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TENLAW: Tenancy Law and Housing Policy in Multi-level Europe

National Report for

GREECE

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1. Housing situation

1.1. General Features

The notion of a right to housing is well known in the Greek legal system. Art. 21 para. 4 of the Greek Constitution explicitly acknowledges that "*the acquisition of a residence for those who are deprived thereof or are inadequately housed is subject to the special care of the state"*[1]*.* The right to adequate housing is inextricably connected to every person's need to possess a piece of land that ensures protection and security in order to survive. Despite the fact that the acquisition of a house falls under the individual's private scope of interests, the Greek Constitutional legislator chose to include said right in the State's social protection objectives, as a special expression of human value and the safeguard of social justice. It is therefore accepted that the right to adequate housing is just one of the constitutional provisions of social character, the imperativeness of which appears, nevertheless, rather unique[2] and will be explained below[3].

Contrary to the majority of the Member States of the European Union, it seems that Greece has adopted no kind of aggregated and cohesive housing policy over the years[4].Housing, aside from some incidental cases, had always been a matter of private initiative.

The only attempts at a *de facto* housing policy were mainly due to the enormous housing problem in Greece following the Greek populations' exodus from the western Asiatic coast - also known as 'Asia Minor' - in 1922, and which created in about one million homeless migrants. However, the same problem intensified after the Second World War, when a huge number of the internal population moved from the countryside to Athens and other urban centres, looking for employment and security. However, in both of these cases the State was found unprepared to efficiently deal with this massive housing situation, which led to uncontrolled and unlawful house structure, with a catastrophic impact on the environment and living conditions in the cities. Regarding the uncontrolled and unlawful dwellings, these refer both to buildings without a valid building license (mainly before 1955) as well as to the absence of cohesive and environment friendly provisions of town and planning law.

In 1927, the 'National Land Bank of Greece' (*«Εθνική Κτηματική Τράπεζα της Ελλάδος»)* was established as a special credit institution, to fulfil social housing demands and to raise the necessary capital funds. The National Land Bank of Greece mainly dispensed social loans to persons eligible for 'public housing'[5] and urban migrants on behalf of the Greek State.

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[1] Art. 21 para 4 of the Greek Constitution: *"Η απόκτηση κατοικίας από αυτούς που τη στερούνται ή που σεγάζοναι ανεπαρκώς αποτελεί αντικείμενο ειδικής φροντίδας του Κράτους.*

[2] Antonis Manitakis, *Rule of Law and Constitutionality Control I (in Greek: Κράτος Δικαίου και Έλεγχος Συνταγματικότητας),* (Athina-Thessaloniki, Sakkoulas, 1994) 274.

[3] See below under 2.1.

[4] Dimitris Emmanouil, "Social Policy for Housing in Greece: The Dimensions of an Absence (in Greek: Η κοινωνική πολιτική κατοικίας στην Ελλάδα: Οι διαστάσεις μίας απουσίας)", *The Greek Review of Social Research (in Greek: Επιθεώρηση Κοινωνικών Ερευνών),* 120 Β' (2006), 4.

[5] The prerequisites for a person to be characterised as eligible for 'public housing' were set out by the provisions of Necessary Law no 1667/1951 on 'Public Housing', as it was amended by Laws 2063/1952 and 2212/1952. Therefore, "public housing" in the sense of Law no 1667/1951 is explicitly distinguished from any notion of 'tenures with a public task' as meant within the present questionnaire.

Nevertheless, the term 'public housing' as stipulated by the relevant provisions of law of the time, was not meant to cover houses that belonged to the State or any public authority controlled by the State. The Greek term used in this respect (*«Λαϊκή Κατοικία»)*, could be periphrastically translated as *"housing for the people".* The main aim of the above schemes was to facilitate certain groups of people with certain income criteria (mainly workers and widows).

As well as that, Legislative Decree no 2963/1954[6] *"on the establishment of an autonomous Labor Housing Organization" (*in Greek: *«περί ιδρύσεως αυτόνομου οργανισμού εργατικής κατοικίας»*) was probably the only major step of the Greek state towards establishing a steadily and socially fair housing policy. Said Law enacted the constitution of a public legal entity under the name 'Labor Housing Organization' (in Greek: *«Οργανισμός Εργατικής Κατοικίας»* often abbreviated as *«Ο.Ε.Κ.»*). O.E.K's primary contribution included, among others, loans for the purchase of a house with subsidized interest rates, subsidization of rents to low income families and housing of sensitive social groups[7]. However, the O.E.K was abolished by Law 4046/2012[8] *"on the approval of the draft contracts of financial assistance facility agreements between the European Financial Stability Facility, the Hellenic Republic and the Bank of Greece, of the draft Memorandum of Understanding between the Hellenic Republic, the European Commission and the Bank of Greece, and other urgent provisions for reduction of public debt and the rescue of the Greek Economy,* (in Greek: *«Έγκριση των Σχεδίων Συμβάσεων Χρηματοδοτικής Διευκόλυνσης μεταξύ του Ευρωπαϊκού Ταμείου Χρηματοπιστωτικής Σταθερότητας (Ε.Τ.Χ.Σ.), της Ελληνικής Δημοκρατίας και της Τράπεζας της Ελλάδος, του Σχεδίου του Μνημονίου Συνεννόησης μεταξύ της Ελληνικής Δημοκρατίας, της Ευρωπαϊκής Επιτροπής και της Τράπεζας της Ελλάδος και άλλες επείγουσες διατάξεις για τη μείωση του δημοσίου χρέους και τη διάσωση της εθνικής οικονομίας»*), as a direct effect of the crisis and of Greece's undertaken obligations to dramatically restrict its functional expenses. All obligations already undertaken by OEK, were transferred to a 'Temporary Administrative Committee' (in Greek: *«Προσωρινή Διοικούσα Επιτροπή»*), assigned with the liquidation of O.E.K. However, said Committee explicitly does not have the right to undertake any new obligations or exercise any new social housing policy.

1.2 Historical evolution of the national housing situation and housing policy

- Please describe the historic evolution of the national housing situation and housing policies briefly.
    - In particular: Please describe briefly the evolution of the principal types of housing tenures from the 1990s on. Explain the growth and decline of the different tenures and the reasons why that happened (e.g. privatisation or other policies).
    - In particular: What is the role of migration within the country, immigration or emigration from/towards other countries inside and outside the EU (including war migration as in Ex-Yugoslavia)

[6] Published at the Official Gazette, FEK 195/A'.
[7] More information on the O.E.K. will be given below under 2.3 Subsidies.
[8] Published at the Official Gazette, FEK A'28/14-02-2012.

Regarding the main types of housing tenures that have existed in Greece, reference should be made to the Romanic roots of Greek Law. As far as civil law is concerned, it was hugely influenced by the work of German Pandectists, and the drawing up of the German Civil Code (BGB) was used as a pattern for the Greek Civil Code (GCC)[9], which was introduced retroactively from 23rd February 1946. Therefore, due to the fact that Greece has always had a civil law tradition, the two major tenure types have always been home ownership and the rental tenure.

Home ownership reflects the real property right of ownership (art 1000 GCC) (in Greek: «*κυριότητα»),* which gives the owner all powers over the property (i.e., use, enjoyment of interest and profits, sale), while precluding the infringement of any third party thereon without the owner's consent[10]. On the other hand, rental tenure presumes the signing of a lease contract (art. 574 GCC), according to which one contracting party (lessor) undertakes to yield to the other contracting party (lessee) the use of a property for as long as the lease contract lasts and pay the lessor the agreed rent[11].

Regarding the evolution of the basic types of tenure from the 1990s onwards, useful data can be obtained from the results of the national census that was carried out in 1991 and 2001 respectively.

Thus, comparing the 2001 census percentage of households in owner occupied dwellings with that of the 1992 census, we see that it decreased by 1.9 % from 73.6 % to 71.7 %. Moreover, the percentage of households in rented dwellings also showed a slighter decrease from 20.05 % to 19.8 %, while the percentage of households in other types of tenures increased by 1.2 % from 4.1 % to 5.3 %.

Although migration is not officially reported as the reason for the above changes, the fact that the number of foreigners in Greece increased by 624,592, from 137,221 to 761,813, should explain the decrease in the percentage of owner-occupied dwellings. That the evolution of the basic type of tenures from 2001 onwards will be reported once the 2011 national census results are published.

Evolution of principal types of housing tenures from 1990s onwards

	Households in owner occupied dwellings	Households in rented dwellings	Households in other types of tenures
1992	73,6%	20,05%	4,1%
2001	71,7%	19,8%	5,3%

1.3. Current situation

- Give an overview of the current situation.
  - In particular: What is the number of dwellings? How many of them are rented vs. owner-occupied? What would be the normal tenure structure

[9] Eugenia Dacoronia, 'Greece', in *Elgar Encyclopaedia of Comparative Law,* Ed. J. M. Smits, 2nd ed. (Cheltenham, UK – Northampton, MA, USA Edward Elgar), 371.
[10] Pinelopi Agallopoulou, *Basic Concepts of Greek Civil Law,* (Athens Ant. Sakkoulas, Staempfli, Bruylant 2005), 386.
[11] Agallopoulou,323.

(see summary table 1)? What is the most recent year of information on this?

The official Greek institution competent for carrying out statistical research and publishing official national statistical data is the Hellenic Statistical Authority (in Greek: *«Ελληνική Στατιστική Υπηρεσία»* often abbreviated as 'ELSTAT')[12]. ELSTAT is an independent Authority enjoying operational independence, as well as administrative and financial autonomy. It is not subject to the control of governmental bodies or other administrative authority. Its operation is subject to control by the Hellenic Parliament and governed by Law 3832/2010 *«Hellenic Statistical System Establishment of the Hellenic Statistical Authority as an Independent Authority»*[13].

ELSTAT carries out a population and buildings census every ten years. The last census which took place in Greece was in 2011, however, the official results of said census regarding the Greek population were not published until 28th December 2012 . However, ELSTAT hasn't yet proceeded in publishing the buildings and housing results, which, according to ELSTAT officials will begin at the end of March 2014. Therefore, the only official national statistical data regarding the number of available dwellings and the tenure type thereof available at present are the results of the 2011 national census. All of the data presented in this report will be updated once the most recent results are published.

The total dwellings available for residential purposes amounted to 5,476,162 houses, of which 1,830,375 are located in the administrative region of Athens Attica. The survey included all kind of dwellings in Greece, both occupied and non-occupied. The total number of buildings which were exclusively used for residential purposes, containing one or more autonomous houses, amount to 2,755,570 buildings, 1,422,792 of which were located in urban regions whereas 1,332,778 were in rural regions.

Regarding tenure types, the results show that 2,628,072 (71.72 % of the households examined) were owner occupied, whereas 723,346 (19.8 % of the households examined) were rented. A total of 196,042 houses (5.34 % of the houses examined) were otherwise occupied mainly corresponding to the intermediate types of tenures which are explained below[14], whereas a number of 107,108 households (2.92

[12] www.statistics.gr

[13] Law 3832 has been amended by Art. 90, paragraphs 8 and 9 of Law 3842/2010 *«Restitution of tax justice, treatment of tax evasion and other provisions»*, by Art. 10 of Law 3899/2010 *«Urgent measures for the implementation of the assistance program of the Greek economy»*, by Art. 22 paragraph 1 of the Law 3965/2011 *"Operations Reform of the Consignment and Loan Fund, Public Debt Management Agency, Public Enterprises and Government bodies, the establishment of the General Secretary of Public Property and other provisions"*, by Art. first of the Law 4047/2012 *"Ratification of the Act of Legislative Content "Very urgent measures for the implementation of the Medium-term Fiscal Strategy 2012-2015 and of the State Budget for 2011" and of the Act of Legislative Content "Regulation of very urgent issues for the implementation of law 4024/2011 "Pension provisions, uniform pay scale - grading system, labour reserve and other provisions for the implementation of the Medium-term Fiscal Strategy Framework 2012-1015" and of issues falling within the competence of the Ministries of Administrative Reform and E-Governance, Interior, Finance, Environment, Energy and Climate Change, and of Education, Lifelong Learning and Religious Affairs and related to the implementation of the Medium-term Fiscal Strategy Framework 2012-2015" and other provisions"*, by Art. 323 of the Law 4072/2012 (Government Gazette No 86, Issue A): *"Improvement of the business environment – New corporate form – Trade Marks – Realtors – Regulating maritime, port and fishing matters and other provisions"* and by Art. 7 paragraph 1 of the Act of Legislative Content dated 18/11/2012 (Government Gazette No 228, Issue A): *"Financial rules and other provisions"*.

[14] *See* below under 'Intermediate Tenures'.

%) do not report their tenure type. The difference which arises between the reported number of dwellings and the tenure types can be explained by the fact that a number of dwellings are used as secondary or holiday homes. Therefore, as the tenure type is established through interview, often those people carrying out the census do not find anyone living in a specific dwelling who can give information regarding tenure type, but the dwelling itself is however calculated.

The above statistics show that the most common tenure is home ownership rather than rent.

1.4 Types of housing tenures

- Describe the various types of housing tenures.
    - Home ownership
        - How is the financing for the building of homes typically arranged (e.g. own equity, mortgage based loan, personal loan, mix, other)

Regarding the financing of the purchase of owned homes, funding can be obtained in many ways: including personal funds obtained either from the sale of owned land plots, mainly in rural areas, or from inheritance. It should be mentioned that due to the large scale post-war movement of the Greek population towards big urban centres, very often family land property acquired through usucaption (acquisitive prescription) and used mainly for agricultural production was sold in order to invest in the purchase of a home in the big cities.

A common way of financing the building of condominiums is a mixed type of work contract. According to said contract, the owner of a piece of land assigns a contractor - usually an engineering professional - to build a condominium at the contractor's own expenses. In return, the contractor is usually given a majority of the ownership rights of the land, corresponding to a number of dwellings of the condominium to be built. The rest of the dwellings - corresponding to the owner's percentage of ownership - are owned by the latter. In this way, anyone who owns a piece of land but does not possess the economic ability to finance the construction of a building, becomes the owner of a house built at the expense of the contractor. As for the ownership percentage usually demanded by the contractor, this varies depending on the commerciality of the area, the surface of the land and the number of dwellings that will be created. A typical scale range in Athens would be between 70-80%, whereas the same share would be around 60-70% in other Greek cities.

Mortgaged bank loans also play an important role in financing home ownership. All the players in the Greek banking scene grant housing loans, registering the pre-notice of a mortgage on the property to be bought as security. The notion of a pre-notice of a mortgage is well known within the GCC (art. 1277 GCC). Pre-notice of a mortgage is a temporary mortgage which may be converted to a permanent mortgage following a final court judgment which would adjudicate the securitized claim to the creditor. However, the major advantage of the pre-notice is that once it is converted to a

mortgage, said conversion is considered set from the date the pre-notice is registered[15]. On the contrary, personal loans are not often used for purchasing a house, due to higher interest rates as well as the fact that banks prefer the tangible security of a pre-notice of a mortgage.

- Intermediate tenures:

  - Are there intermediate forms of tenure classified between ownership and renting?

Intermediate forms of tenure can be classified in two major categories; on the one hand, tenures which are somehow connected to real property right and on the other hand tenures which rely in contracts other than a lease contract.

Regarding real property rights, quite often the dweller of a house is the beneficiary of a personal servitude over the house. Due to the *numerus clausus* of real property rights dictated by the GCC (art. 973 GCC), the personal servitudes which could be considered to give a person the right to reside in a house are the right of usufruct (in Greek: *«Επικαρπία»)* and the right of habitation (in Greek: *«Οίκηση»)*. Usufruct is defined as the limited real right which provides the beneficiary with the power to use and enjoy the interest or profits of another's property, under the condition that the substance of the property does not alter[16] (Art. 1142 GCC). Habitation, on the other hand, is the limited real right which allows the beneficiary to occupy another's building, or an apartment therein, and to use it as their home[17] (Art. 1183 GCC).

As far as other forms of contract-based tenures are concerned, one possible tenure is that resulting from a loan for use contract. Loan for use, which is explicitly regulated by the GCC (Art. 810 GCC), is the contract whereby one of the parties (lender for use), assigns the other (borrower for use) the use of property with no consideration, while the latter undertakes the obligation to return the property following the expiration of the contract (Art. 810 GCC). However, due to the fact the dwelling is given free of charge, this kind of contract is rare. Furthermore, the contract of time-sharing lease, regulated by Presidential Decree 182/1999, is mostly used for holiday homes. Finally, the regulation for immovable leasing contracts only applies in the case of legal persons and commercial companies, so that the leasing contract cannot be qualified as an intermediate form of residential tenure.

  - Condominiums (if existing: different regulatory types of condominiums)

The case of condominiums is recognized by the Greek legal system as a special type of ownership called 'horizontal ownership' (in Greek: *«Οριζόντια Ιδιοκτησία»)*. Horizontal ownership is defined as the distinct ownership of a floor or apartment of a condominium, combined with co-ownership on the land on which the condominium is built. This special type of ownership is regulated by Law 3741/1929, art. 1002 and 1117 GCC, Legislative Decree 1024/1971 and Law 19622/1985. Horizontal ownership is usually established by means of an agreement between the co-owners of the condominium, and must be undersigned by a notary. In most cases, when an agreement

[15] Agallopoulou, 417.
[16] Agallopoulou, 402.
[17] Agallopoulou, 299.

of this type is signed, condominium statues are established, regulating the relationship between the tenants of the condominium.

- Company law schemes: tenants buying shares of housing companies.

In Greece, no tenure type exists in which tenants purchase shares in housing companies, although this would not be prohibited by the Law. However, there are commercial companies who mainly work in exploiting the housing market; however, said companies draw up regular tenancy contracts with the interested tenant.

- Cooperatives

The notion of constructional cooperatives has been recognised in Greece from the early 1950s though the first legal definition appeared in the Necessary Law 201/1967, according to which the constructional cooperative is a cooperative that aims to provide housing to its members. Constructional cooperatives are established under the legal form of private legal persons of limited liability. Despite the fact that constructional cooperatives were established to solve the housing problem, most of the land bought by the cooperatives were forest which could not be exploited. A number of legal provisions that followed tried to solve the cooperatives' problem without much success. Thus, constructional cooperatives cannot be considered as a serious player within the housing policy.

- Rental tenures
  - Are rental tenures with and without a public task distinguished? If so, how are they called and what is their share in the housing stock?
  - How is the financing for the building of rental housing typically arranged?

Greek Law does not distinguish between rental tenures with and without public task. This is explained by the fact that no tenure that could be characterised as containing any kind of public intervention actually exists in the Greek housing system. Thus, it becomes clear that the terms of "public" or "social" housing are completely unknown within the Greek legal system.

On top of this, pursuant to Laws 1703/1987 and 2235/1994, the rental market was completely liberalized. It should be noted that prior to the complete liberalization, some restrictions were in place regarding rent price and the readjustment thereof, elements which could be characterized as a state intervention. Finally, any rent subsidies which could be characterised as containing a public task have been abrogated by law[18].

As to the financing of buildings for renting tenures, firstly we should state that the Greek reality includes no examples of buildings aimed merely for rent. Thus, the financing of construction is arranged as above (own equity, mortgaged loans, mixed work contracts etc.).

- What is the market share (% of stock) of each type of tenure and what can be said in general on the quality of housing provided?

[18] See below under 3.6 Subsidization.

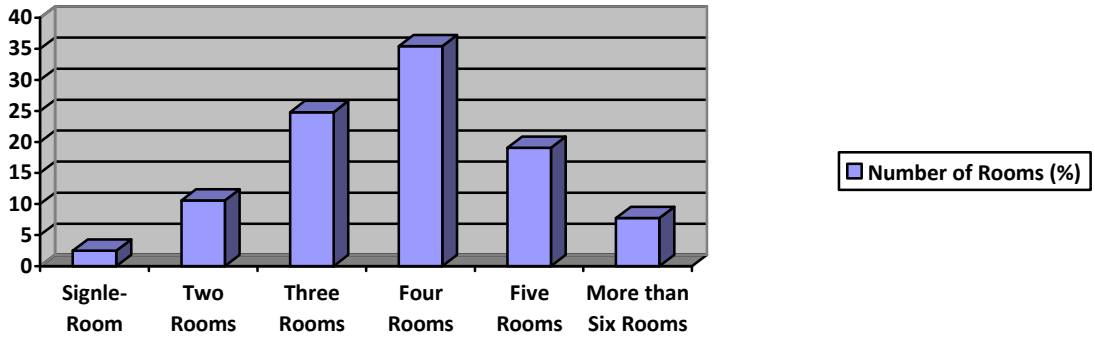
As already explained, based on the results of the 2001 Greek population and building census, 71.72 % of the examined households lived in owned houses while 19.8 % lived in rented homes. 5.34 % corresponds to the intermediate types of tenures while 2.92 % of the examined households did not define their type of tenure. It should also be noted that 0.2 % lived in irregular houses, but said irregularity is not further explained.

Market share (% of stock) of each type of tenure (2001)

Owner occupied	Rental tenure	Intermediate type of tenure	Non-defined tenure	Irregular Houses
71,72%	19,8%	5,34%	2,92%	0,2%

Furthermore, the majority of the dwellings available (35.4%) had 4 rooms, while 24.8% had three rooms. Single room dwellings were found at a percentage of 2.48 % while 10.56 % of the examined units had two rooms. Finally, 7.72 % had more than six rooms.

Number of Rooms (% of available stock) (2001)



Regarding the construction year, only 7 % of the examined houses were constructed after 1996, while 3.06 % was constructed before 1919. Moreover, the survey showed that a total of 13.7 % of the dwellings had no heating, 56.11 % had central heating while 29.9 % had a different kind of heating. Fortunately, only 0.25 % was reported as not having a bathroom.

In our opinion, the general quality of the housing provided seems to be adequate. However, the results to be published following the 2011 population and building census will be more illustrative of the current situation, as the general living conditions should have improved from the first decade of the 21st century onwards.

- Which actors own these dwellings (private persons, profit or non-profit organisations, etc.)?

The dwellings aimed to cover residential needs in Greece are mainly owned by private – both natural and legal - persons and not organisations. However, there is no official data thereof, and the above assertion is made purely based on personal experience.

1.5 Other general aspects of the current national housing situation

- Are there lobby groups or umbrella groups active in any of the tenure types? If so, how are they called, how many members, etc.?

Regarding organised affiliations in the housing market, the only tenure type in which such groups exist is the rent tenure. Thus, on behalf of landlords, the Hellenic Property Federation[19] (in Greek: *«Πανελλήνια Ένωση Ιδιοκτητών Ακινήτων»,* often abbreviated as 'POMIDA') was created in Athens in 1983. POMIDA aims to represent and defend the interests of all of home- and private real estate owners of the country. POMIDA was established under the form of a civil law partnership and counts more than forty similar associations from all over the country as its members. On the other hand, there is also the Hellenic Group for the Protection of Tenants (in Greek: *«Πανελληνιος Συλλογος Προστασίας Ενοικιαστών)*, which was founded under the same legal form. It should be noted that neither of these associations is authorized with any kind of regulatory competence. Their main aim is to provide their members a consultation service as well as to solicit payments in defense of their interests.

- What is the number (and percentage) of vacant dwellings?

