate a contract on the portal before the three-month notice period has passed, the system will not allow it.
- **De-registration:** There is a disclaimer indicating that the lessee did not fulfill the requirement to give notice to the lessor. However, this does not mean that all obligations fall on the lessor. The declaration is not intended to be false but is a part of the process for de-registering the lease.

7. Are there any changes to the rent rise limit? Are any changes planned?

As the law currently stands, there is no limit on rent increases for new contracts. The only limit applies to renewals or contracts with a longer duration of 2 years and more, as stated in Chapter 604, where the rent increase cannot exceed 5%. There are no planned changes at the moment.



8. Regarding termination with 1 months' notice by the lessee, when can it be given?

For a 1-year lease, the lessee is required to provide 6 months' di fermo (lock-in period) and at least 1 month's notice to the lessor if they plan to move out of the property. The law does not specify exactly when the 1-month notice must be given, but it must be done in accordance with the 6-month di fermo period. For leases of 1 year, the notice period is 1 month; for a 2-year contract, it's 2 months; and for a 3-year contract, it's 3 months.

Tenant Management & Obligations

9. Do landlords have access to the blacklist of tenants?

Yes, prospective landlords have access to the Register of Defaulters. The Housing Authority aims to maintain a balance between the interests of both landlords and tenants. The Register of Defaulters includes cases where tenants or landlords default on their obligations, such as tenants failing to leave the residence in good condition upon departure.

If a landlord files a case before the Adjudicating Panel and wins, s/he may request the Panel to add the tenant to the Register of Defaulters, subject to a formal request made by the landlord through the Authority's online portal. Landlords can also request to check whether a prospective tenant is included in this register.

10. Will tenants who leave the property and cannot be traced also be included in the blacklist?

Yes, such tenants can be included in the blacklist. The landlord must file a case before the Adjudicating Panel. If the tenant fails to present an adequate defense and is found liable for unpaid amounts, they will be added to the registry of defaulters if they do not settle their dues.

This measure aims to make the rental market more secure by reducing the risks landlords face when leasing to unknown parties.

However, it applies only to leases signed on or after 1 September 2024.

11. If a dispute is registered in January 2024, will the outcome be added to the register of defaulters?

The legal amendments became effective on 1 September 2024. Therefore, disputes registered before that date will not be included in the Register of Defaulters.

12. Are there any thoughts on implementing more in-depth mandatory screening for tenants that could be standardized?

Privacy laws significantly constrain the Housing Authority's scope of action in this regard. Nonetheless, the Authority remains committed to operating the Registry of Defaulters, as enabled by the latest amendments, and ensuring its efficient functioning for the benefit of prospective lessors and lessees. At present, the Authority's primary focus is on implementing this system to the best of its ability within the framework established by law. More generally, the Housing Authority is committed to ensure that all screening is implemented within the framework established by law.

13. In the case of a breach, is the process the same? For example, if there is a breach by the lessee and the lessor requests termination, how is it handled?

In this case, the termination is determined by the Rent Regulation Board, not by the Housing Authority. The Housing Authority frequently deals with disputes from lessors regarding deposit retention, particularly when the lessee completes the di fermo period but fails to give the required notice as established in Cap 604. In such cases, the lessor typically wins in front of the Adjudicating Panel due to the lessee's failure to provide the appropriate notice.

14. What is the limit for advising the lessee that the contract will not be renewed? Is email acceptable for this notice?

The law requires the lessor to inform the lessee at least 3 months prior to the termination of the contract, and this notice must be sent to the registered address. If the notice is sent to the proper address but the lessee claims not to have received it, the law considers the notice as being duly given.

Housing Authority & Registration

15. I am trying to change the address for a TCN (Third-Country National), but Identity Malta insists on an HA registration. These are properties with an MTA license but not registered with the HA. What can be done?

What determines whether a lease falls under the Private Residential Leases Act (PRA) is the purpose of the lease. Properties with an MTA license are not automatically

excluded from the PRA. If the lease is for a tenant using the property as their primary residence (not for holiday purposes), it falls under the PRA and should be treated as a residential lease.