The number of dwellings that were found vacant amounts to a total of 1,327.270 units representing 24.12 % of all dwellings. However, 810,457 or 14.7 % thereof correspond to vacant secondary or holiday homes, while 248,513 or 4.53 % dwellings are vacant and available for rent. The most recent data from 2012, which, however, cannot be considered official and mainly comes from reportage, show that there are also about 180,000 **new built** (after 2006) dwellings that are vacant for sale. It is obvious that the large number of vacant dwellings has a direct impact on the rental sector, since the higher the supply of available dwellings, the lower the rental prices.

Additionally, a recent (2014) survey[20] conducted by a Greek private statistical company (KAPA research) reveals that 10.4% of apartments and 9.4 % of single houses are vacant and available for rent. However, above this cannot be assessed in cardinal numbers corresponding to the total number of vacant dwellings, as the above survey interviewed 1,614 people.

However, we should again note that the forthcoming updated statistical data will correspond more exactly to the actual situation and the above figures will more or less be set aside.

[19] http://www.pomida.gr/
[20] http://www.pomida.gr/loipa/research/kaparesearch2014.pdf

- Are there important black market or otherwise irregular phenomena and practices on the housing market (especially the rental market)?

The black market mostly provides low quality housing, especially in poorer neighbourhoods. In addition, landlords often do not register the tenancy contract with the competent tax authority, as is required by Law, resulting in tax evasion.

Summary table 1[21] Tenure structure in Greece, most recent year 2001[22].

Home ownership	Renting	Intermediate tenures	Other	Total
2.628.072	723.346	196.042	107.108	3.654.568
71,72 %	19,8 %	5,34 %	2,92 %	100%

2. Economic, urban and social factors

2.1 Current situation of the housing market

- What is the current situation of the housing market? Is the supply of housing sufficient/ insufficient and where is this the case (possibly in terms of areas of scarcity of dwellings in growth areas versus shrinkage areas)? What have been the effects of the current crisis since 2007?
- How is the demand for housing expected to develop? What is the expectation about the growth and decline in number of households in the future in a scenario of average economic development? Is there a year forecasted where growth in number of households will stabilize or will start declining?
- What is the number/percentage of families/households depending on rental housing (vs. owner-occupancy and other forms of tenure)? What is the number/percentage of immigrants among them?

A way of concluding whether or not there is sufficient housing in Greece would be to compare the total Greek population with available residential dwellings. Said

[21] The numbers figuring in the table below correspond to the households examined. The results of the 2001 Population and Building census regarding the form of tenure are based on interviews with the inhabitants of a dwelling themselves. This explains the difference between the number of the reported available dwellings and the number of the tenure type cases (e.g. If a person conducting the census did not find anyone in a specific dwelling, he would note only the existence of the dwelling as it would be impossible to know the tenure type.

[22] More updated data based on the 2011 census will be provided as from April 2014.

comparison should also take into consideration the local or regional dispersion of both of these numbers within the national territory.

According to the results of the 2001 Greek Population and Buildings census[23], the total national population amounted to 10,964,020 people, of which 3,761,810 resided within the Administrative Section of Attica (34,3 %). The respective total number of Greek households was reported at 3,664,392, of which 1,351,617 were based in Attica (36.9 %). As has already been mentioned above, there was a total of 5,476,162 dwellings available, 1,830,375 (33.4%) of which were located in Attica. This shows that the local dispersion of available dwellings more or less follows the respective dispersion of the population. Hence, despite the fact that the Administrative Region of Attica encompasses the vast majority of the Greek population, it seems that enough housing is available to efficiently cover the need.

As the population results of the 2011 Population and Buildings Census[24] have already been published, we can say that there was a slight decrease of 1.34 %, whereas the population living in Attica has increased slightly (3.53 %). However, we believe that the 2011 Building Census results to be published over the next few months, will reveal that the situation in terms of sufficiency of housing supply will have improved compared to 2001 mainly due to the boost of mortgaged loans given by Greek banks from 2001 to 2008-2009.

It should be noted that this is given on the basis of comparing cardinal sizes. Sufficiency of housing as such is hereby understood as the ratio of dwellings available to need and demand.

No studies have been carried out regarding the forecasts for growth and decline in the number of households, or regarding when the number of households will stabilise or decline. However, ELSTAT officials have given unofficial information making it highly possible to calculate such indexes following the publication of the 2011 Greek Population and Buildings census.

As mentioned[25] above, the number of households depending on rental housing is 723,346 representing 19.8 % of the total. Regarding owner-occupancy households, these amount to a total of 2,628,072, corresponding to 71.72 %. Finally 196,042 (5.34 %) households depend on other kind of tenures. There is no official data regarding the percentage of immigrants among the number of households above. The only relevant figure which appears in the 2011 Population Census results is that there were 911,929 immigrants reported, corresponding to 8.4 % of the total population. Once the results of the 2011 Buildings census are published, we will be able to compare this population percentage with the total of households reported, to find the percentage of immigrant households in Greece.

2.2 Issues of price and affordability

[23] http://el.wikipedia.org/wiki/%CE%95%CE%BB%CE%BB%CE%B7%CE%BD%CE%B9%CE%BA%CE%AE_%CE%B1%CF%80%CE%BF%CE%B3%CF%81%CE%B1%CF%86%CE%AE_2001

[24] http://el.wikipedia.org/wiki/%CE%95%CE%BB%CE%BB%CE%B7%CE%BD%CE%B9%CE%BA%CE%AE_%CE%B1%CF%80%CE%BF%CE%B3%CF%81%CE%B1%CF%86%CE%AE_2011

[25] *See* above Summary Table 1.

- Prices and affordability:
  - What is the typical cost of rents and its relation to average disposable income (rent-income ratio per household)? (Explanation: If rent is 300€ per month and disposable household income 1000€ per month, the rent-to-income ratio is 30%).

There is no official data regarding typical cost of rent and how this cuts into the average disposable income. On the contrary, the only data that could be used in relation to rent prices is that published by the Bank of Greece[26], and concern the average annual percentage change of the price index for rents. It has been observed that in the third quarter of 2012, there was a decrease rating of -2.1% in the rent price index, which reveals a slight decrease in said price sector. However, if said rate is compared to the Gross Domestic Product, as provisionally published by ELSTAT[27], where the drop in the same period was -6.9 %, we can easily conclude that rent prices became less affordable in 2012.

However, according to most recent data, the average annual percentage change of the rent price index during the third quarter of 2013 has shown a greater – compared to the previous year - decrease rating of -6.8 %, whereas Gross Domestic Product has decreased by -2.6%. This clearly shows that rent prices have fallen less than the general financial status of Greece. Therefore, it could be argued that rent became more affordable in 2013 compared to 2012.

Based on personal experience, the rent of a two-bedroom (60-70 sq.m.) new-built apartment in Athens would vary, based on the neighbourhood, from €300 to €400 per month. Internet rental adverts are not considered an accurate reflection of average rent prices, given that often landlords publish higher prices than what they eventually charge following the tenancy contract.

It is again noted that the 2011 Population and Building Census results – yet to be published - will include data relating to cardinal sizes of typical rents.

- To what extent is home ownership attractive as an alternative to rental housing

Home ownership has always been more attractive compared to renting in Greece, due to the fact that the citizens would prefer to pay a mortgaged housing loan for a dwelling that they actually own, rather than pay rent for a dwelling belonging to their landlord. Additionally, due to the massive loans that were granted by banks for residential purposes, as well as length of the loan durations agreed, the monthly loan repayment instalment was often the same as the average monthly rent payment.

In addition to the above, the fact that under certain conditions a person's first residence is fiscally advantageous[28], makes home ownership even more attractive compared to rental housing.

[26] http://www.bankofgreece.gr/Pages/en/Statistics/realestate/default.aspx
[27] http://www.statistics.gr/portal/page/portal/ESYE
[28] For more information regarding fiscal reliefs, see 3.7 Taxation.

- What were the effects of the crisis since 2007?

The Bank of Greece calculates a very interesting index on this subject matter, i.e., dwelling price-to-rent ratio. Said ratio records changes in rent compared to changes in house prices. It was observed that the house price-to-rent ratio, at the end of 2012, showed a decrease of -28.6 compared to the same ratio in 2007 at the beginning of the economic crisis. It should also be noted that the ratio in question progressively decreased from 2008 to 2011. It is therefore clear that in terms of affordability and prices, the economic crisis made home-ownership more attractive than rental tenures. It is, however, certain that the represented percentage of the household's income was not calculated.

2.3. Tenancy contracts and investment

- Is the return (or Return on Investment (RoI)) for rental dwellings attractive for landlords-investors?

In order to conclude whether Return on Investment for rental dwellings is attractive for landlords-investors, we should compare the costs needed to construct a building and the actual market or rental price of the dwellings. It is more than clear that if the costs index is lower than the market price of the rented dwellings, then such an investment is attractive.

Although there are no particular cohesive studies on the subject, one university dissertation[29] by an architect has indeed shown that such investments can only be attractive when the investor, who in this case is usually a professional of the construction industry, already owns the piece of land on which the dwellings will be built. In addition, the case of the mixed work contract, as described above[30] as a way of financing home ownership, is considered profitable for the investor. This explains the rather widespread use of such contracts when constructing condominiums and other blocks of flats.

- In particular: What were the effects of the crisis since 2007?

However, the most recent data collected from the Bank of Greece[31] shows that the total construction cost indexes for new residential dwellings at the end of 2012, showed only a slight decrease of -0.1 % compared to the relevant costs of 2011. On the other hand, the respective decrease in the new dwellings market price index for the same period was -13.1 %. Based on the above, it is beyond a doubt that currently, following the economic crisis of 2007, any investment in immovable property should be channelled into rents, or the sale sector is not attractive.

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[29] V. Tzelepi, *The evaluation of the mixed work contract based residence as an investment* (in Greek: *«Η αξιολογηση της εργολαβικής κατοικίας ως επένδυση»),* (MBA Dissertation, University of Piraeus, 2007), available at: http://digilib.lib.unipi.gr/dspace/bitstream/unipi/1753/3/Tzelepi.pdf

[30] See above under 'Intermediate types of tenures'.

[31] http://www.bankofgreece.gr/BogDocumentEn/TE_SHORT-TERM_INDICES.pdf

- To what extent are tenancy contracts relevant to professional and institutional investors?
  - In particular: may a bundle of tenancy contracts be included in Real Estate Investment Trusts (REITS) or similar instruments?
  - Is the securitization system related to tenancies in your country? Are commercial (or other) landlords allowed to securitize their rental incomes? If yes: Is this usual and frequent?

Concerning the Greek real estate and rental markets, residential tenancy contracts are not in any way related to professional or institutional investors. This is mainly due to the small-scale economic dimensions that can be profited by the market in question.

The notion of Real Estate Investment Trusts (REITS) is recognised by the Greek legal system and was first introduced by Law 2778/1999 *"Real Estate Investment Mutual Funds and Real Estate Investment Companies"* (in Greek: *«Αμοιβαία Κεφάλαια Ακίνητης Περιουσίας – Εταιρίες Επενδύσεων»*). This law describes two main forms of REITS:

1. Those having a corporate legal form (Real Estate Investment Companies). Such companies are a special type of *societe anonyme* company, with the exclusive purpose of managing an asset portfolio composed of real estate, securities and cash. Furthermore, they should obtain a listing on a recognized stock exchange.

2. Those having a legal form similar to a unit trust (Real Estate Mutual Funds). Such funds are actually a pool of assets composed of real estate and liquid financial instruments. Real Estate Mutual Funds are jointly owned by a number of investors and managed by a management company, which must have the form of a *societè anonyme* and is also a special form company.

However, the original version of art. 22 of Law 2778/1999 stipulating the kind of real estate on which a Greek REIT could invest, expressly provided that only immovable property intended for commercial uses could be the object of a Greek REIT's investment. Nevertheless, a recent reform (art. 107 Law 4209/2013) also included residential dwellings in the business scope of Greek REITS, providing such real estate does not exceed 25 % of the total of the REIT's business. Due to the above amendment, Greek REITs have not yet been active in the residential real estate sector.

As far as securitizations of tenancies in Greece are concerned, the combination of the principle of autonomy of will on the one hand and the fact that no legal statute explicitly prohibiting such action exists on the other, would lead us to the conclusion that commercial landlords could actually securitize their tenancy contract claims. However, Greek experience shows that such practices have never been subject to any investment interest.

2.4. Other economic factors

- What kind of insurances play a role in respect to the dwelling (e.g. insurance of the building, the furniture by the landlord; third party liability insurance of the tenant?)?

It should firstly be stated that no provision of Greek Law obliges in any way whatsoever the owner or the tenant of a dwelling to sign an insurance contract regarding the dwelling. Such a contract is, therefore, subject to the personal will of the interested person. The most common risks that buildings are insured against are fire and other natural catastrophes such as earthquake, flood etc., while third party liability insurance of the tenant is not that common.

In terms of figures it has been reported[32] that only 1,391,106 dwellings have been insured against fire in Greece, corresponding to just 20 % of the available dwellings. It should, however, be stressed that the above data is not official, but merely reported.

It should be noted that banks granting a mortgaged housing loan, usually require that their debtor also insures the mortgaged dwelling against natural catastrophes and fire. Said obligation on the part of the debtor is usually included as a condition of the loan agreement. Finally, a tenancy contract can contain a similar insurance clause, although this is not that usual.

Journalistic sources, however, report that the Greek government intends to put into place measures to make building insurance obligatory. It is believed that by doing so, the State would no longer be eligible for any costs arising from natural catastrophes, providing that in such cases the State would intervene through unscheduled measures to counteract the consequences of said catastrophes. It is, nevertheless, clear that any obligatory buildings insurance would further burden immovable property owners.

- What is the role of estate agents? Are their performance and fees regarded as fair and efficient?

The intervention of real estate agents in the conclusion of sale or rent contracts is subject to the personal will of the interested parties, as there is no relevant obligation for such an intervention by Law.

There are no special requirements to enter the estate agent profession. However, all estate agents should register with the relevant chamber, and have at least completed compulsory education (9 years).

Their commission fees are defined according to the rules of the free market. A usual commission rate would vary from 2-4 % of the sale price of the dwelling, or would consist in one month's rent in the case of rent contracts. Public opinion often considers real estate agents' practices and fees as arbitrary and over-estimated. It should be noted that, according to the Notary Code, a Notary, when drawing up a sale contract[33], is obliged to ask the parties if an estate agent was involved.

[32] http://www.nextdeal.gr

[33] Under Greek Law, every sale and transfer of immovable property should be undersigned by a notary.

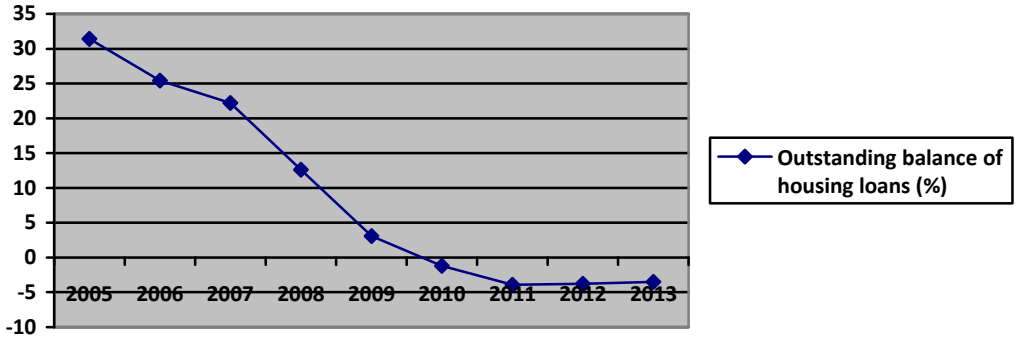
2.5. Effects of the current crisis

- Has mortgage credit been restricted? What are the effects for renting?

Regarding the volume of mortgaged bank loans, useful data can be obtained through the Bank of Greece[34], which supervises the entire national banking system. The most recent information on mortgage credit for housing purposes dates to December 2013.

The data reveals a more cautious and selective stance by banks in granting new housing loans[35], given that the outstanding balance of housing loans showed an annual fall of -3.4% at the end of 2013 against a decrease of -3.7% in September 2012. The relevant drop was -2.9% in December 2011 and -0.3% in December 2010, having grown by 3.7% in December 2009 and 11.2% in December 2008.

Average Annual Percentage Change of Outstanding Balance of Housing Loans



Although the effects of mortgaged credit restrictions have not been compared or correlated regarding their impact on the rental sector, the only actual result that said restrictions could have thereon would be the subsequent recession caused in the construction industry; meaning that no new, better quality homes would be available on the rental market.

- Indicate the current figures on repossession (seizures of houses in case of mortgage credit default of the buyer)? Have repossessions affected the rental market?

There is no official data regarding the repossession of dwellings due to buyer's default in paying. However, it should be stressed that, as stated in the Bank of Greece's most recent report[36] on the real estate market, national banks appear reluctant to

[34] http://www.bankofgreece.gr/Pages/en/Statistics/realestate/default.aspx
[35] Development and Policies in the Real Estate Market (Monetary Policy – Interim Report 2012 of the Bank of Greece), available at: http://www.bankofgreece.gr/Pages/en/Statistics/realestate/default.aspx.
[36] Development and Policies in the Real Estate Market. .

auction off properties that secure bad loans at this stage of severe recession, despite a significant increase in default loans. This is mainly due to the fact that, a ministerial decision prohibited banks from auctioning main residences worth less than € 200,000. This prohibition was set until the end of 2013, and was also in force in 2011-2012.

However, Law 4224/2013 amended the above ministerial decision by introducing additional criteria. Therefore, as from 1st January 2014, public auctions of defaulted main residences are prohibited provided the following conditions are met:

1. The objective value of the protected main residence should not exceed €200,000.
2. The net annual income of the household should not exceed €35,000.
3. The total value of the debtor's movable and immovable property should not exceed €270,000. On top of that, the debtor should not hold bank deposits of more than €15,000.

- Has new housing or housing-related legislation been introduced in response to the crisis?

The provisions of L. 3869/2010 on the *'debt adjustment of overcharged households* (in Greek*: «Ρύθμιση χρεών υπερχρεωμένων νοικοκυριών»*)*'* could be characterized as housing-related legislation introduced in response to the crisis. The main purpose of the legislation in question is the judicial adjustment of debts, provided that households are unable to pay due to reasons beyond their control and as long as there is no property that could be liquidated. However, the first and primary residence worth less than €200,000 is explicitly excluded from assets that can be liquidated. Moreover, as has already been mentioned, a ministerial decision was in place prohibiting auctions of households' first and primary residence.

Journalistic sources reveal that around 80,000 households have filed relevant demands in order for their debts to be readjusted pursuant to the provisions of the above Law[37].

Summary table 2 (please complete the cells with +)

	Landlord	Tenant
Crisis effects	Decrease of the price rents.	
Return on investment	Decrease of dwellings market price non-proportional to the decrease of the construction costs.	
Affordability		Decrease of the average income non-proportional to the decrease of the rent

[37] http://www.kathimerini.gr/499764/Art./oikonomia/epixeirhseis/80000-aithseis-gia-ry8mish-daneiwn-me-ton-nomo-katselh

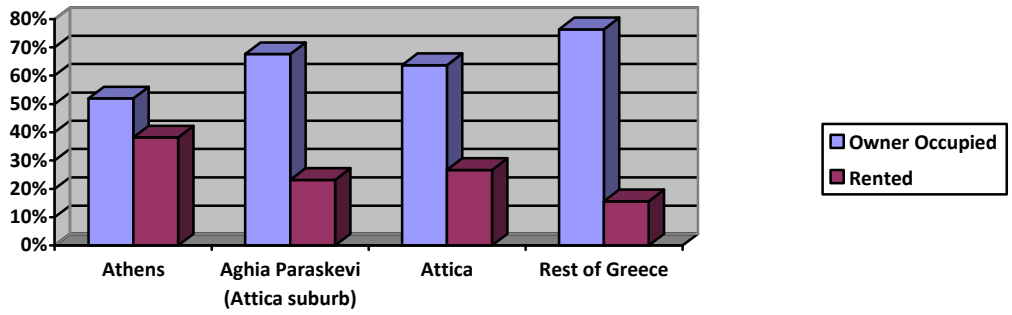
		prices.
Local differences (in need, RoI and affordability)	+	+
Insurance	+	+

2.6 Urban aspects of the housing situation

- What is the distribution of housing types in the city scale (e.g.: are rented houses mainly in the city centres and owner occupied in the suburbs?) vs. the region scale (e.g.: more rented houses in the big cities, less in the villages?)

The reference point of the data implemented is, once again, the published results of the 2001 Population and Buildings census. Concerning the distribution of housing tenures in the city, the case of Athens does confirm that there are more rented houses in city centres and owned homes at regional level in the region scale. In terms of figures, it was found that within the municipality of Athens 38.2 % of the inhabited dwellings were rented, whereas 52 % were owner occupied. On the other hand, within the municipality of Aghia Paraskevi, a residential suburb of Athens, rented dwellings amounted to 23.2 % while 67.6% were owner occupied. On the regional level, while in the Administrative Section of Attica 26.7 % of dwellings were rented and 63.7 % were owner occupied, the respective percentages for the rest of Greece stood at 15.6 % for rented and 76.4 % for owner occupied.

Distribution of housing types in the city scale and on regional level



- Are the different types of housing regarded as contributing to specific "socio-urban" phenomena, e.g. ghettoization and gentrification?

Although socio-urban phenomena, such as ghettoization (the case of gentrification is not at all known within Greek social reality) do exist in Greece – as is the case in urban centres all over the world -- the different types of housing and their distribution among Greek households is not considered as contributing to this.

The above argument is not only explained but also confirmed by the fact that public or social housing schemes are completely absent from the Greek legal framework. It is, in our view, obvious that the existence of such schemes, which would inevitably address the lower income households, would be the only cases in which housing tenures could in fact be the social causes of the phenomena in question. In addition, it has been stated that due to the special conditions observed in Greece regarding the acquisition of a dwelling (mainly mixed work contracts), home ownership is not linked to the superior social and economic status of the person, as is the case in most European countries[38].

As to the social causes of the above phenomena within Greek territory, these should be traced to labour, unemployment and immigration issues.

- Do phenomena of squatting exist? What are their – legal and real world – consequences?

There are not any particular phenomena of squatting reported. The only incidents that could be considered as phenomena of that kind would be the case of roma populations usually occupying pieces of land. Housing there is beyond any level of adequacy, given that the dwellings mostly consist in shacks with no water supply. However, due to the fact that such settlements are rarely permanent, as romas tend to move continuously within Greek territory, no data regarding their number is available. The only relevant data pertain to the Greek gypsy population which is calculated at 120,000-150,000 people. Unfortunately, Greek policy has never included measures to improve the living conditions of gypsies.

Finally, it should be noted that under Greek criminal law squatting constitutes an offence (Damage of property belonging to another (in Greek: *«Φθορά Ξένης Ιδιοκτησίας»*) regulated by art. 381 of the Greek Criminal Code. This offence is punishable by up to two years' imprisonment.

The consequences of these kinds of phenomena are mostly connected to the public health problems and environmental pollution they are causing. Regarding legal effects, they usually acquire no tenure rights as they are constantly on the move, meaning they do not fulfil the time requisites set by law in order to acquire property rights through usucaption.

2.7 Social aspects

- What is (are) the dominant public opinion(s) towards certain forms of rental types or tenure forms? (e.g. is renting considered as socially inferior?) In particular: Is only home ownership regarded as a safe protection after retirement?

[38] Thomas Maloutas, *Tenure Status in big urban centres* (in Greek: *«Το καθεστώς ενοίκησης στα μεγάλα αστικά κέντρα»),*in the *Social and Economic Atlas of Greece, (*2002), available online at: http://www.ekke.gr/open_books/atlas.pdf

It is beyond a doubt that public opinion finds home ownership a socially superior tenure form. On the other hand, rent is mostly considered a temporary solution to cover temporary housing needs, for example, students from rural Greece coming to Athens or the other big urban centres for university or other studies. It should also be noted that parents often help their children financially to purchase their own home when they get married.

Finally, the high percentage of home ownership in Greece clearly shows that people consider it to be a safety net following retirement, although Greek practice shows that the vast majority of households would already have purchased a dwelling before retirement.

- What is the typical attitude of tenants towards different forms of tenure (e.g. owners of privatised apartments in former Eastern Europe not feeling and behaving as full owners)

A home owner's attitude reflects the full and undisputable power over the property given him by his real property right of ownership. On the other hand, the tenant of a rented property does not feel his home belongs to him, which often results in careless maintenance of the premises.

Summary table 3

	Home ownership	Renting **with a public task**	Renting **without a public task**	Etc.
Dominant public opinion	Superior		Inferior, mainly to cover temporary housing needs	
Tenant opinion	Acting as the full owner			
Contribution to gentrification?	No		No	
Contribution to ghettoization?	No		No	
Squatting?	No		No	

3. Housing policies and related policies

3.1. Introduction

- How is housing policy related to the structure and concept of the (national) welfare state, to other welfare policies and the tax system?

The absence of any kind of Greek social or public housing, as already explained above, clearly shows that the Greek housing policy is completely disconnected from the Greek welfare state. This is strengthened further by the fact that according to Law 4046/2012, *"First, as a **prior action,** we will enact legislation to close small earmarked funds engaged **in non-priority social expenditures (O.E.K.)"***, housing is regarded as social expenditure which cannot be prioritized by the State.

Moreover, Greece is classified[39] among the so-called "Mediterranean Welfare Regimes"*,* which are further marked by a high level of 'familialism'. Indeed, family seems to play the most crucial role in the Greek housing system, as it can be considered the driving engine for the fulfillment of its members' family needs. As already explained above, family economic sources have been the main way of financing the building of new residential dwellings. Furthermore, current common day practice reveals that it is quite common for younger members of families, whose the income has decreased dramatically as a result of the economic crisis, move back with their parents in order to fulfil their housing needs.

Regarding how the Greek housing reality is linked to taxes, this can be found in the different tax subsidies allocated to the acquisition of an owned dwelling and which will be further discussed below in the relevant chapter of this report.

- What is the role of the constitutional framework of housing? (in particular: does a fundamental right to housing exist?)

It has been already cited above[40] that the right to housing is recognised by the Greek constitutional legislator. The right to housing, as dictated by Art. 21 para 4 of the Greek Constitution is part of the so called 'social fundamental rights', similar to the right to employment, health and social security. The real meaning of these provisions reflects either simple constitutional behests towards the legislator enabling and obliging the latter to regulate certain matters, or simple declarations of principles and socio-political goals of the State. However, the citizen is not provided with a lawful claim against the State, which, despite the fact that is obliged to effectively safeguard social rights, is not obliged to the way or time of any action. Moreover, given the absence of a Constitutional Court in Greece, the above issue has never been raised.

Pursuant to art. 21 para. 4 of the Greek Constitution, the citizen is entitled with the right to housing provided by the State. Therefore, the State is constitutionally obliged to ensure housing to every person who cannot cover this essential need by his own means. This fulfils the State's national social policy aims relating to improving society's living conditions. However, as long as the relevant public intervention has not yet been

[39] Fitzpatrick et al, *Study on Housing Exclusion, Welfare Policies, Housing Provision and Labour Markets,* 2010.
[40] *See* under 1.2 Historical Evolution

institutionally broadened, the right to housing remains a 'constitutional wish' depriving the citizen of any legal claim.

The State's provision of housing to the citizen does not necessarily mean the assignment of a real property right; it can also be conceived through the free supply of a house or, at least, with a very low non-profitable rent[41]. The obligation of the State to provide housing is not considered as an obligation towards every person, but as a special provision to a certain group of people. This provision is restricted, limiting the State's obligation to those who do not have the means to purchase a house or are inadequately housed. Finally, it should be stressed, that the right to adequate housing applies to every eligible person residing in Greece, regardless of nationality.

3.2. Governmental actors

- Which levels of government are involved in housing policy (national, regional, local); what are they called; how many are there of each?

Despite the fact that, as already explained, Greece has no cohesive and aggregated housing policy, the ministerial entities authorised to introduce and implement housing policies are the Ministry of Labour, Social Security and Welfare[42], as well as the Ministry of Environment, Energy and Climate Change[43].

On the local level, the same authority is given to the Municipalities. Special social welfare services operate in all the Municipalities of the State, and undertake social protection activities.

- Which level(s) of government is/are responsible for designing which housing policy (instruments)?
- Which level(s) of government is/are responsible for which housing laws and policies?

Regional planning and urban development are explicitly included within the responsibilities of the Ministry of Environment, Energy and Climate Change whereas the exercise of social policy, such as the provision of public housing and subsidization thereof is attributed to the Ministry of Labour, Social Security and Welfare.

Given the absence of an explicit social housing policy, it is not possible for any additional information to be provided regarding the responsibility of specific housing laws and policies.

3.3. Housing policies

[41] K. Kontiadi, *Welfare State and Social Rights,* (Athina-Komotini Ant. N. Sakkoulas 1997), 460.
[42] http://www.ypakp.gr/
[43] http://www.ypeka.gr/

- What are the main functions and objectives of housing policies pursued at different levels of governance?
    - In particular: Does the national policy favour certain types of tenure (e.g. rented housing or home ownership (owner-occupation)?

Given that at present there is no kind of cohesive housing policy, we cannot say whether national policy favours certain types of tenure.

- Are there measures against vacancies (e.g. fines or forced assignments of vacant houses)?

Although vacant dwellings seem to have increased over the last few years, as already reported above, the Greek state has not taken any measures to circumvent this reality. Nevertheless, it is our opinion that as supply exceeds demand in the housing sector, it would be difficult to consider any kind of sanctions against vacancies.

- Are there special housing policies targeted at certain groups of the population (e.g. migrants, Sinti and Roma etc)?

Although it is certain that there are vulnerable groups of the population in Greece, housing does not seem to be one of their major problems. Therefore, no special housing policies addressing such groups can be reported.

3.4. Urban policies

- Are there any measures/ incentives to prevent ghettoisation, in particular

As mentioned above, ghettoization, although it existed at some point in Greece, does not seem to be the result of the housing system, given the absence of any public or social housing. Therefore, no measures or incentives somehow related to urban policies can be reported as trying to prevent ghettoization.

- mixed tenure type estates[44]

[44] Mixed tenure means that flats of different tenure types - rented, owner-occupied, social, etc. - are mixed in one estate. This is the simplest way of avoiding homogenised communities, and to strengthen diversification of the housing supply.

Mixed tenure type estates are quite common in Greece. However, given that such tenures have not been reported as contributing to any particular social phenomena, there are no measures or incentives that provide for any relevant regulation.

- "pepper potting"[45]

Given the absence of any social or public housing schemes in the Greek housing system, no phenomena of this kind has ever been subject to specific regulations by any kind of policy.

- "tenure blind"[46]

Given the absence of any social or public housing schemes in the Greek housing system, no phenomena of this kind has ever been subject to specific regulations by any kind of policy.

- public authorities "seizing" apartments to be rented to certain social groups

Greek public authorities have never undertaken to 'seize' apartments to then rent them to social groups. It should be clarified that the Greek reality shows that even vulnerable groups of the population can access the private rental sector.

Other "anti-ghettoisation" measures could be: lower taxes, making building permits easier to obtain or, in especially attractive locations, making city contributions in technical infrastructure a condition to receive building permits.

None of the above measures has ever been implemented in Greece. Particularly, any tax subsidies or reduction presently in force appertain to the acquisition of a so-called 'first residence' and are not in any way connected to the location of the immovable property to be purchased. Furthermore, any provisions regulating the conditions for building permits depend on the characteristics of each region, with particular focus on protecting the environment. On the other hand, the above rules are not related to 'anti-ghettoization' issues.

- Are there policies to counteract gentrification?

First, it should be noted that gentrification is intended as the restoration and upgrading of a deteriorating or aging urban neighbourhood by middle-class or affluent persons, resulting in increased property values and often the displacement of lower-income residents. This has never been observed in Greek urban neighbourhoods, especially regarding the field of housing. In fact, the Greek language does not even

[45] This mechanism is locating social housing flats among open market ones, so as not to collect low income families in one place. The concept is quite controversial, however in England the affordable housing system was used for a long time to minimize the problem of modern city ghettos.

[46] This is a mechanism for providing social housing in a way that the financial status of the inhabitants is not readily identifiable from outside. It is used to avoid/minimize stigmatization and social exclusion which could be caused by living in a (openly identifiable) social stock.

contain a relevant word meaning this condition. Therefore, no policies against gentrification can be reported.

- Are there any means of control and regulation of the quality of private rented housing or is quality determined only by free market mechanisms? (does a flat have to fulfil any standards so that it may be rented? E.g.: minimum floor area, equipment, access to technical and/or social infrastructure and/or public transport, parameters such as energy efficiency, power/water consumption, access to communal services such as garbage collection. If so: how are these factors verified and controlled?)

There are no provisions of Law within the Greek legal system that control or regulate the quality of private rented housing. The quality of rented dwellings is determined by the conditions of the free market and the rules of supply and demand. However, the only case in which a rent contract could be annulled due to the inadequacy of the rented property is when it is proven that the dwelling is of such poor quality that the constitutional principle of human respect is violated. However, this is a purely theoretical example and there is no relevant case-law which can be reported in this respect.

Nevertheless, both the quantity as well as the quality of houses available in Greece – as already demonstrated above – clearly shows that there is no real need to introduce such mechanisms.

- Does a regional housing policy exist? (in particular: are there any tools to regulate housing at regional level, e.g.: in order to prevent suburbanisation and periurbanisation? Is it possible to distribute local taxes so that villages can afford the limitation of housing areas?)

There is no such kind of regional housing policy.

3.5. Energy policies

- To what extent do national and or local energy policies affect housing?

The energy policy does not seem to have any important impact on housing. The only cases that could be mentioned concern Law 3661/2008, according to which every tenancy contract should be accompanied by an Energy Sufficiency Certificate. Moreover, the fact that at present the price of Natural Gas is 20 % lower than the price

of oil, has resulted in many households deciding to alter their heating supply Natural Gas.

Summary table 4

	National level	2nd level (e.g. federal or provincial)	3rd level	Etc.	Lowest level (e.g. municipality)
Policy aims 1) 2) Etc.					
Laws 1) 2) Etc.					
Instruments 1) 2) Etc.					

3.6. Subsidization

- Are different types of housing subsidized in general, and if so, to what extent? (give overview)

Regarding housing subsidization policies in Greece, the only competent body in this field was O.E.K., as already mentioned above[47]. The O.E.K.'s subsidization activity was regulated by Law 2963/1954, as amended through the years. The main field of subsidization that existed concerned the rent subsidization of low-income families. On top of that, the O.E.K. used to act as an intermediary with banks, in order to subsidize the interest rate of housing loans. However, the O.E.K.'s activity was terminated by Law as part of the austerity measures imposed on Greece, so the State would not default.

The different[48] housing programmes that used to be provided by O.E.K. are the following:

[47] *See* under 1.2 Historic Evolution

[48] Maria Filippakopoulou et al., 'A Research on the Greek Social Housing Policies' *South-Eastern European Journal of Earth Observation and Geomatics,* Vo 2, no 25 (2013).

i. Loans with subsidized interest

The amounts were proportional to the annual family income whereas the interest rate depended on the marital status of the lessee. Pursuant to the latest amendment of the program in 2009, the rate was fixed below 3 % for singles or married people, whereas no interest was due for beneficiaries with three or more children. The total amount of loans that were granted are shown in the following table:

Loans with Subsidized Interest Rate

Year	Number of Loan Contracts	Amounts (€)
2003	2,366	24,600,737
2004	7,364	42,177,538
2005	7,999	57,697,336
2006	13,847	81,735,390
2007	11,296	104,748,042
2008	10,897	157,926,521
2009	9,210	115,766,543
2010	6,097	10,642,198
2011	116	121,193,117
TOTAL	69,192	716,487,422

ii. Loans to Repair existing housing.

The prerequisite for these loans was that the building permit had been issued 15 years before application. The total sum was set at 15.000 € and had to be repaid in fifteen years in interest free instalments.

iii Loans to complete existing housing.

The total sum for these loans was set at 25.000 € and had to be repaid either in 20 or in 15 years in interest free instalments.

Number of Loans for Repair/Complete Exiting Housing

Year	Loans to repair/complete housing	Amounts (€)
2003	2,366	24,600,737
2004	7,364	42,177,538
2005	7,999	57,697,336
2006	13,847	81,735,390
2007	11,296	104,748,042
2008	10,897	157,926,521
2009	9,210	115,766,543

2010	6,097	10,642,198
2011	116	121,193,117
TOTAL	69,192	716,487,422

iv. Rent subsidies.

This programme mainly targeted low income families. The income criteria, the amount of subsidization as well as the number of subsidies are shown in the following tables.

Income Criteria and amount of subsidization (2009)

FAMILY STATUS	INCOME LIMIT	MONTHLY SUBSIDY AMOUNT	ANNUAL SUBSIDY AMOUNT
Single or Married no children	12,000 €	115 €	1.380 €
Beneficiary with one (1) child	14,000 €	140 €	1.680 €
Beneficiary with two (2) children	16,000 €	165 €	1.980 €
Beneficiary with three (3) children	18,000 €	215 €	2.580 €
Beneficiary with four (4) children	20,000 €	215€	2.580 €

Number of rental subsidies

Year	Number of Subsidies	Amount of Subsidies (€)
1989	3,631	1,150,403
1990	3,877	1,411,592
1991	7,341	3,454,145
1992	10,825	6,705,796
1993	18,398	11,577,403
1994	29,777	21,907,557
1995	28,079	20,853,999
1996	31,937	26,224,505
1997	35,615	27,841,526
1998	30,036	25,892,883
1999	30,066	25,884,079
2000	31,664	30,439,692
2001	32,045	31,901,794
2002	34,158	37,924,210
2003	39,916	55,108,308
2004	58,263	104,851,865
2005	64,044	110,570,801
2006	81,784	147,970,033
2007	102,066	185,084,070
2008	114,642	206,661,125
2009	105,213	190,870,949
2010	(not implemented)	(not implemented)
2011	22,668	26,421,178

2012	(not implemented)	(not implemented)
TOTAL	916,047	1,302,704,543

At present, there are no subsidization measures available to tenants or landlords in Greece. However, the Minister of Labour, Social Security and Welfare has declared that over the next few months he will reintroduce some of those subsidization policies regarding rent tenures. However, said declaration remains merely a political announcement.

The only provision that could be considered a subsidization policy and which is still in force in Greece today, concerns dwellings rented by students; particularly, those students studying in a city other than their primary residence, are allocated €1.000 per year.

- Explain the different forms of subsidi/es for tenants, (certain) landlords and, if relevant, housing associations or similar entities acting as intermediaries (e.g. direct, by means of investment loans, tax privileges). Which level of government is competent to assign the subsidies? Is there a right to certain subsidies or does the public administration have discretion in whom to assign the subsidy?

At present there are no kind of subsidies. However, the Minister authorised to assign subsidies would be the Minister of Labour, Social Security and Welfare.

- Have certain subsidies been challenged on legal grounds (in particular: on the basis of competition law or budget law)?

The subsidies that used to be allocated by the O.E.K. were never challenged on legal grounds, due to the fact that they were allocated purely based on criteria of income.

- Summarise these findings in tables as follows:

Summary table 5

Subsidization of landlord	Tenure type 1	Tenure type 2, etc.
Subsidy before start of contract (e.g. savings scheme)	Name of subsidy Aim of subsidy	
Subsidy at start of contract (e.g. grant)		
Subsidy during tenancy		

(e.g. lower-than market interest rate for investment loan, subsidized loan guarantee)		

Summary table 6

Subsidization of tenant	Tenure type 1	Tenure type 2, etc.
Subsidy before start of contract (e.g. voucher allocated before find a rental dwelling)		
Subsidy at start of contract (e.g. subsidy to move)		
Subsidy during tenancy (in e.g. housing allowances, rent regulation)	Dwellings rented by students, under the condition that their place of study is different from their primary residence. The amount of 1.000 € is allocated per annum, as part of the annual rent paid.	

Summary table 7

Subsidization of owner-occupier	Tenure type 1	Tenure type 2
Subsidy before start of contract (e.g. savings scheme)	Name of subsidy Aim of subsidy	
Subsidy at start of contract (e.g. grant)		
Subsidy during tenancy (e.g. lower-than market interest rate for investment loan, subsidized loan guarantee, housing allowances)		

3.7. Taxation

- What taxes apply to the various types of tenure (ranging from ownership to rentals)?

The taxes imposed on landlords for immovable property are divided into four major categories:

1. Value Added Tax (often abbreviated as VAT) imposed on the acquisition of **new built** immovable property (in Greek: *«Φόρος Προστιθέμενης Αξίας»)*.

2. Tax imposed on the acquisition of the immovable known as 'Immovable Transfer Tax' (in Greek: *«Φόρος Μεταβίβασης Ακινήτων»)*.

3. Immovable Property Tax (in Greek: *«Φόρος Ακίνητης Περιουσίας»)*.

4. Tax imposed on the Income of the Immovable property, known as 'Income Tax (in Greek: *«Φόρος Εισοδήματος»).*

It should be noted that all taxes relating to immovable property are calculated on the basis of the objective values thereof, which are determined by the Ministry of Finance.

According to L. 3427/2005 , the sale of immovable property is subject to Value Added Tax from 1st January 2006. Said tax is payable at the standard rate of 23% on the sale of buildings or part of buildings, and the land on which they stand. It should be stressed that VAT is only due in cases of new built dwellings, meaning that the buyer will use the property for the first time.

Regarding the Immovable Transfer Tax, it is imposed on the buyer of a dwelling, at 8 % for the first €20,000 of the price and 10% of the amount in excess.

As for the Immovable Property Tax, it applies to the whole immovable property owned by a person. There is no tax if the entire property does not exceed €200,000, whereas there is a progressive tax rate of 0.2 % to 2 % for any property worth more than €200,000. Finally, regarding Income Tax, it should initially be noted that rent income is calculated from the taxpayer's total income. The tax rate ranges progressively from 10% to 45 %, while the first €5,000 are tax free.

In addition, it should be noted that pursuant to Law 4021/2011, a new tax has been imposed on immovable dwellings known as Temporary Special Tax of Electricity Supplied Surfaces (in Greek: *Έκτακτο Ειδικό Τέλος Ηλεκτροδοτημένων Επιφανειών»)*. This tax is calculated on the age of the immovable, the zone price of the area, as well as the size of the habitable areai n square metres. Moreover, this new tax is collected through two-monthly electricity bills. Finally, according to the aforementioned Law, if the dwelling is rented and electricity is charged to the tenant, the latter can lawfully deduct the tax paid from the monthly rent he pays to the landlord.

Tax reform as from 1st January 2014.

New taxes apply on immovable property as from the 1st January 2014. The changes brought by the new taxation system are the following:

a. Uniform Tax on Immovable Property Ownership (in Greek: *«Ενιαίος Φόρος Ιδιοκτητών Ακινήτων»)*.

Every person owning immovable property (both residential as well as commercial premises shall pay above new tax without any tax relief ceiling. Above tax is calculated in a rate of 2 to 13 € per square meter, depending on the location of the immovable.

b. Additional Tax on Immovable Property Ownership.

Persons owning immovable property the total value of which exceeds the amount of 300,000 € shall pay additional tax on Immovable Property rating from 0,1 to 1%.

c. Surplus Value Tax (in Greek: *«Φόρος Υπεραξίας»)*.

Every person selling immovable property from the 1st January 2014 shall pay tax on the difference of the value gained between the time that the person acquired the property and the time that it is sold out. The relevant tax rate amounts to 15 %. However properties already owned by the seller before the 1st January 1994 are not subject to surplus value tax.

d. Changes to immovable property transfer tax.

The relevant tax rate of immovable property transfer tax, as described above, is reduced to 3 % from the 1st January 2014.

e. Changes to Income tax from rent premiums.

As from the 1st January 2014, the tax free ceiling of € 5,000 no longer applies for income gained from rent premiums. The relevant tax rate is set to 11 % for the first € 12,000 of income, whereas to 33 % for income exceeding above limit.

- In particular: Do tenants also pay taxes on their rental tenancies? If so, which ones?

Tenants in Greece do not pay taxes on their rental tenancies.

- Is there any subsidization via the tax system? If so, how is it organised? (for instance, tenants being able to deduct rent from taxable income; landlords being able to deduct special costs; homeowners being treated favourably via the tax system)

In terms of subsidization via the tax system, there are two cases that could be characterised as such within Greek tax law. Firstly, the tax payer is relieved from paying Immovable Transfer Tax if the dwelling to be purchased will serve as his first and primary home and under the condition that said property is worth less than €200,000. Secondly, the tenant cannot deduct the rent paid from his taxable income. However, rent

paid can be deducted from the total amount of tax imposed at 10 % of taxable income and under the condition that any deducted tax will not exceed €1,000.

- In what way do tax subsidies influence the rental markets?

Tax subsidies influence the rental market in that they favour those who own no immovable property of their own to purchase a residential dwelling. Home ownership is thus favoured against rental tenure. Moreover, rent tenants can deduct any rent paid from the imposed tax, though the relief rate in that case is not as high.

- Is tax evasion a problem? If yes, does it affect the rental markets in any way?

Tax evasion has always been one of the main problems of the Greek economy, and is the main reason why Greece was brought the brink of bankruptcy during the current crisis. In terms of the housing market, the main problem is related to the fact that in many cases, landlords do not register tenancy contracts with the tax authority, meaning that rent income is not calculated on their overall income and subsequently is not taxed.

Summary table 8

	Home-owner		Landlord in rent contract	Tenant in rent contract
Taxation at point of acquisition	Added Value Tax.			
	Immovable Transfer Tax	Tax relief if the dwelling will serve as the tenant's primary and first residence.		
	Surplus Value Tax			
Taxation during tenancy	Immovable Property Tax	No	Income Tax	Income Tax Tenant can deduct rents paid from the imposed income tax in a rate of 10 % of his taxable income.
	Uniform Tax of Immovable Property Owners			
	Additional Tax of Immovable			

	Property Owners			
Taxation at the end of tenancy				

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4. Regulatory types of rental and intermediate tenures[49]

4.1. Classifications of different types of regulatory tenures

- Which different regulatory types of tenure (different regulation about contracts and tenant security) do you classify within the rental sector? What are their shares in dwelling stock (compare summary table 1)?