It is important to ensure that the property is being used for residential purposes. In such cases, the lease must be registered with the Housing Authority (HA) to provide a legal title for the lease. Once this is approved, an automated notification is sent to all parties on the registered email and it can then be submitted to Identity Malta.

16. What is the position of the Housing Authority when a government entity or department needs to rent a private residence to a resident to meet service exigencies, particularly regarding registration?

In such cases, where a landlord rents a property to the government or the Housing Authority, which then sublets it to a beneficiary, the lease does not need to be registered. The landlord is not required to register the lease with the Housing Authority in these situations. This is part of specific schemes like "Skema Kiri" or "Nikru biex Nasistu," where the focus is on meeting

service needs rather than adhering to the usual lease registration requirements.

17. Registering a new address is taking a long time, and as a result, the address is not available in the drop-down menu. Sometimes this process takes more than three weeks. Is this response time here to stay, and will the lessor be liable for fines in this case?

The Housing Authority is doing its best to assist the market. A specific email has been launched to help add addresses that are currently not registered – addonaddress@ha.gov.mt If someone is unable to register a contract due to the delayed response times from various

Housing Authority departments, no fines will be imposed. The relevant departments within the Housing Authority, including its compliance unit, are aware of the current situation.

18. Are there any planned changes to the Housing Authority (HA) platform? If so, what are they? And can landlords expect any changes to the current process?

Any changes made to the platform have already been implemented with the law that came into effect on 1 September 2024. There are no other major planned changes at the moment. However, if the legislation changes, those will be reflected on the platform.

Some additional features are being developed, particularly related to defaulters and blacklisting. The system will allow two types of requests through the portal:

1. Any party negotiating can create an account, which is auditable, and inquire if the other party is blacklisted. In these cases, the Housing Authority will provide a "Yes" or "No" response.
2. If there is a case following the final or partial judgement of the Adjudicating Panel that was not

honoured, a request through the online platform can be made to the Adjudicating Panel to add the party that did not honour the judgement to the blacklist.

19. What is the difference between tenants and residents when registering a contract?

the other hand, are individuals who have a legal title through a lease agreement and have specific obligations towards the lessor as outlined in the contract. The law treats

both tenants and residents under the same residency capping.

20. What are the options for logging in to the Housing Authority platform?

There are two options for logging in:

1. **Via e-ID** (for Maltese residents).
2. **Create an account with Housing Authority** (available for foreigners or companies renting out properties who do not have an e-ID).

21. Regarding the automatic email notification that the contract will terminate in 4 months, the final email notification does not include the address. Why is this?

The official confirmation of contract termination or de-registration is sent via the platform, and this email includes the address. The email sent manually by HA employees may not always include the address, but the automated email from the platform is the official one. It is important to rely on the automated email, as it contains the address and the names of the parties involved.

22. Feedback is not being received from HA.

The Housing Authority acknowledges that the issue of adding addresses affected the service performance. Please report any issues to the email address: rentregistration.ha@ha.gov.mt

23. For a 1-year contract, if the lessee's wife is to join, do you need to de-register to add the new person?

No, you can use the "Add lessee" function. You will need to sign a new specimen contract found on the website, as long as the residents capping is not exceeded. No

fee is incurred with the "Add lessee" function. This option is only available for contracts in the original duration; this does not apply if a contract was renewed both by the lessor or Automatic renewal as per Cap 604.

Legal & Arbitration

24. Is the Arbitration Panel the same as the Adjudicating Panel?

Yes, they are the same. In Maltese, it is referred to as "il-Panel tal-Arbitragg," and in English, it is called the "Adjudicating Panel." Both terms are used interchangeably.

However, it is important to note that the Adjudicating Panel is different from the Rent Regulation Board (RRB). The Adjudicating Panel only hear claims relative to registered contracts where parties can resolve disputes without going to court, particularly for claims that do not exceed the value of five thousand euro (€5,000). This process is designed to be simpler and faster.

25. A question was raised about a court case where the court decided the rent value for a pre-1995 dwelling allocated to a tenant by the Housing Department. The tenant has since moved to a new dwelling, despite being entitled to a rent subsidy, and left unpaid ARMS bills. Does the Housing Authority offer any remedies to landlords in such situations?