As mentioned above, apart from full and unconditional ownership, other possible types of tenures can be classified based on their nature. On one hand, some tenures derive from a limited real right such as usufruct and habitation, and on the other, contract-based tenures such as leases and loan for use.

4.2 Regulatory types of tenures without a public task

[49] **I.e. all types of tenure apart from full and unconditional ownership.**

- Please describe the regulatory types in the rental sector in your country that do not have a public task. This category may be called private or market rental housing.[50]
  - Different types of private regulatory rental types and equivalents:
    - Rental contracts

Rental contracts that are intended for residential use are regulated by Art. 574-618 of the Greek Civil Code. Lease contract is the contract by which one contracting party (lessor) undertakes to yield to the other contracting party (lessee) the use of a property for as long as the lease contract lasts and pay the lessor the rent agreed.

As far as the loan for use contract is concerned, this is defined as the contract by which one of the parties (lender for use), assigns the other (borrower for use) the use of a property free of charge, while the latter undertakes to return the property once the contract expires (Art. 810 GCC). Loan for use is also regulated by the Greek Civil Code.

- Are there different intertemporal schemes of rent regulations?

At present there are no intertemporal distinctions regarding the regulations applicable to rent contracts. All rent contracts have been completely liberalized pursuant to Laws 1703/1987 and 2235/1994.

- Are there regulatory differences between professional/commercial and private landlords?

Greek Law does not provide any kind of regulatory differences between a professional/commercial and private landlord. The only case in which such a difference would exist and subsequently the tenancy contract would be characterised as a 'commercial lease' is when the dwelling is to be used for professional and not residential purposes. Therefore, the landlord's attribute has no bearing on the characterisation of the lease.

- Briefly: How is the financing of private and professional/commercial landlords typically arranged (e.g. own equity, mortgage based loan, personal loan, mix, other)

As explained above, a private landlord mainly finances the construction of dwellings from his own savings, mortgaged-based loans, as well as by another type of mixed work contract[51]. The only possible difference regarding the professional landlord, would be the fact that he could have access to professional bank lending, with a lower rate of interest.

- Apartments made available by employer at special conditions

[50] Market rental housing means housing whereby the drawing up of contracts is determined by rent price and not social rules of allocation based on need.

[51] *See* above under 1.3 'Types of housing tenures.

There is no distinction regarding the regulation applicable should an employer provide his employees with residential dwellings. Special conditions regarding the price or obligations of the parties will be determined based on the parties' autonomy.

- Mix of private and commercial renting (e.g. the flat above the shop)

There are no special regulations regarding mixed private and commercial renting, in that the same condominium may consist of dwellings used as professional premises and others used for residential purposes. Each tenancy will be dealt with independently and appropriate regulations will apply.

- Cooperatives

There are no special regulations regarding the tenure of a dwelling purchased or rented by a building cooperative.

- Real rights of habitation and usufruct

As already explained above, usufruct is defined as the limited real right awarding the beneficiary the power to use and enjoy the interests or profits of another's property, under the condition that the property undergoes no alterations (Art. 1142 GCC). Habitation, on the other hand, is the limited real right allowing the beneficiary to occupy the building or an apartment therein of another owner, and to use it as a home (Art. 1183 GCC). Both of these rights are considered personal servitudes and are regulated by the Greek Civil Code.

- Any other relevant type of tenure

4.3 Regulatory types of tenures with a public task

There are no tenure types with a public task within the Greek legal system.

- Please describe the regulatory types of rental and intermediary tenures with public task (typically non-profit or social housing allocated to need) such as
  - Municipal tenancies
  - Housing association tenancies
  - Social tenancies
  - Public renting through agencies
  - Privatised or restituted housing with social restrictions
  - Public entities (e.g. municipalities) taking over private contracts, typically for poor tenants to counteract homelessness
  - Etc.

- Specify for tenures with a public task:
  - selection procedure and criteria of eligibility for tenants

- typical contractual arrangements, and regulatory interventions into, rental contracts
- opportunities of subsidization (if clarification is needed based on the text before)
- from the perspective of prospective tenants: how do I proceed in order to get “housing with a public task”?

o Draw up summary table 9 which should appear as follows:

Rental housing **without a public task** (market rental housing for which the ability to pay determines whether the tenant will rent the dwelling); for example different intertemporal schemes of different landlord types with different tenancy rights and duties	Main characteristics • Types of landlords • Public task • Estimated size of market share within rental market • Etc.
1) Private rental tenancy a 2) Private rental tenancy b 3) Private rental tenancy c 4) Etc.	
Rental housing for which a **public task** has been defined (Housing for which government has defined a task; often non-profit or social housing that is allocated according to need, but not always)	
5) Municipal tenancy 6) Housing association tenancy 7) Social tenancy 8) Etc.	

o For which of these types will you answer the questions in Part 2; which regulatory types are important in your country?
- 1) Rent Contracts.
- 2)
- Etc.

5. Origins and development of tenancy law

- What are the origins of national tenancy law and where was and is it laid down (civil code, special statute, case law)?

As already explained above, Greek tenancy law, being part of civil law, belongs to the Romanic families of Law, and, therefore, traces its origins back to Roman and Byzantine Law.

Tenancy law is mainly laid down in the Greek Civil Code (GCC), while special statutes complementarily regulate particular cases, such as residential and commercial tenancies. Although jurisprudence is not classified upon the sources of law under the Greek legal system, judicial decisions are largely taken into consideration while interpreting legislation and deciding a case[52].

[52]Dacoronia, 373.

- Who was the political driving force? Was it based on a particular legal philosophy (e.g. socialism)? Is there a particular philosophy behind the rules (e.g. protection of the tenant's home as in Scandinavia vs. just a place to live as in most other countries)

As far as the GCC is concerned, the work of German Pandectists was of great influence while the BGB was used as a pattern for its drafting. The GCC is the result of a five-member committee and was given force of law after Greece was liberated from the Axis forces on 23/02/1946.

A special legislation regarding residential tenancies was introduced for the first time at the beginning of the 1980s, under a socialist government. In particular, five laws were promulgated to regulate residence tenancies from 1982 till 1987, the one amending the other in major or minor points; the result of this process was a rather confusing and complex legal regime. The above regime was codified by Law 1703/1987. The legal philosophy behind the above legislative intervention attempted to compromise the clashing interests of landlords and tenants; the undisputable need to better protect the tenant needed to be accommodated with the landlord's right for free participation in economic life, in order to guarantee social peace.

- What were the principal reforms of tenancy law and their guiding ideas up to the present date?

As tenancy law is mainly laid down within the GCC, the only reforms that can be reported concern legislation initiatives that took place in the 1980's, as codified by Law 1703/1987 and regulating residential tenancy contracts.

The establishment of an *ex lege* minimal duration of the contract was one of the legislator's main aims, as the protection afforded to the tenant by the relevant provisions of the GCC was not deemed adequate; the landlord could sign open-ended tenancy contracts, and give notice of termination, without any special justification. In addition, the GCC contains no provisions regarding increase or re-adjustment of rent in fixed time periods. Moreover, the landlord's demand for the right to terminate the contract in order to move into the rented dwelling needed to be satisfied.

Indeed, special statutes enacted in the 1980 have provided a minimum duration of residential tenancy contracts. Regarding rent levels, there were cases where a maximum rent level was fixed, whereas complete rent liberalization for certain groups of residents was also provided. Moreover, special regulation was issued for automatic rent increase clauses, while the landlord was afforded the right to terminate the contract if he needed the dwelling in order to house himself.

However, at present, the above special regulation has been abrogated by law. What has survived from this legislation refers to the minimum duration of residential tenancy contracts, as well as rules on rent readjustment.

- ~~Do other forms of "lawful possession" of a premise for housing purposes (e.g. usufruct, licence etc) play a role? (~~deleted as contained in part 1)

- Human Rights:
    - To what extent and in which fields was tenancy law since its origins influenced by fundamental rights enshrined in
        - the national constitution

The provisions of the Greek Constitution that may somehow influence and partly justify the regulation of the Greek tenancy law can be summarized as follows:

i. Art. 5 (1) and (2). Para. 1 explicitly declares the right of every individual to freely develop their personality and participate in the social, economic and political life of the nation. The application scope of the above provision is extremely broad; it includes, among others, economic freedom, which in turn encompasses contractual freedom, reflected as a general principle by the art. 361 GGC. However, the violation of the Constitution itself as well as of morality, delimit the exercise of the above right.

ii. Art. 17 (1), which protects the right to private property.

iii. Art. 21 (1), which recognizes the family as a foundation for the preservation and development of the Nation. This protection is also given to the institutions of marriage, motherhood and childhood.

iv. 21 (4) providing special State care for those without housing or in insufficient residence conditions to purchase housing. However, Greek courts have never applied this provision in the field of tenancy law.

- international instruments, in particular the ECHR

Moreover, given that pursuant to the provision of art. 28 of the Greek Constitution, international conventions ratified by law, make explicit part of Greek Law and prevail over any other opposite legal provision. Therefore, the following provisions of public international law could have an impact on the Greek tenancy law regulation.

i. Art. 31 of the European Social Charter, according to which *"With a view to ensuring the effective exercise of the right to housing, the Parties undertake to take measures designed: to promote access to housing of an adequate standard; to prevent and reduce homelessness with a view to its gradual elimination; to make the price of housing accessible to those without adequate resources".*

ii. Art. 8 of the European Convention of Human Rights, according to which *"Everyone has the right to respect for his private and family life, **his home** and his correspondence"*.

- Is there a constitutional (or similar) right to housing (droit au logement)?

As cited above[53], the right to housing is recognised by the Greek constitutional legislator. The right to housing, as dictated by art. 21 para. 4 of the Greek Constitution – introduced in 1975 - is part of the so called 'social fundamental rights', similar to the right

[53] *See* under 1.2. Historical Evolution

to employment, health and social security. The real meaning of this Law reflects either simple constitutional behests towards the legislator, enabling and obliging the latter to regulate certain matters, or simple declarations of principles and socio-political goals of the State. However, the citizen has no lawful claim against the State, which, despite the obligation to effectively safeguard social rights, is not obliged as to the way or the time of any action.

Pursuant to Art. 21 para 4 of the Greek Constitution, the citizen is entitled housing provided by the State. The State is constitutionally obliged to ensure housing to every person who cannot fulfil this essential need through his own means. In this way, the State fulfils its social policy aims related to improving society's living conditions. However, as long as the relevant public intervention has not yet been institutionally broadened, the right to housing remains a 'constitutional wish' depriving the citizen of any legal claim.

The provision of housing from the State to the citizen does not necessarily mean the assignment of a real property right, but can be fulfilled through the free supply of a house or, at least, a very low non-profitable rent[54]. The obligation of the State to provide housing is not considered as an obligation towards every person, but as a special provision to a certain group of people. This provision is limited, restricting the State's obligation to those who do not have the means to acquire a house or who have inadequate housed. Finally, it should be stressed, that the right to adequate housing applies to every eligible person who resides in Greece, independent of nationality.

6. Tenancy regulation and its context

6.1 General introduction

- As an introduction to your system, give a short overview over core principles and rules governing the field (e.g. basic requirements for conclusion, conditions for termination of contracts by the landlord, for rent increase etc.; social orientation of tenancy law in force; habitability (i.e. the dwellings legally capable of being leased))

As a general introduction to the Greek tenancy law system, it should be mentioned that the main role is played by the principle of contractual freedom and the subsequent autonomy of the contracting parties' will. However, this freedom should also be seen within the limits set by the general principles of good faith and morals of transactions.

As we will further explain below, a tenancy contract is a non-formal contract which can be validly concluded orally or tacitly. The regulatory tax law requires contracts to be

[54] Kontiadi, 460.

registered with the competent tax office; however, tenancy contracts are valid even if not registered.

As mentioned above, Law 1703/1987 sets a three-year minimum duration of the tenancy contract, providing that the dwelling is used for residential purposes.

As far as termination issues are concerned, a distinction should be made between open-ended and time limited contracts. Open-ended contracts may be regularly terminated following the relevant notice, while the parties' contractual duties should be ceased in order to lawfully terminate a time-limited contract.

Rent prices as well as rent increase should be agreed by the parties, while the general clauses of good faith and morals of transactions play a corrective role. Finally, there are no regulations regarding the habitability of the dwellings; each dwelling is legally authorised to lease, providing it can legally be considered as a property.

- To what extent is current tenancy law state law or infra-national law (if legislative jurisdiction is divided: what is the allocation of competencies and for which subject matters)

Given that there is no infra-national division of the Greek state, and, therefore no infra-national laws, such a division cannot be conceived. Greek tenancy law is purely state law and applies within the entire national territory.

- Is the position of the tenant also considered as a real property right (and therefore also governed by property law) or (only) as a personal (obligatory) right?

According to Greek Law, a tenancy contract is considered a personal contract regulated by the second book of the GCC, under the name "Law of obligations" (in Greek: *«Ενοχικό Δίκαιο»*). The main characteristic common to the entire Greek contract law is the principle of privity of contracts, as dictated by art. 287 GCC. According to this principle, contracts exclusively create rights and obligations between the contracting parties. This principle constitutes the semantic difference between contract and real property rights law, whereby the holder can exercise his rights against any person violating them. However, there are cases in which the law gives the parties of a tenancy contract rights appertaining to real property law.

Regarding the tenant, the most illustrative example is the fact that according to art. 997 GCC[55] *"Protection of a holder. In the case of illegal disturbance (of his making) of a property or a right or eviction, the person who has acquired detention or quasi detention from the possessor or quasi possessor* ***in the capacity of lessee*** *or depositary or by reason of some other similar (personal) relation is afforded the same protection as a possessor"*. This clearly shows that the tenant is deemed as the holder of the dwelling, to whom the above provision affords the same actions as the owner of a

[55] Art. 997 GCC: *«Σε περίπτωση παράνομης διατάραξης της νομής πράγματος ή δικαιώματος ή αποβολής από αυτήν έχει κατά τρίτων τις αγωγές της νομής και εκείνος που απέκτησε την κατοχή του πράγματος ή του δικαιώματος από το νομέα ως μισθωτής ή θεματοφύλακας ή με άλλη παρόμοια σχέση».*

property. As to the concept of detention (in Greek: *"κατοχή)»*, belonging to real property law, pursuant to art. 974 GCC, detention is defined as the actual condition (and not the right) whereby a person exercises physical control over a property without the intent to own it.

- To what extent is the legislation divided up into general private law and special statutes? To what extent are these rules mandatory and dispositive? Does the relationship between general and special rules work properly so as to create legal certainty?

As mentioned above, legislation applying to residential tenancies is mainly laid down in the GCC, while special statutes complementarily apply.

The structure of the GCC follows that of the BGB and consists of 5 books; General Principles, Law of Obligations, Real Property Law, Family Law and Law of Succession. The Second Book contains the law of obligations, which is itself divided into two parts; the General Part, including general rules on the evolution of Obligations, and the Special Part, which regulates specific types of contracts as well as non-contractual obligations (unjustified enrichment, torts etc.).

In accordance with this structure, tenancy law is regulated by the special part of the law of obligations and in particular by the provisions of art. 574-618 GCC, which bear the title 'Lease of Goods'.

The structure of the GCC itself provides the key to understanding why mere recourse to the specific provisions on tenancy contracts is insufficient to find integrated answers to those questions that arise. Indeed, the regulation of tenancy contracts, like that of all special contractual forms, is the result of the coordinated application of the general provisions on the conclusion of legal acts, general provisions on the evolution of obligations and specific provisions on tenancy.

Moreover, most of the provisions contained in the specific part of the second book of the GCC have no mandatory character. Thus, the application of the above provisions can be excluded in the event the contracting parties agree otherwise. The principle of contractual freedom, as dictated by the general part of the law of obligations (art. 361 GCC) plays, in most of the cases, a decisive role.

In addition, the provisions of the GCC are complemented with special statutes, which aim to regulate tenancies showing special social interest (residential and commercial tenancies).

Finally, and as a general rule, it should be stated that the rules contained in the general part of the second book of the GCC contain *jus cogens,* whereas most of the provisions of the special part are *jus dispositivum*. Such a classification regarding the imperativeness of the rules uncontestably infuses legal certainty.

- What is the court structure in tenancy law? Is there a special jurisdiction or is the ordinary one competent? What are the possibilities of appeal?

According to art. 93 of the Greek Constitution, the Greek judicial system consists in administrative, civil and criminal courts. Disputes arising from tenancy contracts

belong to the jurisdiction of civil courts, due to their character as private law disputes, while there is no special jurisdiction for tenancy disputes. Therefore, ordinary civil courts are authorised to hear tenancy law disputes.

However, art. 647-662Θ of the Greek Code of Civil Procedure (hereinafter to be referred to as the *"GCCP")* set out a special procedure applying to all principal or secondary disputes arising from the tenancy of a property. This special procedure mainly aims to make proceedings simpler, quicker and more efficient. The most illustrative example thereof, is that pursuant to art. 650 para. 1 GCCP, the Court also takes into consideration evidence that does not fulfil all requirements of the Law, as well as the fact that even first-instance judgments are directly enforceable, as an exception to the rule according to which enforceability requires a final judgment.

Regarding the possibilities of an appeal, the general rule of Art. 511 GCCP is applied, according to which all first-instance judgments are subject to appeal. Thus, there is no differentiation between judgments issued through the special procedure of tenancy disputes and those for which the ordinary procedure was followed. Moreover, it should be mentioned that pursuant to Art. 552 GCCP, cassation is also permitted against the above judgments.

It should be pointed out that in 1997 a new procedure was introduced by Art. 662A-662Θ GCCP. This procedure covers eviction when the tenant fails to pay rent, due to unjustified unwillingness to do so. In that case, the landlord is entitled to file a motion for an eviction order, provided that he has given 15 days' prior notice to the tenant. The judge issues the order immediately, and without an oral hearing of the case. This eviction order can be enforced twenty days following its ruling, while the tenant can defend his rights by filing a motion against the eviction order as well as a petition for stay of proceedings. The judgments issued on the tenant's legal recourses above are subject to appeal and cassation.

- Are there regulatory law requirements influencing tenancy contracts
    - E.g. a duty to register contracts; personal registration of tenants in Eastern European states (left over of soviet system)

There are no specific regulatory law requirements influencing tenancy contracts. The only issue that could be considered as such would be the obligation imposed on the contracting parties to register their contract with the competent tax office. However, considering that the above requirement is inextricably connected with the formal requirements for the valid conclusion of a contract, more information is given below[56]

- Regulatory law requirements on - new and/or old - habitable dwellings capable of being rented - e.g. on minimum size, number of bathrooms, other mandatory fittings etc.

[56] *See* below under 6.3 'Conclusion of tenancy contracts'.

Greek law does not provide for any specific requirements as to the *"habitability"* of the rented dwellings. The only provision that could apply in this respect would be art. 2 para. 1 of the Greek Constitution on the protection of human value. However, due to the adequacy of dwellings available, as explained above, no relevant jurisprudence can be reported.

- Regulation on energy saving

The only cases that could be mentioned concern the provisions of Law 3661/2008, according to which every tenancy contract should be accompanied by an Energy Sufficiency Certificate which remains valid for a decade after its issuance. However, the absence of such a Certificate does not seem to affect the contract's validity, which, as will be explained below, does not have to be in any special form. The only relevant consequence is that the tenancy contract would not be accepted for registration by the competent Tax authority, and, consequently, administrative penalties may be imposed on the contracting parties.

~~What is the role of estate agents? What are the usual services they provide in the area of rental housing?~~ Deleted as dealt with elsewhere

6.2. Preparation and negotiation of tenancy contracts

Preliminary Note: We suggest that for each section (b through g) and each tenancy type some concluding remarks should be provided in a summary table about the rights and duties of tenant and landlord and the main characteristics (in telegram style).

Example of table for b) Preparation and negotiation of tenancy contracts

	Main characteristic(s) of Private Tenancy	Main characteristic(s) of tenancy type 2, etc.	(Ranking from strongest to weakest regulation, if there is more than one tenancy type)
Choice of tenant	Free Choice of Tenant.		
Ancillary duties	Good faith required during negotiations.		

****

- Freedom of contract
    - Are there cases in which there is an obligation for a landlord to enter into a rental contract?

As it has been already repeatedly explained, Greek Law does not cover any kind of tenancies with a public task. Therefore, the only scenario in which a landlord would be obliged to enter into a rental contract would essentially be in cases of antidiscrimination issues. However, due to the sufficient availability of dwellings, Greek courts have never dealt with such cases.

- Matching the parties

    - How does the landlord normally proceed to find a tenant?

It should first be highlighted that there is no official regulation on procedures a landlord must follow when looking for a tenant.

However, according to common day practice[57], the landlord, usually places a "for rent" sign outside the dwelling. This sign usually contains some information on the number of rooms and facilities available, though mostly there is no mention of the rent amount, so that this can be negotiated. Finally, the rent signs always contain the landlord's contact information.

Moreover, landlords usually publish rent ads either in newspapers or on the Internet.

As a final possibility, landlords can turn to professional real estate agents, who undertake to find a tenant. Nevertheless, it should be stressed that real estate agents intervene mostly in commercial leases, where the rent premiums are incomparably higher and the contractual issues more complex.

    - What checks on the personal and financial status are lawful and usual? In particular: May the landlord ask for a salary statement? May he resort to a credit reference agency and is doing so usual?

There are no regulations that allow a landlord to legally carry out a background check on the personal and financial status of a potential tenant. Any such check, including the provision of a salary statement, would rely on the tenant's willingness to provide such data. In fact, if a landlord were to gather this information by any means, this would be in direct violation of Law no 2472/1997 that regulates the protection of personal data, and could be cause of civil and criminal liability. Moreover, no kind of credit reference agencies accessible by private individuals operate within the Greek territory.

The only lawful procedure that could be undertaken in order for a person to have access to another's tax declaration is a special order issued by the public prosecutor.

[57] Useful information gathered by POMIDA's brochure addressed to landlords and published on its website (www.pomida.gr)

However, in the cases in question, such an order would not be issued as the landlord lacks legal interest.

- How can information on the potential tenant be gathered lawfully? In particular: Are there blacklists of "bad tenants"? If yes, by whom are they compiled? Are they subject to legal limitations e.g. on data protections grounds?

The only way a landlord could check the financial status of a potential tenant would be through the land registry office, where he could check of whether any of the tenant's immovable property had been seized or mortgaged. Black lists of "bad tenants" do not exist, as such lists would directly violate data protection legislation, given that economic data is explicitly included in the above legislation's range of application.

- What checks may and does the tenant carry out on the landlord (e.g. to avoid being trapped by a swindler landlord)

The same applies to any checks that a tenant could carry out on his potential landlord. However, a check with the land registry would be much more effective for the tenant as he would at least be able to verify whether or not a specific landlord owns the property he is renting out.

- Services of estate agents *(please note that this section has been shifted here)*
  - What services are usually provided by estate agents?

Pursuant to art. 197 Law 4072/2012, which regulates the profession of a real estate agent, the main service a real estate agent provides, consists in suggesting opportunities, or intervening in the drawing up of real estate contracts, and especially sales, exchanges, tenancies, leasing etc.

Thus, real estate agents undertake to find a potential tenant on behalf of the landlord, and subsequently to draw up the tenancy agreement based on their client's mandate. In this respect, estate agents usually advertise a dwelling for rent, show interested persons the dwelling, provide information regarding its facilities, negotiate the rent to be paid – in accordance with the landlord's will – and bring the parties into contact to sign the tenancy contract.

  - To what extent are estate agents regulated? In particular: are there rules on how an agent should present a house, i.e. on the kind of information which needs to be given?

Art. 197-204 Law 4072/2012, regulates the estate agents profession by regulating the basic qualifications that a person should have in order to become an agent by law, defining the essential content of a real estate agency contract and instituting disciplinary penalties.

Art. 201 of the above Law imposes a set of obligations to real estate agents, mostly pertaining to information that they need to give before concluding any contract. Thus, real estate agents should inform both landlord and tenant on the qualities of the real estate in question, as well as on any defects that may come to their knowledge. Moreover, if a real estate agent has been given a double mandate – i.e., both landlord and tenant have commissioned the same agent – this should be known to both parties. Similarly, the parties should be informed if the agent has any personal interest in a specific dwelling. Finally, special confidentiality duties are imposed on estate agents, who should not reveal the personal and economic data of their principals, apart from those that are essential for the conclusion of the contract. .

- What is the usual commission they charge to the landlord and tenant? Are there legal limitations on the commission?

There are no specific regulations regarding the lawful commission charged by real estate agents, whose remuneration is freely negotiable. In the case of a tenancy contract, the commission charged will amount to one or two months' rent, divided equally between the landlord and tenant. In case of excess, the general clause of good faith will come into play.

- Ancillary duties of both parties in the phase of contract preparation and negotiation ("culpa in contrahendo" kind of situations)

Art. 197-198 GCC regulates liability during negotiations (*culpa in contrahendo)*. The stage of negotiations is understood as the stage of discussions regarding the possible signing of a contract. This stage ends either with the agreement to conclude a contract or with the conclusion of the contract itself[58].

During negotiations, a special relation of trust is developed between the parties. Such a relationship justifies the obligation imposed on the parties to behave in accordance with the principles of good faith and morals of transactions. It has been decided[59], that during negotiations for a tenancy contract, both parties should provide full and clear information regarding the essential elements of the contracts, which could affect the decision of the opposite party. However, such an obligation does not need to cover issues that should and could come to the knowledge of the opposite, diligent party.

6.3. Conclusion of tenancy contracts

[58] Agallopoulou, 136.
[59] AP 1302/2010 unpublished.

Example of table for c) Conclusion of tenancy contract

	Private tenancy	Main characteristic(s) of tenancy type 2, etc.	Ranking from strongest to weakest regulation, if there is more than one tenancy type
Requirements for valid conclusion	- No special requirements as to the legal form of the contract - General principles for valid conclusion of the contract are applicable;		
Regulations limiting freedom of contract	General principles for valid conclusion of the contract are applicable - no discrimination rules;		

- Tenancy contracts
  - distinguished from functionally similar arrangements (e.g. licence; real right of habitation; Leihe, comodato)

As mentioned above, a tenancy contract is considered as a purely personal contract that creates rights and obligations only between the contracting parties and whereby the parties' autonomous will play a crucial role.

A tenancy contract is well distinguished from the real right of habitation, (in Greek: *«Οίκηση»*), as the latter is a real right, affording its holder full protection against any person attempting to infringe. According to art. 1183 GCC, habitation is the limited real right that allows the beneficiary to occupy another's building or an apartment therein as a home. Therefore, the beneficiary of a habitation may use an immovable property that belongs to another, solely for residency purposes. Art. 1184 GCC makes special reference to the right of the beneficiary to inhabit the dwelling with his family. Habitation, which is considered as a limited personal servitude, can be constituted either by means of a juridical act (contract or testament) or through usucaption (acquisitive prescription).

The same assertions apply to the real right of usufruct (in Greek: *«Επικαρπία»*). According to art. 1134 GCC, usufruct is the limited real right to use and enjoy the interests or profits of a property belonging to another, provided that the substance of the property remains unaltered. It is obvious that the right to reside in the dwelling is part of the powers afforded to the beneficiary, while the latter can exercise his rights against any person and not only against the owner of the dwelling. Regarding its constitution,

the same– as in habitation – applies to usufruct, i.e., by means of a juridical act (contract or testament) as well as through usucaption (acquisitive prescription).

Moreover, tenancy contracts are also distinguished from contracts of commodatum or loan for use (in Greek: *«Χρησιδάνειο*). According to art. 810 GCC, loan for use is the contract whereby one of the contracting parties (lender for use) yields to the other (borrower for use) the use of a property without payment, while the borrower for use undertakes to return the property upon expiration of the contract. Although the contract of loan of use is without a doubt closer to the nature of a tenancy contract – both being personal contracts – there is a significant difference; a tenancy contract requires that the tenant pay rent, whereas in case of a loan for use contract, the only obligation on the borrower's part is to return the property upon expiration of the contract.

- specific tenancy contracts, e.g. contracts on furnished apartments; student apartments; contracts over room(s) only (e.g. student rooms); contracts over rooms or apartments located in the house in which the landlord lives himself as well. Please describe the legal specificities in these cases.

There are no regulations that specify tenancy contracts when the object of the contract is a furnished or student apartment. Such contracts are regulated as normal tenancy contracts.

In those cases regarding rooms or apartments located within the house in which the landlord also lives, the only criteria to report would be the fact that the tenant would probably be given the exclusive use of his room, as well as co-use of other parts of the dwelling. This is why in such cases, it is highly advisable that the parties sign a written agreement, stipulating the rights and obligations over the common parts, in order to safeguard all legal and factual certainties.

- Requirements for a valid conclusion of the contract
  - formal requirements

As mentioned above, according to Art. 574 of the GCC, no special form is required to sign a tenancy contract and, therefore, Art. 158 GCC applies, dictating the non-formality of the juridical acts. Thus, a tenancy contract, being a non-formal contract, can be validly concluded either in writing or orally, even tacitly, irrespectively of whether it refers to movable or immovable property.

- is there a fee for the conclusion and how does it have to be paid? (e.g. "fee stamp" on the contract etc)

No "stamp duty" is required by Greek Law, nor is any other kind of fee for the valid conclusion of a **residential tenancy law contract**. On the other hand, stamp duty

does exist for commercial tenancy contracts, at 3.6 % of the rent agreed. This duty is usually paid by the tenant, and is explicitly included in the rent agreed.

- registration requirements; legal consequences in the absence of registration.

1. Tax register

Although there is no special form required for the valid conclusion of a tenancy contract, Art. 77 (1) of Law 2238/1994 on the "Tax Income Code", as amended by Art. 321 (8) of Law 4072/2012 provides that *"Private written tenancy contracts of urban immovable properties […] should be electronically submitted either by the landlord or by the tenant, within one (1) month from conclusion"*[60]. Moreover, Art. 77 (2) of said Law provides that *"If the documents of the above paragraph are not submitted, then they are deprived of any probative power and cannot be taken into account by the courts and the public authorities in general"*[61].

The above clearly shows that Greek tax legislation imposes a special registration duty on tenancy contracts; should this be lacking, tenancy contracts are deprived from any probative power, apart from any administrative penalties incurred.

However, according to the well-established jurisprudence[62] of the Greek Court of Cassation, the court legally takes into account any unregistered tenancy contracts, when the special procedure provided by Art. 647 ff. of the Greek Code of Civil Procedure (hereinafter to be referred to as the GCCP) "on lease disputes and disputes arising between owners and caretakers of condominiums" applies. Special reference is made to Art. 650 (1) GCCP, which reads as follows: *"The court also takes into account evidence that doesn't fulfil the requirements of the law […]"*[63]. Nevertheless, it should be mentioned that previous jurisprudence[64] was of the opinion that unregistered contracts should not be taken into account.

2. Land register

[60] Art. 77 para. 1 of the Tax Income Code: *«Ιδιωτικά έγγραφα μίσθωσης ακινήτων ασχέτως ποσού μισθώματος [...] υποβάλλονται με τη χρήση σύγχρονων ηλεκτρονικών μεθοδων και δικτυακών υποδομών από τον εκμισθωτή ή τον μισθωτή, μέσα στον επόμενο μήνα από τη σύνταξή τους».*

[61] Art. 77 para. 2 of the Tax Income Code: «*Τα έγγραφα της προηγούμενης παραγράφου εφόσον δεν έχουν υποβληθεί, στερούνται κάθε αποδεικτική δύναμης και δεν εξετάζονται από τα δικαστήρια και τις δημόσιες γενικά αρχές».*

[62] AP 13/1998 (full bench) *Elliniki Dikaiosini* (hereinafter to be referred to as "ElIDni" 39, 81; AP 1795/2001 *Dikaio Epiheirisseon kai Etairion* (hereinafter to be referred to as "DEE") 8, 1030; AP 863/2001 *Epitheorissi Dikaiou Polykatoikias (*hereinafter to be referred to as "EDPol") 31. 63; Lamia Court of Appeal 36/2011 published at the Athens Bar Data Base "Isokratis"; Athens Court of Appeal 7886/2000 EDPol 30, 279; Thessaloniki Court of Appeal 875/2000 *Armenopoulos (*hereinafter to be referred to as "Arm") 56, 708.

[63] Art. 650 (1) GCCP: *«Το δικαστήριο λαβάνει υπόψη του και αποδεικτικά μέσα που δεν πληρούν τους όρους του νόμου».*

[64] AP 981/1994 ElIDni 37, 603; AP 377/1977 NoV 25, 1355.

Moreover, art. 618[65] GCC stipulates that *"The lease of an immovable property for a period exceeding nine years is effective against the new owner of the leased property only if it has been executed in a notarial deed and such deed is registered with the mortgage registry"*. However, apart from the dispositive character of Art. 618 GCC, it should be mentioned that in cases where the requirements of the above provision are not met, the tenancy contract remains valid between the lessor and the lessee. The only actual consequence is that in the case the dwelling is transferred, the new owner can lawfully terminate any tenancy contract whose duration has exceeded nine years. In that case, the initial lessor would be liable against the tenant for any legal defects of the dwelling[66].

Note: If relevant, please distinguish the various existing registers, e.g. land register, tax register, register of domicile.

- Restrictions on choice of tenant - antidiscrimination issues
  - EU directives (see enclosed list) and national law on antidiscrimination

Greek Law lacks any modernised national antidiscrimination legislation. The only relevant provisions are found within Law 729/1979, which only describes criminal offences related to discriminative action. As a matter of fact, and due to Greece's explicit obligation under European law to transfer the relevant EU directives in national law, the establishment of national administration legislation has recently provoked severe political debate. In 2013, the Greek government unsuccessfully attempted to pass such measures through parliament twice, while the relevant Minister has recently announced that this is one of his main priorities.

Thus, the only relevant legislation that comes into play in this respect would be art. 5 (2) of the Greek constitution, which explicitly prohibits all discrimination based on nationality and language as well as religious or political beliefs.

It is clear that any restrictions on the choice of tenant resulting from such discrimination would be absolutely nullified, as in direct violation of the Constitution. However, as far as tenancy law is concerned, no such cases have ever been reported.

- Limitations on freedom of contract through regulation
  - mandatory provisions in rental contracts, in particular: mandatory minimum requirements of what needs to be stated in a tenancy contract

As explained above, tenancy contracts are non-formal contracts, and, therefore, pursuant to art. 158 GCC, can be concluded orally or even tacitly. Accordingly, there are no mandatory minimum requirements that have to be **stated** in a tenancy contract.

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[65] Art. 618 GCC: *«Η μίσθωση ακινήτου για χρονικό διαστημα μακρόττερο από εννέα έτη ισχύει απέναντι στο νέο κτήτορα μόνο αν καταρτιστεί με συμβολαιογραφικό έγγραφο και το έγγραφο αυτό μεταγραφεί».*

[66] Ap. Georgiadis, *Law of Obligations Special Part Vol I* (in Greek: *Ενοχικό Δίκαιο Ειδικό Μέρος Τόμος Ι*), (Athens Law & Economy – P.N.SAKKOULAS 2004), 376.

Nevertheless, the **essential elements** that a contract must include, to be qualified as a tenancy contract are the following:

a. Leasehold: The object of a tenancy contract is to hand over the use of a property, defined as the "leasehold". The notion of a property, according to art. 947 (1) GCC, pertains to every corporeal, impersonal, self-existent object susceptible to human appropriation[67]. Despite the fact that art. 574-618 GCC do not distinguish between leases of movable and immovable property, for the purposes of this report leasehold is intended as the dwelling. Finally, the tenancy contract can also refer to a part of the dwelling[68].

b. Rent: Rent is the fee owed by the tenant to the landlord for use of the dwelling. Rent usually consists in an amount of money; however, it can also, either totally or partially, be agreed as a non-pecuniary payment.

c. Agreement to hand over the use: Such an agreement is the last essential element of a tenancy contract and distinguishes the latter from similar contracts.

- control of contractual terms (EU directive and national law); consequences of invalidity of contractual terms

Although most of the special part of the law of obligations are of a dispositive character, some general clauses contained in the general part delimit the parties' contractual freedom.

The most illustrative example thereof is provided by art. 332 (1) GCC[69] according to which "*Any agreement excluding or limiting prior liability resulting from wilful conduct ("dolus") or gross negligence is void".* It is clear that no legal consequences can come of any such contractual term.

As well as that, the principle of good faith in the execution of obligations, dictated by art. 288 GCC, can play a corrective role by intervening and adjusting the contracting parties' will.

The EU directives concerning consumer protection, although transferred into national law by Law 2251/1994 as amended and in force today, do not seem to play any important role regarding residential tenancy contracts. Given that the application of any consumer protection legislation requires the existence of a B2C relationship, Greek practice has not shown any relevant examples, due to the absence of "professional landlords".

- statutory pre-emption rights of the tenant

[67] Agallopoulou, 375.
[68] Athens Court of Appeal 2310/1972 EEN 39, 391.
[69] Art. 332 (1) GCC: *«Άκυρη είναι κάθε εκ των προτέρων συμφωνία με την οποία αποκλείεται ή περιορίζεται η ευθύνη από δόλο ή βαριά αμέλεια».*

Greek law does not give the tenant any statutory pre-emptive rights, giving him merely the claim to conclude a tenancy contract for a certain dwelling before it can be offered to any other person or entity.

However, based on the principle of contractual freedom, this right could be included in a contract.

- are there provisions to the effect that a mortgagor is not allowed to lease the dwelling (charged by the mortgage) or similar restrictions?

No such provisions exist within Greek Law. Any mortgaged dwelling can be validly rented. The only exception to the above norm is provided by art. 4 Law 4112/1929, which refers to mortgaged industrial buildings. However, given that this report deals with residential tenancy contracts, this exception will not be examined further.

6.4. Contents of tenancy contracts

Example of table for d) Contents of tenancy contracts

	Private Tenancy		Main characteristic(s) of tenancy type 2, etc.	Ranking strongest weakest regula if there is r than one tena type
Description of dwelling	The dwelling should be identifiable, no need for detailed description, no need to be performed in writing.			
Parties to the tenancy contract	Natural or legal persons.			
Duration	Open ended – or fixed for a certain period.			
Rent	Freely negotiable between the Parties			
Deposit	Freely negotiable between the Parties.			
Utilities, repairs,	Utilities: Dispositive			

etc.	provisions. Practice shows that usually paid by tenant. Repairs: Essential paid by landlord, profitable usually paid by tenant.			

- Description of dwelling; indication of the habitable surface (and consequences in case of the provision of wrong data)

As reported above, a dwelling is one of the essential elements in a tenancy contract. This means that its facilities should be clearly described as should the size of the habitable surface. However, this does not mean that the dwelling needs to be described in writing, as an agreement between the parties stating that a specific dwelling is the object of their contract suffices. Should wrong data be supplied, this should be considered as a real defect of the dwelling.

- Allowed uses of the rented dwelling and their limits
  - In particular: to what extent are mixed (residence/commercial) contracts lawful and usual (e.g. having a shop, a legal office or a doctor's studio in the dwelling)

Regarding the permitted use of the rented dwelling, it should firstly be mentioned that the use permitted is subject to the contracting parties' will. If there is no explicit agreement on the matter, the permitted use should be determined according to principles of good faith and morals of transactions. Therefore, we should always consider the common use of a specific dwelling as permitted. As for the common character of the use, this should be determined based on the specificities and nature of the dwelling. For example, in the case of industrial lease, tenants should be allowed to carry out all pertinent uses; on the other hand, in the case of residential lease, the dwelling cannot be used for commercial purposes, unless a specific agreement exists and such use does not violate any other provisions of law.

It is obviously extremely important to agree the permitted use of the dwelling, as this use will determine any special character of the tenancy (commercial, residential, etc.). Moreover, the type of use may render the contract null and void, if said use is prohibited by mandatory or regulatory provisions of law (illegal gambling etc.).

The case of mixed tenancy contracts is recognised by Greek tenancy law. They are legal and valid according to the principle of contractual freedom. Such contracts are defined as tenancy contracts whereby parties have agreed upon a double use of the dwelling, one of them usually considered as professional. The question arising in this respect is whether such tenancies should be regulated according to the provisions governing professional leases (Presidential Decree 34/1995). However, according to art. 1 para.2 of the above presidential decree, in order to determine whether such a lease

should be considered a commercial lease, reference should be made to its principle use, as intended by the contracting parties.

- Parties to a tenancy contract

- Landlord: who can lawfully be a landlord?

Due to the character of the tenancy contract as a personal contract, every person – both natural and legal - who can by law conclude juridical acts can lawfully be a landlord. According to art. 18 GCC, persons who are over the age of eighteen are considered by law able to conclude juridical acts, provided there is no reason for them to be deprived of said authority. Anyone unable to conclude juridical acts, either due to their age or to the fact that they have been placed under judicial assistance, the contract will be signed by their legal guardian and representative.

It has to be mentioned that the law does not require the tenant to be the real owner, or to have any other lawful right to administrate the dwelling, such as a real right of usufruct. Thus, a tenancy contract for a dwelling belonging to a third person other than the landlord is absolutely valid[70], even if the dwelling is owned by the tenant himself[71]. However, in that case, the landlord will not be able to fulfil his main obligation of handing over the use of the dwelling and he will be found in default (Art. 584, 362 GCC). As well as that, if a third party holds rights over the dwelling and the tenant is deprived of his right to use, then the landlord would be held liable for the existence of a legal defect (Art. 583, 584, 585).

- does a change of the landlord through inheritance, sale or public auction affect the position of the tenant?

a. Inheritance

Due to the character of tenancies as personal contracts, the rights and obligations created therefrom are subject to inheritance. Thus, in case of death of the landlord, his heirs are substituted in his rights and the tenancy contract concluded remains valid and continuous to be in force. At this point, it should be mentioned that although according to the provision of art. 612 GCC the heirs of the tenant have the right to terminate the contract, same right is not afforded to the heirs of the landlord.

b. Sale/public auction or concession of any other real property right disturbing the tenant's use.

Without a doubt, in cases where the tenancy contract requires the ownership of the dwelling to be transferred to a third party, the question arises of what consequences said transfer could have on the already signed contract. The protection of the tenant seems imperative, and the above issue is regulated by art. 614 and 615 GCC. However, it should be noted that the above regulations are dispositive in character, and, thus, their application depends on the contracting parties' will.

[70] AP 515/1999 ΕλλΔνι 40, 1740; AP 1804/1998 ΕΕΝ 67, 320.
[71] Georgiadis, 311.

The reference point for the legal consequences of the alienation of ownership over the contract in force is whether the latter can be proved by a *"document of certified date*" (in Greek: *«Εγγραφο βέβαιης χρονολογίας»)*.

1. Cases where the tenancy is proved by a document of certified date.

According to the provision of art. 614 GCC[72], *"In the case of lease of an immovable evidenced by deed bearing a certified date, if, during the lease period, the lessor has granted to a third party the ownership or a real right on the property, preventing the use of the lessee, the new beneficiary shall be subrogated to the rights and obligations deriving from the lease, unless provided otherwise in the lease contract. If the real right which the lessor conceded to a third party does not exclude the lessee from the use, the third party has the obligation not to hinder it"*.

The above provision of law protects the tenant against the dwelling's new owner, who is subrogated to the rights and obligations of the former owner, under the condition that the contract is proved by a certified dated document. In particular, the above provisions apply under the following conditions[73]:

1. The tenancy contract should be valid and the landlord should be the real owner of the dwelling at the moment the contract is signed. If the landlord is not the real owner, art. 614 GCC does not apply to the subsequent sale of the immovable property by the real owner and the new owner is not subrogated to the rights or obligations of the landlord. This means the subtenant is not protected if the landlord sells the dwelling.

2. The above provision applies only to leases of immovable property.

3. The contract should be proved by a document bearing a certified date either at the time the contract is signed or afterwards. However, the document should have acquired a certified date **before the transfer of ownership[74]**. As to the notion of "certified date" documents, these are "public documents", according to art. 438 GCCP, as well as private documents that are somehow certified by a public authority (e.g. a notary public, tax registry, etc.,)

4. The transfer of ownership should take place after the signing of the contract and throughout the period for which it is valid.

5. The parties should not have come to any agreements to the contrary.

2. Cases where the tenancy is not proved by a document of certified date

[72] Art. 614 GCC: *«Στη μίσθωση ακινήτου που αποδεικνύεται με έγγραφο βέβαιης χρονολογίας, αν ο εκμισθωτής κατά τη διάρκεια της μίσθωσης μεταβιβάσει σε τρίτον την κυριότητα του μισθίου ή παραχωρήσει άλλο εμπράγματο δικαίωμα που αποκλείει στο μισθωτή τη χρήση, ο νέος κτήτορας υπεισέρχεται στα δικαιώματα και στις υποχρεώσεις της μίσθωσης εκτός αν έγινε αντίθετη συμφωνία στο μισθωτήριο έγγραφο. Αν το εμπράγματο δικαίωμα που παραχώρησε ο εκμισθωτής στον τρίτο δεν αποκλείει στο μισθωτή τη χρήση, ο τρίτος έχει υποχρέωση να μην την παρεμποδίσει.*

[73] Georgiadis, 366

[74] AP (full bench) 557/1978 EEN 45, 710.

According to the provision of art. 615 GCC[75], *"(1) In the lease of the piece of land which is not executed in a deed bearing a certified date, or contains a stipulation that upon alienation of the property or concession of real right which excludes the use from the lessee, the new owner is entitled to terminate the lease on a month's notice if the term of the lease is a year or less, or on two months' notice if it exceeds a year. (2) In the event of termination by the new beneficiary the right of the lessee to compensation as against the lessor shall be fully preserved"*.

If tenancy is not proved by a document with a certified date, the new owner is entitled to terminate the contract. Legal doctrine and jurisprudence seem divided as to the legal consequences of the above provision of law. According to general opinion[76], the new owner is *ipso jure* subrogated to the contract, but is also given the right to terminate it. Contrarily,[77], the new owner is not subrogated to the contract, while his right to termination reflects the possibility to not recognise the tenancy. However, if he does acknowledge the contract, then a new tenancy relationship is undertaken.