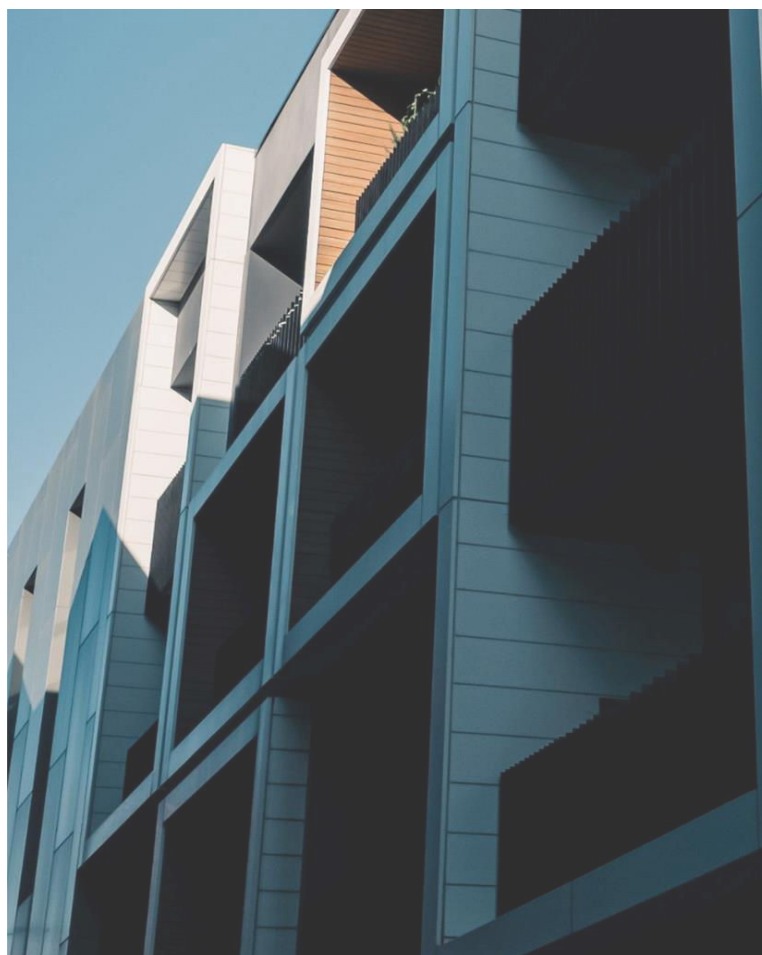
The answer is no. The Adjudicating Panel does not handle cases related to pre-1995 leases. It only deals with leases that have been in effect since the Private Residential Leases Act was enacted in 2020 and contract is registered. Cases involving older leases, like the one described, should be referred to the Small Claims Tribunal or the Rent Regulation Board, depending on the specific circumstances.

26. Can landlords request help from the Adjudicating Panel regarding difficult tenants?

The Adjudicating Panel primarily handles monetary claims. If the issue involves challenging the title or tenant default, the case must be referred to the Rent Regulation Board. Matters related to title disputes or eviction must also be handled by the Rent Regulation Board, as the Adjudicating Panel is not responsible for these types of cases.

27. Are there mechanisms or contact addresses where illegal activities can be reported? For example, if a tenant only needs an address to register but will not be staying there, and a landlord wants to report this, how can they do so?

Yes, there is a form available on the Housing Authority website where such cases can be reported, along with any supporting evidence for further investigations as long as the report being filed falls under Cap 604.



Property & Lease Regulations

28. What happens if a property has more than five bedrooms?

The regulation of properties with more than five bedrooms has been subject to significant discussion. Previously, properties with more than three bedrooms were regulated under the Planning Authority's rules, which stated that no more than six people could occupy a residence unless they were part of the same family. This created inconsistencies—for example, it was legal for six people to live in a one-bedroom apartment but illegal for more than six people to live in a five-bedroom property.

To address this, amendments were made to the planning rules, allowing the authority to intervene specifically in regulating rented properties. The general guideline now is that a one-bedroom apartment can accommodate two residents – more generally, the amendments allow two residents per bedroom, up to a maximum of ten residents in the property. Properties with four and five bedrooms must have at least two bathrooms to cater for the increased number of residents. Contracts for properties with more than five bedrooms can still be registered with the Housing Authority but only a maximum of ten residents can be accommodated. Properties with six or more bedrooms will be subject to additional oversight to ensure compliance.