Moreover, according to art. 615 para. 2 GCC, should the new owner choose to terminate the contract, the tenant is entitled to compensation against the landlord, as the transfer of the dwelling and the subsequent termination are considered as a legal defect of the dwelling[78].

Finally, it should be mentioned that there are special regulations in this respect for tenancies of nine years or more. Such tenancies, in order to be valid against the new owner, should be carried out in a notarial deed and registered with the land registry, as already mentioned above[79].

- Tenant:

  - Who can lawfully be a tenant?

Every person, both natural and legal, capable to conclude juridical acts can lawfully be a tenant. Tenancy contracts concluded by incapable persons are null and void.

  - Which persons are allowed to move in an apartment together with the tenant (spouse, children etc)?

According to art. 1386 and 1389 GCC, the spouses have the reciprocal obligation to cohabit as well as to contribute jointly to the needs of the family. The question which

[75] **Art. 615 GCC:** *« (1) Στη μίσθωση ακινήτου που δεν αποδεικνύεται με έγγραφο βεβαιης χρονολογίας ή που περιέχει τον όρο, ότι σε περίπτωση εκποίησης του μισθίου ή παραχχώρησης εμπράγματου δικαιώματος που αποκλείει τη χρήση του μισθωτή, ο νέος κτήτορας μπορεί να καταγγείλει τη μίσθωση πριν από ένα μήνα, αν η μίσθωση έχει διάρκεια έως ένα έτος και πριν από δύο μήνες, αν έχει διάρκεια μακρότερη από ένα έτος. (2) Σε περίπτωση που ο νεος κτήτορας καταγγείλει τη μίσθωση, διατηρούνται ακέραια τα δικαιώματα του μισθωτή απέναντι στον εκμισθωτή για αποζημίωση»*.

[76] P. Filios, *Law of Obligations Special Part Vol I* (in Greek: *Ενοχικό Δίκαιο Ειδικό Μέρος Τόμος Ι*), (SAKKOULAS ED.), 2005, 173; Athens Court of Appeal 12316/1990 EllDni 32, 1657; Thessaloniki Court of Appeal 1005/1988 Arm 42, 860; Patras Court of Appeal 1004/1987 AchNom 4, 597.

[77] Athens Court of Appeal 2337/1986 EllDni 27, 1140; Thessaloniki Court of Appeal 459/1984 Arm 39, 208.

[78] Georgiadis, 372; P. Kornilakis, *Law of Obligations Special Part Vol I* (in Greek: *Ενοχικό Δίκαιο Ειδικό Μέρος Τόμος Ι*), (SAKKOULAS ED.), 2002, 481

[79] See under formal requirements of the contract.

inevitably arises is whether the above obligations also include the obligation of the spouse-tenant to concede co-use of the dwelling to the other spouse. According to the principle of good faith in fulfilling the obligations (art. 288 GCC), the tenant is entitled to house his close relatives in the dwelling, unless explicitly stipulated to the contrary in the tenancy contract. However, in such cases, due to the advanced social protection reserved for the family by law (art. 21 of the Greek Constitution), it should be accepted that should the tenant-spouse house his family, against the explicit contractual agreement to the contrary, such action would not constitute a breach of contract[80].

Nevertheless, it should be mentioned that above provisions (i.e. 1386 and 1389 GCC) only refer to married partners. Given the fact that no special regulation exists regarding non-married partners, we conclude that the letter of the law does not extend to such cases. Regarding any limitation of the notion of 'close relatives' to whom the use of the rented dwelling can be validly conceded, this issue should be examined under the light of the principle of good faith as no special regulation is provided by law.

- Changes of parties: in case of divorce (and equivalents such as separation of non-married and same sex couples); apartments shared among students (in particular: may a student moving out be replaced by motion of the other students); death of tenant

1. Separation

In case of separation[81] of a married couple, art. 1393 GCC[82] provides that *"In the event of separation, the court may, due to indulgence reasons and after taking into consideration the special conditions of each of the spouses as well as the child's interest, to concede the exclusive use of the dwelling used as the primary family residence, or part of it, to one of the spouses, independently of who the owner is or of who is entitled with the right to use the dwelling towards its owner."* Evidently, problems arise when the court decides to concede the use of the family dwelling to the spouse who was not the contracting party to the tenancy agreement.

It should firstly be noted that even following such a judgment, no alteration is made to the parties of the contract, which is still valid between the landlord and the initial tenant. Thus, the initial tenant remains liable towards the landlord to fulfil his obligations set out in the tenancy contract[83]. The tenant also has the right to terminate the contract upon expiry or to deny its renewal. In this case, the contract would be validly dissolved, and the spouse, to whom the court judgment conceded the use, would be liable to return

[80] Georgiadis, 430.
[81] Under Greek Law, separation is considered the real condition whereby two spouses have ceased to cohabit; however, the marriage has not yet been dissolved by divorce.
[82] Art. 1393 GCC: *«Ρύθμιση της χρήσης της οικογενειακής στέγης. Σε περίπτωση διακοπής της συμβίωσης, το δικαστήριο μπορεί, εφόσον το επιβάλλουν λόγοι επιείκιας ενόψει των ειδικών συνθηκων του καθενός από τους συζύγους και του συμφέροντος των τέκνων, να παραχωρήσει στον ένα σύζυγοτην αποκλειστική χρήση ολόκληρου ή τμήματος του ακινήτου που χρησιμευει για κύρια διαμονή των ίδιων (οικογενειακή στέγη) ανεξάρτητα από το ποιος απόο αυτούς είναι κυριος ή έχει απέναντι στον κύριο το δικαίωμα της χρήσης του. [...]»*.
[83] Georgiadis, 433.

the dwelling. However, the latter would most probably have a tort claim against the spouse-tenant, providing that the conditions of tort liability apply[84].

Moreover, it has been supported[85] that the same regulation should also apply in case of separation of non-married partners, especially when such relations have lasted for a long period of time and in the presence of children.

2. Divorce

Nevertheless, when the marriage is irrevocably dissolved by a divorce court judgment the reciprocal obligations of spouses for cohabitation and joint contribution to the family needs cease to exist, and subsequently the obligation deriving from art. 1393 GCC has no legal effect. Therefore, the spouse-tenant is entitled with the right to demand the dwelling from the spouse to whom the use of the family residence was conceded[86].

3. Death of tenant.

In case of death of tenant, the same apply as in death of landlord. Thus, the rights and obligations deriving from the tenancy contract are inherited to the tenant's heirs, who are subrogated thereto.

However, according to the provision of art. 612 GCC[87], *"(1) When the lessee dies, his heirs are entitled to give notice of termination of the lease. Notice of termination is given at least three months in advance with effect for the end of the calendar month. (2) In case where the leasehold was used, as long as the lessee lived, as the family residence pursuant to Art. 1393 and the tenant's spouse lives at the time of lessee's death, the rights and the obligations from the lease are devolved exclusively upon to him, who is entitled but following the term of the previous paragraph, to the notice of termination of the lease at his convenience"*. Special regulation is instituted by the above provision in case of tenant's death. Although heirs are subrogated to the tenant's obligations, nevertheless, they are afforded with the right to validly terminate the contract. Moreover, special treatment is reserved for the surviving spouse, who can terminate the contract independently of any time term.

- Subletting: Under what conditions is subletting allowed? Is subletting being abused e.g. with the aim of circumventing the legal protection

[84] Georgiadis, 434.
[85] Ismini Androulidaki – Dimitriadi, *Out of marriage cohabitation* (in Greek: *Η εξώγαμη συμβίωση*), (Ant. Sakkoulas, 1984), 158.
[86] Georgiadis, 436.
[87] Art. 612 GCC: *«(1) Όταν αποβιώσει ο μισθωτής, οι κληρονόμοι του έχουν δικαίωμα να καταγγείλουν τη μίσθωση. Η καταγγελία γίνεται τουλάχιστον πριν από τρεις μήνες και ισχύει για το τέλος του ημερολογιακού μηνός. (2) Στην περίπτωση, όπου το μίσθιο χρησίμευε, όσο ζούσε ο μισθωτής, ως οικογενειακή στέγη με την έννοια του άρθρου 1393 και ζει κατά το χρόνο του θανάτου του ο σύζυγός του, τα δικαιώματα και οι υποχρεώσεις από τη μίσθωση περιέρχονται αποκλειστικά σ' αυτόν, ο οποίος δικαιούται όμως, τηρώντας την προθεσμία της προηγούμενης παραγράφου να καταγγείλει οποτεδήποτε τη μίσθωση»*.

of tenants (when the tenant is offered not an ordinary lease contract but a sublease contract only)?

According to art. 593 GCC *"In the absence of an agreement to the contrary, the lessee is entitled to transfer to a third party the use of the thing leased, particularly to sublease it, being liable towards the lessor for the third's party fault. The lessor's consent alone to the sublease or to the assignment of the use does not exonerate the lessee from such liability"*[88].

The above shows that the reference point regarding subletting depends on the will of the contracting parties. Thus, subletting is freely allowed should no agreement be signed to the contrary. It is, however, clear that in the case of subletting, the initial tenant is still liable to the landlord, for any default of the sub-tenant.

Moreover, according to the provision of Art. 599 (2) GCC *"In case of sublease or concession of the use of the leasehold to a third person, the lessor may , upon expiry of the lease, demand the leasehold/seek the leased thing from the sub lessee as well or from the one to whom the use was conceded*[89]*".*

The above law is an exception to the principle of privity of contracts, as it gives the landlord direct rights against a person (the sub-tenant) with whom he has no contractual relationship. It has been stated that Art. 599 para. 2 GCC gives the landlord's rights an aspect of real property law[90].

- Is it possible, and if yes under what conditions, to conclude a contract with a multiplicity of tenants (e.g. group of students)?

A contract with a multiplicity of tenants is well conceivable within Greek law, as is also the case of a contract with a multiplicity of landlords.

However, the problems that arise refer to the fact that the obligation of the landlord to hand over the use of the dwelling[91], as well as the respective right of the co-tenants to co-use the dwelling[92], are considered as *"indivisible performance".* The provisions of law that apply in these cases are art. 494 para. 1 GCC[93], which reads *"Indivisible performance. If several persons are liable for the indivisible performance the provisions of joint and several obligation are applicable",* as well as art. 495 para. 1

[88] Art. 593 GCC: *«Ο μισθωτής έχει δικαίωμα, εφόσον δεν συμφωνήθηκε το αντίθετο, να παραχωρήσει σε άλλον τη χρήση του μισθίου και ιδίως να το υπεκμισθώσει, ευθυνόμενος απέναντι στο εκμισθωτή για το πταίσμα του τρίτου. Μόνη η συναίνεση του εκμισθωτή στην υπεκμίσθωση ή στην παρχώρηση της χρήσης δεν απαλλάσσει το μισθωτή από την ευθύνη αυτή.*

[89] Art. 599 (2) GCC: *«Σε περίπτωση υπεκμίσθωσης ή παραχώρησης της χρήσης του μισθίου σε τρίτον, ο εκμισθωτής μπορεί κατά τη λήξη της μίσθωσης να απαιτήσει το μίσθιο και από τον υπομισθωτή ή από εκείνον στον οποίο παραχωρήθηκε η χρήση».*

[90] Georgiadis, 309.

[91] Georgiadis, 316; AP 1001/1990 EllDni 33, 1613; Athens Court of Appeal 6800/1987 EllDni 29, 919; Piraeus Court o Appeal 1193/1996 EDPol 1999, 68.

[92] Georgiadis, 317; P. Kornilakis, above fn. 71 350; Filios, 128.

[93] 494 para. 1 GCC: «*Αδιαίρετη παροχή. Αν περισσότεροι οφείλουν αδιαίρετη παροχή εφαρμόζονται οι διατάξεις της οφειλής εις ολοκληρον.»*

GCC[94], according to which *"If an indivisible performance is owed to several creditors and so long as by virtue of the law or the contract the rights of the latter are not joint and several, the debtor may perform only in favour of all jointly and each creditor may demand the performance only in favour of all."*

The above clearly shows that the landlord is liable to hand over the dwelling to all tenants jointly; whereas the tenants, upon expiry of the contract, should severally and jointly return the dwelling to the landlord. Moreover, the landlord's action for the dwelling to be returned should be addressed against all co-tenants, as that they are considered *"essentially co-defenders"*[95], without which the landlord's action is inadmissible.

However, given that the landlord's claim and the co-tenants' respective obligation to pay the rent agreed are considered as divisible performances, then each co-tenant is liable to pay his share of the rent. The above applies provided that the tenaqncy contract does not include a several and joint obligation clause.

- Duration of contract
    - Open-ended vs. limited in time contracts

Regarding the duration of contract, it should be firstly mentioned that the principle of freed of contracts, as dictated by the provision of art. 361 GCC plays again the most important role. Thus, the parties enjoy absolute freedom in terms of stipulating the duration of the tenancy contract they sign. Therefore, an open-ended as well as a limited - even in miniscule time - contract would be conceivable, providing that the principle of good faith is not violated.

- for limited in time contracts: is there a mandatory minimum or maximum duration?

However, according to the provision of Art. 2 para. 1 of Law 1703/1987, as currently in force after its replacement by the provision of Art. 5 para. 1 of Law 2235/1994, *"the residential tenancy for an immovable stands for at least three (3) years, even if it was concluded for a shorter period of time […]"*[96]. While applying the above law, Greek courts accept that this provision is binding both for landlord and tenant[97]. It should be further stated that, in order for the above provision to apply, it is essential that

[94] 495 para. 1 GCC: *«Αν περισσότεροι έχουν το δικαίωμα να απαιτήσουν αδιαίρετη παροχή, εφόσον δεν είναι από το νόμο ή από δικαιοπραξία δανειστές εις ολόκληρον, ο οφειλέτης χρωστά την παροχή μόνο σε όλους μαζί και κάθε δανειστής έχει το δικίωμα να απαιτήσει μόνο την παροχή προς όλους.»*

[95] AP 597/1991 EllDni 32, 1255; Piraeus Court of Appeal 86/1997 EllDni 38, 1601; Athens Court of Appeal 6010/1993 EllDni 37, 1665.

[96] Art. 2 para. 1 Law 1703/1987: *«Η μίσθωση ακινήτου για κατοικία ισχύει τουλάχιστον για τρία (3) έτη, κι αν ακόμα έχει συμφωνηθεί για βραχύτερο χρονικό διάστημα ή για αόριστο χρόνο».*

[97] Athens Court of Appeal 1791/2000 EllDni 41, 837.

the parties agree that the property will be used as the tenant's **primary** residence[98], meaning that it does not apply to tenancies of secondary homes or rural residence properties. This shows that, even if the duration of the tenancy was agreed for a shorter period, the tenant can lawfully stay in the rented dwelling for up to three years.

- Other agreements and legal regulations on duration and their validity: periodic tenancies ("chain contracts", i.e. several contracts limited in time among the same parties concluded one after the other); prolongation options; contracts for life etc.

a. Prolongation

Limited in time tenancy contracts may be prolonged for a definite or even an indefinite duration, in one of the following ways:

i. Agreement of the parties: Based on the principle of parties' autonomy, the tenancy contract may be extended following an agreement between landlord and tenant. However, this kind of agreement should be concluded before the initial contract expires[99].

ii. Option right: The tenancy contract may be also extended through an option right afforded to one of the parties in the initial contract. Option is a unilateral right to extend the duration of the contract and is usually agreed within a specific term.

iii. Prolongation clause: A tenancy contract may also be extended through the so called "prolongation clause". This clause should be included in the initial agreement and allows the extension of the contract as long as both parties agree.

iv. Legislative intervention: In the 1980s it was common practice to extend tenancy contracts following an explicit legal provision. For example, art. 8 (1) Law 1703/1987 provided for an *ex lege* extension of expired tenancies until 31/01/1989.

b. **Renewal**

Renewal, in case of tenancy contracts, is defined as a new tenancy contract, for a definite or indefinite period of time, concluded between the same contracting parties and for the same dwelling, and which comes in force after the expiry of the old contract. In this way, renewal is distinguished from extension, as it is not considered a continuation of the original tenancy.

Regarding the signing of a renewal, the same applies as in the case of extensions meaning that a renewal is validated through the agreement of both parties as well as through an option right or carrying out the relative clause.

A special renewal option is provided by art. 611 GCC under the title "Tacit renewal". Thus, in the case of a time limited tenancy contract, if the tenant continues to use the dwelling even beyond the contract's expiry with no opposition of the landlord, then the contract is renewed for an indefinite period of time. It should, however, be

[98] Athens Court of Appeal 8259/1992 EllDni 34, 1154.
[99] Kornilakis, 519; Filios, 194

mentioned that art. 611 GCC is dispositive in character, meaning that it is only applied where there is no agreement to the contrary.

c. **Chain Contracts**

Several time limited contracts signed between the same parties in quick succession should initially be considered as autonomous and valid tenancy contracts.

However, it could be argued that in such cases the provisions of art. 138 GCC on the "simulated declaration of will" (in Greek: *«Εικονική δήλωση»*) may apply. Particularly, pursuant to art. 138 GCC[100] *"The declaration of the will which was not seriously intended but was only made in pretense, is null. A juridical act concealed under the simulated act may be valid, if the parties so intended and the act meets the other legal requirements"*. Therefore, if we discover that the parties did not intend to agree several consecutive time limited tenancy contracts, but an open-ended one, then chain contracts could be considered a sole tenancy agreed for an indefinite period of time.

d. **Contracts for life**

A tenancy contract for life can be validly concluded under Greek law. However, such contracts fall under the scope of application of art. 610 GCC, affording the contracting parties with the right to terminate the contract after a period of thirty years.

- Rent payment

- In general: freedom of contract vs. rent control

- Rent control: how is it legally framed; when does it apply; who carries it out; what are the consequences when the parties agree on an excessive rent

Greek tenancy Law does not provide for any kind of rent control. Therefore, the amount of rent premiums is free, to be agreed by the parties, pursuant to the general clause of Art. 361 GCC, which establishes the principle of contractual freedom.

However, the general clause of good faith constitutes a legal limitation regarding excessive agreed rents. According to the provision of Art. 288 GCC *"The debtor is obliged to effect the performance as good faith requires, after consideration of common usage"*[101]. Moreover, according to the provision of Art. 388 (1) GCC, *"If, having regard to the requirements of good faith and common usages, the circumstances on which the parties based the conclusion of a reciprocal agreement have subsequently changed for exceptional reasons which could not have been foreseen and the performance due from the debtor, taking also into consideration the counter-performance, has, as a result of*

[100] Art. 138 GCC**:** *«Δήλωση βούλησης που δεν έγινε στα σοβαρά παρά μόνο φαινομενικά (εικονική) είναι άκυρη. Άλλη δικαιοπραξία που καλύπτεται κάτω από την εικονική είναι έγκυρη αν τα μέρη την ήθελαν και συντρέχουν οι οροι που απαιτούνται για τη σύστασή της».*

[101] Art. 288 GCC: *«Ο οφειλέτης έχει υποχρέωση να εκπληρώσει την παροχή όπως απαιτεί η καλή πίστη, αφού ληφθούν υπόψη και τα συναλλακτικά ήθη».*

the change become excessively onerous, the court may at the request of the debtor and according to its appreciation, adjust the debtor's performance to the appropriate extent or decide upon the dissolution of the contract, wholly or with regard to its non-performed part. […]"[102]. Said provision is a special expression of the principle of *bona fides* and consists derogation from the principle of *pacta sunt servanda.* Recent jurisprudence[103] has accepted that the impact of the international economic crisis on the Greek economy can be considered an exceptional change to the circumstances in which the parties had signed their lease agreement. This means that the tenant may rely on either of the provisions above to file a claim asking for the rent to be adjusted appropriately, as dictated by the principles of good faith and common usage. The question of whether the tenant should invoke the general clause of Art. 288 GCC or the special expression of Art. 388 GCC can be answered depending on whether this change was foreseeable or not. If the contract was signed before any financial effects had appeared whatsoever, then the change should be considered as unforeseeable, and, therefore, Art. 388 GCC would apply. If, on the other hand, the economic crisis had already started to have an effect when the parties signed the contract, then the general clause of Art. 288 GCC would apply.

The above provisions of law constitute the only possibility for the contracting parties to derogate from the rent that had been contractually agreed.

- Maturity (fixed payment date); consequences in case of delayed payment

According to the provision of art. 594 GCC, *"The rent is payable at the agreed or usual terms. In the absence of such terms, the rent is payable at the end of the lease period, and if payment at shorter periods is agreed, at the end of those periods."* The above shows that the 'maturity' of rent payments is defined by the will of the contracting parties. Should said agreement not exits, then the usual terms come into force, considered those terms imposed by local transactions customs[104]. Finally, if local customs do not exist, then rent is paid upon expiry of the contract.

In case of delayed payment, art. 597 GCC[105] provides that *"If the lessee delays payment of the rent either totally or partially, the lessor is entitled to terminate the lease by giving notice at least a month in advance, if the duration of the lease was agreed*

[102] Art. 388 para. 1 GCC: *«Αν τα περιστατικά στα οποία κυρίως, ενόψει της καλύς πίστης και των συναλλακτικών ηθών, τα μέρη στήριξαν τη σύναψη αμφοτεροβαρούς σύμβασης, μεταβλήθηκαν ύστερα, από λόγους που ήταν έκτακτοι και δεν μπορούσαν να προβλεφθούν, και από τη μεταβολή αυτή η παροχή του οφειλέτη, ενόψει και της αντιπαροχής, έγινε υπέρμετρα επαχθής, το δικαστήριο μπορεί κατά τη κρίση του με αίτηση του οφειλέτη να την αναγάγει στο μέτρο που αρμοοζει και να αποφασίσει τη λύση της σύμβασης εξ ολοκλήρου ή κατά το μέρος που δεν εκτελέστηκε ακόμη».*

[103] Volos Single Member Court of First Instance 49/2011 unpublished; Athens Single Member Court of First Instance 2192/2010 published in "NOMOS" legal data base; Athens Single Member Court of First Instance 2963/2009 *Efarmoges Astikou Dikaiou (*hereinafter to be referred to as EfAD) 2010, 691. It is hereby noted that all the above cases concern commercial leases of immovable.

[104] According to the usual practice in case of tenancies of immovable property, rent is paid in advance and on a monthly basis.

[105] Art. 597 GCC: *«Αν ο μισθωτής καθυστερή το μίσθωμα ολικά ή μερικά ο εκμισθωτής δικαιούται να καταγγείλει τη μίσθωση τουλάχιστον πριν από ένα μήνα αν πρόκειται για μίσθωση που η διάρκειά της συμφωνήθηκε για ένα χρ΄νο ή περισσότερο και πριν από δέκα ημέρες στις άλλες μισθώσεις. Δεν αποκλείεται αξίωση του εκμισθωτή για αποζημίωση εξαιτίας της πρόωρης λύσης της μίσθωσης. Η καταγγελία μένει χωρίς αποτέλεσμα αν ο μισθωτής πριν περάσει η προθεσμία αυτή καταβάλει το καθυστερούμενο μίσθωμα μαζί με τα τυχόν έξοδα της καταγγελίας».*

annual or more, and at least ten days in advance for the rest of the leases. Lessor's claim for damages due to premature termination of the lease is not excluded. The termination remains without effect if the lessee pays the delayed rents together with any expenses relating to the termination notice before the expiry of the above terms". Thus, any delay in payment of the rent gives the landlord the right to lawfully terminate the contract and claim compensation. However, the tenant may defend himself by paying the late payments together with all termination expenses and thereby render the termination ineffective.

Moreover, according to art. 66 of the Introductory Law of the Code of Civil Procedure, should the tenant delay payment due to 'recalcitrance' (in Greek: *«Δυστροπία»*), the landlord is entitled to demand the dwelling be returned to him without terminating the contract, pursuant to art. 597 GCC. The notion of recalcitrance is equivalent to default, whereas a simple delay in paying rent is insufficient[106] as any delay must be the result of defective behaviour by the tenant. Recalcitrance is presumed only by the fact that the tenant did not pay the rent within the agreed term. However, the tenant may defend himself by claiming that payment was delayed for reasonable cause, i.e., reasons for which he cannot be held liable[107]. Nevertheless, the tenant's economic difficulty is not enough to circumvent the above presumption.

- May the tenant exercise set off and retention rights over the rent payment? (i.e. the tenant withholding the rent or parts of it when the landlord does not respect his contractual duties, e.g. does not repair a defect);

The tenant is entitled with set off and retention rights over the rent payment in the following cases:

a. According to art. 596 GCC, the tenant has the right to set off, over the rent owed, any amount corresponding to benefits incurred in favour of the landlord for making alternative use of the dwelling. For example, if the landlord lived in the dwelling or rented it to a third person for a period of time in which the tenant was absent due to personal reasons, the tenant can lawfully deduct any amount collected from the landlord from the rent owed.

b. General reasons not attributed to the tenant. If the landlord was unable to use the dwelling for general reasons that are out of his control, such as *force majeure* [108] cases, then the tenant is exonerated from any obligation to pay the rent agreed.

c. Defects[109]: Tenant is either totally or partially exonerated from any obligation to pay the rent agreed in case of real or legal defects, or if the conditions of the dwelling are not as agreed.

d. Finally, the tenant is exonerated from any obligation to pay the rent agreed if the landlord does not fulfil his main obligation to hand over the rented dwelling.

[106] Athens Court of Appeal 389/1988 ArchNom 40, 266.
[107] AP 1529/1998 EDPol 1998, 349; AP 921/1997 EllDni 38, 1817; AP 1496/1986 EllDni 28, 1033.
[108] Piraeus Court of Appeal 1180/1996 EDPol 199, 86.
[109] More information as to the tenant's rights due to defects are given below.

- May claims from rental agreements be assigned to third parties (i.e. may the landlord assign his rent claim to a bank?)

In order to answer the question of whether claims deriving from rental agreements can be assigned to third parties, one should firstly check if such claims are included among those for which an assignment prohibition is provided. Such restrictions are found in the general provisions on assignment, contained in Art. 455-470 GCC, and are summarized as follows:

a. Art 464 GCC: Claims which are not subject to attachment cannot be assigned. These include, for example, claims for wages, pensions, insurance benefits, etc.
b. Art. 465 GCC: Claims which, due to their nature, are closely connected to the face of the creditor (*'untuitu personae')*. Such claims mainly concern performances that require special abilities of the debtor.
c. Art. 466 (1) GCC: The existence of a contrary agreement of the parties, stipulating that claims are not assignable, lawfully impedes the assignability of a claim.

This clearly shows that the landlord's claim for rent, can be lawfully assigned to a third party, provided that there is no agreement to the contrary, as none of the above restrictions apply. However, it should be mentioned that the assignment is effective towards the tenant, once he is notified, pursuant to art. 460 GCC.

Moreover, the tenant may also assign his claim for handover of the use of the dwelling to a third party. In this case, although the assignee is entitled to claim handover of use[110], the assignor/tenant remains liable against the landlord for all obligations deriving from the tenancy contract[111].

- May a rent payment be replaced by a performance in kind (e.g. reparation, renovation)? Does the tenant have a statutory right to this effect? Could a lien of the "tenant-contractor" create problems in that case? (a lien is a statutory right of a contractor to ensure his being paid for his performances, e.g. improvements to the house, e.g. § 648 BGB)

Based on the principle of contractual freedom (art. 361 GCC), the parties can agree to replace rent payments by payment in kind, as the rent does not necessarily need to be paid in money.

However, according to the provision of art. 419 GCC[112] *"Other performance in lieu of payment. The creditor is not bound to accept in lieu of payment another performance than the one due. If he accepts such a performance, however, the obligation is extinguished".* Therefore, if the parties have agreed that the rent will consist to an amount of money, then tenant is deprived of any statutory right to offer a performance in kind.

[110] Filios, 166; Kornilakis,373.
[111] Filios, 166; Kornilakis, 373
[112] Art. 419 GCC: *«Δόση αντί καταβολής. Ο δανειστής δεν είναι υπόχρεος να δεχτεί αντί καταβολή άλλη παροχή. Αν ομως δεχτεί τέτοια παροχή, η ενοχή αποσβήνεται.*

Nevertheless, it should be made clear that the above statements should not be confused with any retention or set off rights of the tenant, in case he made payments due from the landlord.

Regarding the statutory rights of a contractor to guarantee payment for his services, art. 695 GCC provides for a statutory lien over the owner's movable property manufactured or repaired by the contractor, under the condition that such objects are in the owner's possession. However, this right does not seem to have any important impact on the rights of the tenant, due to the fact that the tenant is the lawful holder of all movable objects located in the dwelling. Nevertheless, if the contractor's statutory lien deprives the tenant of enjoying use of the objects, then this should be considered as a legal defect of the dwelling.

- Does the landlord have a lien on the tenant's (movable) property in the house (Vermieterpfandrecht as in § 562 BGB, which functions as a guarantee for the payment of the rent by the tenant)? If yes, what is the scope of this right? How is it enforced?

According to the provision of art. 604 GCC[113], *"Interest in the estate brought in. (1)For the delayed rents the lessor of a piece of land has by way of security of arrears of rent a security interest over the things brought upon the premises by the lessee or his wife and children, if they live with him, unless such things are not subject to attachment. (2)The interest also covers things which the sublessee or his wife and children brought in the leasehold, if they live with him, but only up to the amount of the rents which he owes to the sublessor. (3) Such interest may not be enforced in respect of any rent due for an earlier time than the last two years before attachment.* Tenant is entitled with the real property right of a *"legal pledge" (*in Greek: *«Νόμιμο ενέχυρο»*) over the movable objects brought into the dwelling by the tenants or his family, under the condition that such objects are legally subject to attachment. Said legal pledge secures tenant's claims for delayed rents, while it also facilitates the tenant to enter into tenancy contracts independently of his solvency[114].

As explicitly stated, any claims that may lawfully be secured by the above right are unpaid rent for a period of two years before the tenant's objects are seized. As for its enforceability, the landlord's privilege consists in the fact that once the tenant's objects are auctioned off, the landlord's secured claims will be the first to be fulfilled.

However, according to the provision of art. 607 GCC, the tenant is entitled to discharge from the legal lien all or part of the objects brought into the dwelling, by providing a guarantee of the same value as the released objects.

[113] Art. 604 GCC: *« Ενέχυρο στα εισκομισθέντα. (1) Για καθυστερούμενα μισθώματα ο εκμισθωτής ακινήτου έχει νόμιμο ενέχυρο στα κινητά του μισθωτή ή του συζύγου και των τέκνων που συνοικου΄ν μαζί του και που αυτοι έφεραν στο μίσθιο εφόσοον δεν είναι από τα ακατάσχετα. (2) Το ενέχυρο εκτείνεται και στα πράγματα που έφεραν στο μίσθιο ο υπομισθωτής ή ο σύζυγος και τα τέκνα που συνοικούν μαζί του, αλλά μόνο έως το ποσό των μισθωμάτων που αυτός οφείλει στον υπεκμισθωτή. (3) Το ενέχυρο ασφαλίζει τα καθυστερούμενα μισθώματα των δύο ετών πριν από την κατάσχεση των πραγμάτων».*

[114] Georgiadis, 336; Kornilakis, 486.

Finally it should be mentioned that the concept of legal lien has not had much success, and has nowadays been supplemented by the guarantee deposit, which may also secure the tenant's claims due to damages[115].

- Clauses on rent increase

Based on the principle of contractual freedom (art. 361 GCC), the parties are free to agree upon rent increase clauses. The only legal limitations derive from the principles of good faith (art. 288 GCC), as well as from art. 388 GCC, which offers corrective tools, to intervene and alter the contracting parties' will faced with exceptional change in the circumstances the contracting parties were in when they signed the tenancy agreement.

- Open-ended vs. limited in time contracts

There is no differentiation between open-ended and time limited contracts regarding the freedom of the parties to agree upon rent increase clauses.

- Automatic increase clauses (e.g. 3% per year)

Automatic increase clauses are recognised within Greek tenancy law. In fact, this type of clause is very often agreed by the parties.

- Index-oriented increase clauses

Index-oriented increase clauses are also quite usual in common day practice. In particular, a clause of this kind is the only case in which an increase clause is directly provided by law for residential tenancies. According to art. 2 (1) (b) of Law 1703/1987, if the contractual duration has been stipulated for a period of less than three years, and provided that no rent increase clause has been agreed, an annual increase rating of 75 % of the price index is imposed.

- Utilities

  - Describe the usual kinds of utilities (e.g. basic utilities like the supply of water, gas and electricity vs. additional utilities, i.e. services such as waste collection) and their legal regulation

The utilities that are usually connected with a residential dwelling are the following:

- Electricity supply. Aside from the charges for the consumption of electric power, various other taxes can be co-charged through the monthly electricity bills. These include charges for councils (for street lighting, waste collection), the recently imposed Temporary Special Tax of Electricity Supplied Surfaces, and public television fees.
- Water supply. Apart from the charges for water consumption, a special drainage fee is also charged via the monthly bills.
- In the case of condominiums, a share of common expenses. This includes electricity in common areas of the condominiums, cleaning services, etc.
- Heating expenses.

[115] Georgiadis, 336.

- Responsibility of and distribution among the parties:
    - Does the landlord or the tenant have to conclude the contracts of supply?

Supply contracts are signed either by the tenant or by the landlord. However, it is highly advisable that the tenant signs these contracts, so the landlord is not liable towards the supplier should the tenant default on payments.

- Which utilities may be charged from the tenant?

The question of distribution between parties depends on their will, as there is no specific regulation in this respect. However, it is accepted that utilities are part of "expenses for use" of the dwelling, which, under the principle of good faith, should be borne by the tenant[116].

The only exception from the above norm concerns the Temporary Special Tax of Electricity Supplied Surfaces. According to art. 12 Law 401/2011, the tenant may lawfully set-off this tax from the rent owed.

- What is the standing practice?

Common practice reveals that utilities are paid by tenants. The vast majority of tenancy contracts include a term to this regard.

- Is a disruption of supply by the external provider or the landlord possible, in particular if the tenant does not pay the rent?

Supply cannot be disrupted by the external provider or the landlord should the tenant default on rent. These obligations are distinct by law.

- Deposit:
    - What is the legal concept (e.g. is the deposit an advance rent payment or a guarantee deposit to cover future claims of the landlord)?

Common day tenancy practice reveals that landlords very often require tenants to pay a deposit. It should be mentioned that the translation of the Greek term for guarantee deposit, is *"Guarantee"* (in Greek: *"Εγγύησση»*), which is the exact same term used for the guarantee contract (art. 847 ff. GCC). However, it has been stated[117] that the above term is abusively used in order to express the guarantee deposit, as the guarantee contract requires a third person.

The purpose of the deposit is to secure the landlord's claims deriving from the tenancy contract. Therefore, under Greek Law a deposit is a guarantee against future claims made by the landlord and not an advance rent payment. Its overall function is

[116] Georgiadis, 320; Filios, 207
[117] Georgiadis, 339.

regulated by the will of the contracting parties, as well as the principles of good faith and transaction morals, as dictated by art. 361 and 288 respectively.

- What is the usual and lawful amount of a deposit?

There are no legal regulations on the matter, and, therefore, it is set by agreement between the contracting parties. It is usually set at one or two months' rents.

- How does the landlord have to manage the deposit (e.g. special account; interests owed to the tenant?)

There is no special regulation obliging the landlord to hold a special account for the deposit, although the contracting parties can freely agree to such an action. Nevertheless, it is considerably rare, especially in cases of residential tenancies that the tenant requires the landlord to open a special account for the deposit. In fact, tenants usually credit the agreed amount to the landlord's bank account, with the special reference that the deposited amount corresponds to the agreed guarantee deposit.

Legal doctrine appears divided regarding the question of whether a landlord owes interest to the tenant. General opinion seems positive[118], stating that the landlord is obliged to return the deposit plus interest to the tenant once the contract expires and all claims against the tenant are set off. On the other hand, it has also been stated[119] that interest should be paid only if the landlord defaults in returning the deposit to the tenant.

Contrarily, the tenant is not entitled to set off his claim for the deposit with other claims of the landlord, as the tenant's claim has not yet expired[120]. However, it should be noted that in the vast majority of cases, the tenant will actually set off his claim on the deposit by withholding rent payments corresponding to the last months of the contract.

- What are the allowed uses of the deposit by the landlord?

The deposit is mainly used[121] to cover any damage to the dwelling that are beyond daily wear and tear. Additionally, the landlord will very often cover unpaid utility expenses due by the tenant (such as water and electricity supply, etc.). Finally, the landlord may cover all monetary claims he may be entitled to against the tenant, and which derive from the tenancy contract.

- Repairs

[118] Georgiadis, 340; Filios, 161; Kornilakis, 359.
[119] I. Katras *Tenancy and Condominium Digest (*in Greeek: *Πανδέκτης μισθώσεων και οροφοκτησίας)* (Ant. Sakkoulas) 2001 94.
[120] Georgiadis, 340; Filios, 161; Kornilakis, 359 ; AP 585/1997 EllDni 39, 114; Thessaloniki Court of Appeal 2442/1999 Arm 54, 480.
[121] Georgiadis, 319; Katras, 93; Athens Court of Appeal 6017/2000 EllDni 42, 220.

- Who is responsible for what kinds of maintenance works and repairs? What kind of repairs or works may lawfully be assigned to the other party (especially the tenant)

As mentioned above, the landlord's main obligation from the tenancy contract is to hand over use of the dwelling to the tenant. Moreover, the landlord's obligation to ensure the dwelling is suitable for the use agreed is explicit (art. 575 GCC) part of the above obligation. This clearly shows that the landlord is responsible for all essential maintenance works and repairs on the dwelling.

Art. 591 GCC regulates the tenant's rights towards the landlord regarding all expenses due to the latter. Expenses are thereby distinguished between essential and profitable ones. Essential expenses are defined as those necessary for the dwelling to be kept in suitable conditions for the use agreed[122]. According to art. 591 (1) GCC, the tenant has a direct claim against the landlord to pay off all expenses due to him, providing it falls under essential expenses.

Nevertheless, it is accepted[123] that the tenant has the above claim only if he paid the expenses to avoid essential, direct and forthcoming danger that could destroy or deteriorate the dwelling. On the other hand, if the repair does not need to be performed immediately, the tenant's claim is lawful only following prior notice to the landlord.

"Profitable expenses" are those expenses that somehow increase the dwelling's value. According to art. 591 (2) GCC, such expenses can be claimed by the landlord following the provisions on "management of another's affairs (in Greek: *«Διοίκηση Αλλοτρίων»)*" (736-737 GCC). Therefore, such expenses may only be reimbursed if the tenant proceeded after the real or presumed will of the landlord.

However, given that pursuant to art. 592 GCC the tenant is liable for no damages or alterations that result from the agreed use of the dwelling, the landlord should not be held liable for any repairs due to improper use by the tenant. Therefore, any such maintenance works and repairs can legally be assigned to the tenant.

- Connections of the contract to third parties
  - Rights of tenants in relation to a mortgagee (before and after foreclosure)

Regarding the tenant's rights in relation to a mortgagee, it should firstly be noted that a mortgaged dwelling can be validly rented. Thus, before foreclosure, the tenant bears no obligation whatsoever towards the mortgagee.

However, due to the fact that art. 614-615 GCC also applies to enforced sale (public auction), in the event of foreclosure and subsequent public auction, regarding the rights and obligations of the parties reference will be made to whether the tenancy contract can be proved by a document bearing a certified date.

As well as that, according to the provision of art. 617 GCC, *"In case of a mortgaged rented immovable, the rents paid in advance to the owner of the dwelling, the rent*

[122] Georgiadis, 320.
[123] Georgiadis, 321.

assignments performed by the latter, as well as any of his creditors' attachments on rents, have no effect against the mortgagees, for rents owed three months after foreclosure. Thus, a mortgagee may lawfully claim directly from the tenant, any rents owed to the mortgagor, under the condition that they correspond to rents owed three months after foreclosure.

6.5. Implementation of tenancy contracts

Example of table for e) Implementation of tenancy contracts

	Private rental.		Main characteristic(s) of tenancy type 2, etc.	Ranking strongest weakest regula if there is r than one tena type
Breaches prior to handover	The law does not differentiate whether the breaches are prior, during or following the handover			
Breaches after handover	The law does not differentiate whether the breaches are prior, during or following the handover			
Rent increases	Agreed between the parties. If no such agreement, and in case of contracts of less than three years, 75 % of previous year's price index.			
Changes to the dwelling	Upon agreement of the Parties			
Use of the dwelling	Upon agreement of the Parties and according to the statutes of the condominium.			

- **Disruptions of performance (in particular "breach of contract") prior to the handover of the dwelling**
- In the sphere of the landlord:

- Delayed completion of dwelling

The landlord's main obligation from the tenancy contract is to hand the tenant the dwelling in proper conditions for the use agreed. Any delay in completing the dwelling would impede the landlord from fulfilling his main obligation and he would be found in default. However, the landlord's conduct should be examined in consideration of the principle of good faith. Therefore, if there is only a slight delay in completion and subsequent hand over, the landlord should be exonerated from any liability.

- Refusal of handover of the dwelling by landlord (in particular: case of "double lease" in which the landlord has concluded two valid contracts with different tenants over the same house)

Should two or more valid contracts be signed with different tenants for the same dwelling, the landlord is liable towards each tenant for handing over the rented dwelling. However, according to Greek jurisprudence[124], despite the fact that both leases are valid, pursuant to the "principle of precaution", only the person who receives use of the rented dwelling is considered the tenant. Consequently, the landlord finds it impossible to fulfil his principal obligation towards the other "tenants", due to his own fault. The parties who have not legally become "tenants" are entitled to claim compensation from the landlord as well as to terminate the contract. Finally, tort liability is not excluded.

- Refusal of clearing and handover by previous tenant

In this case, a landlord again violates his principal obligation to hand over the use of the rent dwelling. Consequently, he finds himself unable to fulfil his obligation due to his own fault. The tenant may demand the contract be executed, withhold any rent payments, claim compensation as well as rescind or terminate the contract.

- Public law impediments to handover to the tenant

The same applies, as above, in the event that the landlord does not hand over the use of the dwelling due to a public law impediment.

- In the sphere of the tenant:
  - refusal of the new tenant to take possession of the house

Greek tenancy law does not seem to rule that the tenant is obliged to take possession of the dwelling. However, such an obligation may derive from the contracting parties' agreement, or from the general clause of good faith[125].

- **Disruptions of performance (in particular "breach of contract") after the handover of the dwelling**

[124] AP 32/2001; AP 518/2011; Larisa Court of Appeal 199/2012, published in the NOMOS data base.
[125] For more information, see below, under the question of whether the tenant has an obligation to live in the dwelling.

- **Defects of the dwelling**
    - Notion of defects: is there a general definition?

The notion of defects of the dwelling is well known within the GCC, while different provisions of law distinguish between the notions of real defects and absence of agreed qualities on the one hand, and legal defects on the other. However, tenant enjoys the same protection in case of existence both of real and of legal defects.

a. Real defects and absence of agreed qualities.

According to the provision of Art. 576 GCC, *"If the thing leased has, at the time of its delivery to the lessee, a defect which either partially or entirely hinders the agreed use (real defect) or if such a defect has appeared during the term of the lease, the lessee has the right of a reduction or non-payment of the rent. Same applies in case of absence of an agreed use or if such use ceased during the duration of the lease"*[126].

Any and all defects that partially or totally obstruct the lessee's agreed use of the property is considered a real defect. Main defects are mainly characterised by the incomplete nature of the property, which has a negative effect on the value or the usefulness of the property[127]. In order to ascertain whether a property is defective or not, reference should be made to each specific contract; a crucial part of this is the specific will of the parties i.e., "as what" or "for what purpose" was the property leased.

Furthermore, the quality of the dwelling regards every characteristic that refers either to its natural standing or to its legal, real or economic relations[128]. Consequently, 'agreed quality' is each of the above qualities, as agreed not only between the parties, but also guaranteed by the landlord. The agreement regarding the existence of this quality should be part of the contract.

b. Legal Defects

Furthermore, according to the provision of Art. 583 GCC *"If the stipulated use of the thing leased was either entirely or partially taken away from the lessee through the right of a third party (legal defect), the provisions of Art. 576 to 579 apply by analogy"*[129]. The above low shows that the leased property should be free of any legal defects that could obstruct the use agreed. It should be noted that, regarding legal defects it is not sufficient that a third party have a right over the leased property, as is the case in a sale contract. This right, by necessity, makes the agreed use partially or totally impossible

[126] Art. 576 para. 1 GCC: *«Αν κατά το χρόνο της παράδοσής του στο μισθωτή το μίσθιο έχει ελάττωμα που εμποδίζει μερικά ή όλικά τη συμφωνημένη χρήση (πραγματικό ελάττωμα) ή αν κατά τη διάρκεια της μίσθωσης εμφανίστηκε τέτοιο ελάττωμα, ο μισθωτής έχει δικαίωμα μείωσης ή μη καταβολής του μισθώματος. Το ίδιο ισχύεικαι αν λείπει από το μίσθιο μια συμφωνημενη ιδιοτητα ή αν έλειψε μια τέτοια ιδιότητα όσο διαρκεί η μίσθωση».*

[127] Georgiadis, 345; Athens Court of Appeal 2647/1997 ΕllDni 39, 650.

[128] Georgiadis, 345.

[129] Art. 583 GCC: *«Αν εξαιτίας κάποιου δικαιωματος τρίτου αφαιρέθηκε από το μισθωτή ολικά ή μερικά η σμφωνημένη χρήση του μισθίου (νομικό ελάττωμα), εφαρμόζονται αναλόγως οι διατάξεις των άρθρων 576 έως 579 [...] ».*

- Examples: Is the exposure of the house to noise from a building site in front of the house or are noisy neighbours a defect? What about damages caused by a party or third persons? Is the occupation of the house by third parties such as squatters considered as a defect in the legal terms?

According to Greek jurisprudence[130], defects that are not related to the dwelling itself but refer to its external space, such as exposure to noise, smoke or unpleasant odour, are considered real defects of the dwelling. Moreover, any damage caused to the dwelling by third parties should also be considered as a real defect of the dwelling, as such damage hinders the tenant from using the dwelling as agreed. Finally, squatting should be considered a real defect and not a legal one, given that squatters have no legal right over the dwelling.