29. Article 3(2)(c) states that the provisions of the act do not apply to premises not let for primary residential purposes. What are the obligations of the lessor if the lessee does not plan to reside in the premises but might sublease it for residential purposes? Does the lease still need to be registered?

The key factor is the final contract that determines who will reside in the property. The lease that must be registered is the one between the lessor and the lessee if the lessee (or their subtenant) is residing in the property for primary residential purposes. In this scenario, the registration requirement applies to the agreement between the lessor and the ultimate occupant using the premises as their primary residence.

30. If the lease is for 2 years, is the lessee obliged to pay for the first 9 months?

Yes.

31. If the property is registered under a company, should the lessor be the company or an individual?

It depends on the nature of the relationship in the contract. If the lease is not for residential purposes, it does not need to be registered. If the lessee is a company and the lessor is an individual, the lease does not need to be registered because the company will not be living in the property. However, if the company sublets the property to an individual, the lease must be registered. In this case, the lessor can be a company, but someone representing the company should be listed on the contract.

32. If a company is renting an apartment for its employees and pays the rent, does this contract need to be registered with the Housing Authority?

It depends on the relationship defined in the contract. If the company is the lessor

and the lessee has no contractual obligations, then the contract does not need to be registered. However, if the lessee needs documentation, such as for Identita, the company must establish a contractual relationship as lessees with its employees. In this case, a lease agreement should be signed and registered with the Housing Authority for approval.

33. If a company defaults, how can such a situation be resolved?

If the lessor is leasing to a company, there is no need to register this contract. In cases where the company defaults, this specific situation is not covered by the legislation. However, if the company is subleasing and the sub-lessee is sub-leasing (for primary residential purposes), then the contract needs to be registered.

34. Is the deposit obligatory or not?

It is obligatory to declare the deposit amount in the contract but the Housing Authority does not specify that a deposit is required to be collected. If no deposit is asked, it must be stated in the contract as 0 and in the registration.

35. Was there a change to the deposit request prior to 1 September 2024 changes?

The change that came into effect in 2020 was related to the inventory rather than the deposit. The position on the deposit has always been the same: it is up to the lessor to decide to collect it or not, and the amount needs to be declared in the contract.

Occupancy & Space

16. If a two-bedroom apartment is occupied by four tenants and one of the tenants becomes pregnant, does the lease need to be terminated, or can they continue living in the apartment?

Technically, once the baby is born, the situation may lead to non-compliance with occupancy regulations, as the number of tenants would exceed the allowed limit for the apartment size. However, this is considered an exceptional circumstance. A practical solution should be found ahead of the birth, with both parties working together to resolve the issue in a way that prevents them from breaching the regulations. It's important to reach an agreement that avoids conflict or non-compliance.

37. What is the definition of "family"? I have a lease for a 3-bedroom apartment with 4 adults and 2 children. The adults include both parents, the brother of one of the parents, and the mother of one of the parents. Is this considered a family?

The concept of family under private law is inherently fluid, posing challenges across various aspects of legal practice. Defining what constitutes a family is, by its nature, highly subjective and often requires interpretation on a case-by-case basis. As a general framework, the Authority will refer to the definition of "lessee" in Article 2 of the Private Residential Leases Act, which includes: "the lessee's spouse, civil union partner, cohabitant, or a member of their family up to the second degree, whether direct or collateral." However, there may be instances where lessees reside with relatives, such as cousins, whose relationship might reasonably be considered close enough to form a family unit. While adopting an open and flexible approach, the Authority is committed to

preventing abuse. Its primary objective remains to ensure that this provision is not exploited to facilitate overcrowding, thereby upholding the intended purpose of the legislation.

limit is 4 residents, regardless of the size of the rooms.

38. Regarding the number of beds in a 2-bedroom apartment, where one of the bedrooms is small and can accommodate 1 person, and the other is a larger room that can accommodate more than 2 people, is this allowed under the new legislation?

The legislation does not address the size of the bedrooms, but rather the number of bedrooms. For a 2-bedroom apartment, the