- Discuss the possible legal consequences: rent reduction; damages; "right to cure" (to repair the defect by the landlord); reparation of damages by tenant; possessory actions (in case of occupation by third parties) what are the relationships between different remedies; what are the prescription periods for these remedies.

The GCC protects the tenant in the event of real or legal defects, and should the agreed qualities be lacking. These rights are the following:

1. Right to resolve the defect: The tenant is entitled to claim the resolution of the defect, or the remedy of the agreed quality[131]. This right reflects the tenant's principal claim for handover of the dwelling for the agreed use. If the landlord is found in default in resolving the defect or remedying the agreed quality, the tenant may withhold rent until the landlord fulfils his obligation (374 GCC). Alternatively, the tenant may himself proceed in resolving the defect or remedying the agreed quality and claim all expenses incurred.
2. Right to lower or deny payment of the rent: Regarding the rent deduction level, this should be calculated according to how much disturbance is caused by the defect in question[132]. Thus, after taking into consideration the rent agreed, the values of the defective dwelling and the dwelling without the defect should be compared. On the other hand, non-payment of rent impedes use of the dwelling[133].
3. Compensation: This right aims to restore the tenant's financial status as was had the dwelling not been defective, and covers all damages that are causally connected with the defect to the tenant, as well as further damage caused to the tenant's goods.

[130] Thessaloniki Multi Member Court of First Instance 745/1970 Arm 24, 551.
[131] AP 167/1987 EllDni 29, 487.
[132] Piraeus Court of Appeal 1224/1996 EllDni 39, 912; Athens Court of Appeal 9873/1979 NoV 27, 815.
[133] AP 1529/1998 EDPol 1998, 349.

4. The tenant may terminate the contract.

The right to resolve the defect does not exclude the right to lower or deny payment or the right to compensation, until the defect is resolved completely. In addition to this, the exercise of the above right does not exclude the right to terminate the contract. However, termination cannot be lawfully performed after the defect is resolved. Moreover, the right to lower or deny payment on one hand, and the compensation claim on the other can be exercised alternatively, meaning that the one excludes the other[134]. Finally, the exercise of compensation rights excludes neither the exercise of the right to resolve the defect, nor the right to termination.
All of the above rights are prescribed after a period of twenty years.

- **Entering the premises and related issues**
  - Under what conditions may the landlord enter the premises?

The principle of good faith imposes some ancillary obligations on the part of the tenant. Thus, it is accepted[135] that the tenant is obliged to tolerate visits by the landlord to the dwelling. However, these visits must be limited to those that are absolutely essential. Thus, according to the law, the tenant is obliged to tolerate the landlord entering the premises, if such visits are deemed essential to confirm the existence of defects or any kind of malfunction of the dwelling, to discover if the tenant is making good use of the dwelling[136] and for a new potential buyer or tenant to be able to examine the dwelling[137].

Finally it is clear that the landlord may enter the dwelling freely upon consent by the tenant.

Is the landlord allowed to keep a set of keys to the rented apartment?

There is no special law regulating the question of whether the landlord is allowed to keep a set of keys to the rented apartment. This issue relies upon the free will of the contracting parties.

- Can the landlord legally lock a tenant out of the rented premises, e.g. for not paying rent?

Under no circumstances may the landlord lock a tenant out of the rented premises for withholding rent. An action of this kind would directly violate the law and constitute offence in accordance with art. 331 of the Greek Penal Code. The landlord should address the competent judicial authorities in order to enforce his claims against the tenant.

[134] Georgiadis, 352; Kornilakis, 404; Filios, 138.
[135] Georgiadis, 333
[136] Athens Court of Appeal 7534/1993 EDPol 31, 1073.
[137] This kind of obligation is explicitly provided by abrogated art. 2 (4) Law 1703/1987.

- **Rent regulation (in particular implementation of rent increases by the landlord)**
- Ordinary rent increases to compensate inflation/ increase gains

As mentioned above, the rent amount is freely agreed between the parties. Therefore, any unilateral increase of the rent on behalf of the landlord cannot be deemed lawful, even if its purpose is to compensate inflation.

The only way to do so regarding residential tenancies can be found in art. 2 para. 1 of Law 1703/1987; if the contractual duration has been stipulated for a period of less than three years, and provided that no rent increase clause has been agreed, an annual increase of the monthly rent of 75 % of the previous year's price index is imposed.

- Is a rent increase after renovation measures, e.g. upgrading the energy performance of the house, or similar lawful and dealt with in a special procedure?

It is true that renovation measures uncontestably increase the objective value of the dwelling. Nevertheless, a unilateral increase of the rent price would violate the contract. The only possible way the landlord could do so would be to invoke the principle of good faith (288 GCC), in order to achieve a court judgment increasing the rent. However, a judgment of this kind is improbable due to today's financial crisis.

- Rent increases in "housing with public task"

There is no regulation related to rent increases in "housing with public task", due to the complete absence of tenancies with a public task.

- **Alterations and improvements by the tenant**
- Is the tenant allowed to make (objective) improvements on the dwelling (e.g. putting in new tiles)?

There is no regulation prohibiting the tenant from making objective improvements to the dwelling.

- Must, and if yes under what conditions, improvements of the dwelling by the tenant be compensated by the landlord?

However, the question arises as to whether the tenant would have a lawful claim against the landlord for compensation for such improvements. As explained above, such expenses would fall under the notion of "profitable expenses", regulated by art. 591 (2) GCC, which further refers to the provisions on "management of another's affairs". Thus, such expenses may be reimbursed only if the tenant proceeded based on the real or presumed will of the landlord.

However, pursuant to art. 591 para. 2 GCC, the tenant is entitled to take any constructions added by himself to the leased property with him.

- Is the tenant allowed to make other changes to the dwelling?

- in particular changes needed to accommodate a handicap (e.g. building an elevator; ensuring access for wheelchairs etc)?
- fixing antennas, including parabolic antennas

In order to give an answer to the question of whether tenant is entitled with the right to make alterations to the dwelling, reference should be made to the agreed use of the dwelling, as the latter derives from the contract and the principles of good faith and morals of transactions. Thus, if it was agreed that the dwelling would be used as a handicap's residence, it is obvious that tenant would not only be allowed to build a special elevator, but he would also be entitled with the right to claim relevant expenses from landlord. On the contrary, landlord cannot be deemed liable for special infrastructure needed to accommodate a handicap if the tenant encounters disability after the conclusion of the contract.

Moreover fixing antennas should also be considered as an allowed alteration for a residential dwelling.

Nevertheless, tenant's obligation to make good and diligent use of the dwelling, and to return it in the same condition he received it, should also be taken into consideration.

- **Maintenance measures and improvements, in particular upgrading the energy performance of the house by the landlord**
  - What kinds of maintenance measures and improvements does the tenant have to tolerate?

Tenant's obligation to tolerate certain maintenance as well as improvement works in the dwelling, makes part of his ancillary obligations resulting from the application of the principle of good faith[138]. Therefore, the tenant should tolerate such measures providing they are deemed essential for the dwelling to be maintained in suitable conditions for the agreed use. On the other hand, the tenant does not have the same obligation in the case of works to improve or alter the dwelling, except in extraordinary cases, and under the condition that such works are imposed by good faith and morals of transaction[139].

  - What conditions and procedures does a landlord who wants to make renovations need to respect (e.g. giving adequate [i.e. sufficiently long] notice; offer an alternative dwelling; offer a rent reduction to compensate for disturbances)?

There is no special regulation or procedures that the landlord should respect in order to carry out renovations on the dwelling. All actions should respect the principle of good faith as well as the tenant's personal rights.

- **Uses of the dwelling**

[138] Georgiadis, 333
[139] Kornilakis, 414; Filios, 147.

- Keeping animals; producing smells; receiving guests; prostitution and commercial uses (e.g. converting one room in a medical clinic); removing an internal wall; fixing pamphlets outside.

The provision of art. 594 GCC, directly imposes on the part of the tenant the obligation to make good use of the dwelling. This obligation further effects the tenant's obligation to diligently use the dwelling in accordance with the agreed use, as limited by the contractual terms, the will of the contracting parties, the specifics and nature of the dwelling and the principles of good faith and transaction of morals. Finally, the tenant should behave properly towards the other inhabitants of the building, and should also respect the rules and conditions of the condominium.[140]

In order to ascertain if the tenant has violated any of his obligations to make good use of the dwelling, reference should be made as to whether his behaviour has circumvented the limits of the agreed use. Greek jurisprudence appears quite voluminous in this respect. Therefore, it has been decided that this applied in the case of illegal alterations of the dwelling[141] (such as the addition of a room[142]) and prohibited concession of the use to third parties[143], while illegal transactions[144] (drug dealing[145]) and damages[146] caused to the dwelling cannot be considered as diligent use.

Regarding the cases in question, the following can be said:

Keeping animals: At the first place, it should be stated that the contracting Parties can validly agree that tenant is not entitled with the right to keep animals in the dwelling. Usually, said clause should make reference to the statutes of the condominium, whereby it might be agreed that the occupants of a condominium are not allowed to have pets. However, pursuant to art. 17 of a special sanitary order [147], the occupant of a dwelling is entitled with the right to keep up to one dog and one cat. However, it has been decided[148] that any eventual prohibition contained in the statutes of the condominium prevails upon above sanitary order. Therefore, if the Parties agree that keeping animals is prohibited and especially when a relevant provision is contained in the statutes of the condominium, then tenant's behaviour to the contrary should be considered as non-diligent use of the dwelling.

Producing smells: Reference should be made to the provision of art. 1003 GCC, according to which[149] *'The owner of an immovable is bound to tolerate the emission of smoke, soot, exhalations, heat, noise, vibrations or other similar side effects originating from another immovable, provided that such effects do not substantially prejudice the*

[140] AP 1658/1983 EEN 51, 653; AP 311/1991 EEN 59, 168.
[141] AP 1848/1998 EEN 49, 914.
[142] AP 483/1969 NoV 18, 148.
[143] AP 214/1975 NoV 23, 1039.
[144] AP 661/1988 NoV 37, 1423; AP 2033/1983 NoV 33, 22; AP 2034/1985 NoV 33, 23.
[145] Athens Court of Appeal 3613/1996 EllDni 38, 914.
[146] Piraeus Court of Appeal 298/1997 EDPol 1999, 363.
[147] Sanitary Order no A1β`/2000/1995 of the Minister of Health.
[148] AP 849/1990 EllDni 32, 340; AP 997/1990 EEN 1991, 394.
[149] Art. 1003 GCC: *«Ο κύριος ακινήτου εχει υποχρέωση να ανέχεται την εκπομπή καπνού, αιθάλης, αναθυμιάσεων θερμότητας, θορύβου, δονήσεων ή άλλες παρόμοιες επενέργειες που προέρχονται από άλλο ακίνητο, εφόσον αυτές δεν παραβλάπτουν σηματικά τη χρήση του ακινήτου του ή προέρχονται από χρήση συνήθη για ακίνητα της περιοχής του κτήματος από το οποίο προκαλείται η βλάβη»*.

use of the owner's immovable or result from a use which is usual to the immovables of the region in which the offending immovable is situated'. It derives therefrom that due to the subjective character of the provision of law, such case should be decided depending on the specific circumstances.

Receiving guests: Despite the fact that such a prohibition could theoretically be contained in the tenancy contract, however, such clause should be considered null and void, as violating the personality rights of the tenant.

Prostitution: According to the provision of Law 2734/1999 *'On prostitutes and other provisions'* (in Greek: *«Εκδιδόμενα με αμοιβή πρόσωπα και άλλες διατάξεις»*), it is not permitted for the dwellings used for such purposes to be simultaneously used as residence. Therefore, in case that tenant uses the rented residence for prostitution purposes, this should definitely considered as an improper use.

Commercial uses: If tenant rents the dwelling for residential purposes, then any commercial use should be considered as violating the contract. To what regards converting one room to a medical clinic, this would also require the permission of the competent administration authorities, in lack of which penal and administrative sanctions are provided.

Removing an internal wall: Under Greek law, such cases would not fall under the scope of application of permitted uses regulation, but mostly refer to alterations and changes of the dwelling which are developed in the relevant part of the present report.

Fixing pamphlets outside the dwelling: In the absence of a relevant contractual clause, the landlord could probably not oblige the tenant to fix pamphlets outside the dwelling. However, such prohibition could derive either from the contract or from the statutes of the condominium. Nevertheless, the legitimacy thereof would be questioned, as the tenant's personality rights would be restricted. Greek courts have never dealt with such an issue, and, therefore, no relevant jurisprudence can be reported.

- Is the tenant obliged to live in the dwelling? Are there any specific regulations regarding holiday homes?

The law does not state that the tenant is explicitly obliged to take over and make real use of the dwelling. Thereby, a tenant who does not take over or use the dwelling is not found in default; nevertheless, he is still obliged to pay the rent agreed[150].

However, such an obligation could, either explicitly or even tacitly, emerge from the contracting parties' agreement. For example, in cases where the dwelling is damaged due to the fact that it is not being used, the tenant should be considered as being obliged to live in the dwelling. In addition to this, the obligation in question may

[150] Georgiadis, 329; Filios, 149; Kornilakis, 364.

also result from the application of the general clause of good faith, when non-use of the dwelling deteriorates its rental value[151]. Thus, it has been decided[152] that such cases fall under the notion of bad use of the dwelling, attracting the tenant's relevant liability.

- **Video surveillance of the building**

Is the surveillance of certain parts (e.g. corridors) of the building lawful and usual?

Video surveillance of the building clearly consists an important intervention to tenant's privacy, which is inextricably connected with his personality rights deriving directly from constitutional provisions of law (art 2 and 5 of the Greek Constitution). Therefore, any such action requires the tenant's consent. Moreover, the principle of good faith in fulfilling obligations does not seem to provide a lawful claim to the landlord in this respect.

The Greek data protection authority has issued quite an interesting directive[153] in this field. Pursuant to art. 15 of said directive, in order to legally install a video surveillance system in the common areas of the condominium, a special decision of the General Assembly of the condominium is essentially required. Additionally, video surveillance can be only used for security purposes. However, it must be noted that the above directive lacks any regulatory power.

6.6. Termination of tenancy contracts

Example of table for f) Termination of tenancy contracts

	Private rental		Main characteristic(s) of tenancy type 2, etc.	Ranking strongest weakest regula if there is r than one tena type
Mutual termination	Allowed.			
Notice by tenant	Open-ended Contract: Allowed without justification Time-limited: Tenancies exceeding 30 years, termination by tenants' heirs, Termination due to breach of			

[151] Such a case mostly pertains to commercial leases.
[152] AP 127/1999 EllDni 40, 800; AP 1426/1987 EEN 55, 763; Athens Court of Appeal 5663/1995 EllDni 39, 184.
[153] Directive No 1/2011 of the Greek Data Protection Authority.

	contractual term, termination due to outstanding reasons, termination due to non delivery of the use, termination due to risk of tenant's health, termination of tenants – public servants.			
Notice by landlord	Open ended contracts: Allowed without justification. Time limited contracts: Termination due to breach of contractual term, termination due to outstanding reasons, termination due to bad use of the dwelling, termination due to rents in arrears.			
Other reasons for termination	Upon agreement of the Parties.			

- **Mutual termination agreements**

It is clear that, based on the principle of contractual freedom, as dictated by art. 361 GCC, tenancy contracts are validly terminated by means of a mutual termination agreement between the contracting parties[154].

Types of termination notice

Ordinary vs. Extraordinary termination notice

Before analysing in which cases can the landlord or tenant respectively give a termination notice, we need to make a distinction between the types of termination known under Greek law.

[154] Athens Court of Appeal 10249/1988 EllDni 31,1531; Athens Court of Appeal 11863/1987 EDPol 1988, 159; Athens Court of Appeal 4039/1986 EllDni 28, 676.

Therefore, under Greek tenancy law, termination is considered as a unilateral and informal juridical act addressed to the opposite party, and through which one contracting party notifies the other of its intention to terminate the tenancy[155]. Termination is further extended to ordinary and extraordinary termination. Ordinary termination does not require any special reason or justification in order to be valid, and is only acceptable in the case of an open-ended contract. On the other hand, extraordinary termination requires an acceptable reason in order to be valid, and may be exercised both in open-ended as well as in time-limited tenancy contracts.

Special termination notices.

- **Tenancies exceeding 30 years (610 GCC).**

Pursuant to the provision of art. 610 GCC, *"If a lease is entered into for a period longer than thirty years, or for the lifetime of one of the lessor or the lessee, either party may after thirty years give notice of termination of the lease, according to the provisions of the lease of non-fixed duration".*

The purpose of this provision is to terminate long-term tenancies, which excessively bind the contracting parties and are deemed as contravening the interests of national economy.

- **Termination from tenant's heirs (612 GCC).**

As already mentioned herein above, according to the provision of art. 612 GCC, *"(1) When the lessee dies, his heirs are entitled to give notice of termination of the lease. Notice of termination is given at least three months in advance with effect for the end of the calendar month. (2) In case where the leasehold was used, as long as the lessee lived, as the family residence pursuant to Art. 1393 and the tenant's spouse lives at the time of lessee's death, the rights and the obligations from the lease are devolved exclusively upon to him, who is entitled but following the term of the previous paragraph, to the notice of termination of the lease at his convenience"*. Special regulation is instituted by the above provision in the case of the tenant's death. Although heirs are subrogated to the tenant's obligations, nevertheless, they have the right to validly terminate the contract. Moreover, special treatment is reserved for the surviving spouse, who can terminate the contract independently of any time term.

- **Termination due to breach of a contractual term**

Based on the principle of contractual freedom, the parties are free to agree that the breach of every contractual term may give the other party the right to validly terminate the contract.

- **Termination for outstanding reasons**

[155] Georgiadis, 378; Athens Court of Appeal 376/1966 NoV 14, 142.

Finally, both jurisprudence[156] and legal doctrine[157] accept that a third type of termination is admissible in case of tenancy contracts, although the GCC does not expressly state it. This type of termination is known as a "termination for outstanding reasons" and derives from the principles of good faith. As to the reasons that could be considered outstanding in order for such a termination to be admissible, it has been argued that facts, which, after considering the special conditions of each case, render the continuation of the contract onerous for the party invoking them[158].

- **Notice by the tenant**
  - Periods and deadlines to be respected

1. Ordinary Notice (Open Ended Contracts)

Pursuant to the provision of art. 609 GCC:

"Termination of the lease concluded for a non-fixed duration. In the case of lease concluded for a non-fixed duration the notice of termination of the previous Art., unless otherwise agreed, is made: In case of lease of movable or immovable which has been fixed for one day, at least one day in advance. In case of lease of movable which has been fixed per week or per further spaces, at least three days in advance. In case of lease of immovable which has been fixed per week, at least five days in advance and it is effective for the end of the week. In case of lease of an immovable which has been set per month at least fifteen days in advance and it is effective for the end of the month. In case of lease of immovable which has been set per spaces further than a month, at least three months in advance and it is effective for the end of March or of June or of September or of December of every year."

This provision sets the periods and deadlines that should be respected in for an extraordinary termination notice to be valid. However, due to the *jus dispositivum* character of art. 609 GCC, the contracting parties are free to stipulate to the contrary in their contract.

2. **Extraordinary notice of the tenant (open-ended and limited in time contracts)**

GCC expressly provides the cases where tenant may give an extraordinary notice for termination of the contract. These are the following.

- Art. 585 GCC (Termination due to non delivery of the use)

Pursuant to the letter of above provision,

"In every case where the agreed use has not been delivered freely to the lessee either totally or partially or where the use delivered was taken away later, the lessee has the right to set to the lessor a reasonable time period for the reinstatement of the use and if the time period expires to no avail, to give notice of termination. The

[156] AP 1389/1986 NoV 36, 341; Athens Court of Appeal 9911/1997 EDPol 1999, 350; Piraeus Court of Appeal 1180/1996, EllDni 38, 686.
[157] Georgiadis, 386; Filios, 185; Kornilakis,449.
[158] AP 369/1993 DEN 50, 328; AP 340/1993 EllDni 35, 41.

lessee has also the right to give notice of termination without setting a time period, if due to the reason which justifies the notice of termination, has no more interest in the performance of the contract".

The above shows that the tenant is entitled to give extraordinary notice of termination, even after the delivery of the use, in the presence of real or legal defects to the dwelling[159].

- Art. 588 GCC (Risk of tenant's health)

Pursuant to the letter of above provision,

"As to the lease of residence, if the use of the leased thing entails an important risk for the health of the lessee or his familiar who live with him, the lessee has the right to give notice of termination without setting a time period even if at the concluding of the contract or the delivery of the leased thing he was aware of the dangerous circumstances or he quitted from his relative rights".

In order for such a termination to be valid, the risk should be important, direct and forthcoming[160]. Furthermore, the risk may accrue either from the dwelling itself or adjacent premises. However, such termination is not deemed lawful if the tenant provoked the dangerous circumstances himself or if such circumstances can be easily removed and the landlord intends to do so.

- Art. 613 GCC (Public Servants)

Pursuant to the letter of above provision,

"Civil servants who transfer to some other place may, after they transfer, give notice of termination of the lease in accordance to the provisions of the lease for an indefinite duration".

- May the tenant terminate the agreement before the agreed date of termination (in case of contracts limited in time); if yes: does the landlord then have a right to compensation (or be allowed to impose sanctions such as penalty payments)?

In every case of extraordinary termination notice, as described above, the tenant may terminate the agreement before the agreed date of termination. In such cases, the landlord has no right to compensation.

- Are there preconditions such as proposing another tenant to the landlord?

Greek tenancy law does not provide any such preconditions. However, proposing another tenant to the landlord could lawfully be the object of a contractual stipulation.

- **Notice by the landlord**

- Ordinary vs. extraordinary notice in open-ended or time-limited contracts; is such a distinction exists: definition of ordinary vs.

[159] AP 63/2003 ChrID Γ', 519; AP 48/2000 EllDni 41, 479.
[160] Kornilakis, 440.

extraordinary (= normally related to fundamental breaches of the contract, e.g. in cases of massive rent arrears or strong antisocial behaviour)

To what regards the distinction between ordinary and extraordinary notice, reference is made to the analysis made herein above.

a. Ordinary Notice (Open Ended Contracts)

Regarding ordinary notice by the landlord, the same provisions apply as those regulating ordinary notice by the tenant. In this way, notice is only valid in cases of open-ended contracts, and the landlord should respect the deadlines stipulated by art. 609 GCC.

b. Extraordinary notice of the landlord (open-ended and limited in time contracts)

Landlord is entitled with the right to give extraordinary notice in the following cases:

- 594 GCC (Bad use of the dwelling)

According to the provision of Art. 594 GCC:

"The lessor is entitled to terminate the lease contract and in addition to claim compensation for damages, where the lessee, notwithstanding the protest of the lessor makes use of the property without care and in a manner inconsistent with the agreement or if he does not behave appropriately towards the other tenants

- 597 GCC (Rent in arrear)

According to the provision of art. 597 GCC:

"If a lessee has delayed payment wholly or in part of the rent, the lessor is entitled to give notice of termination of the lease at least before one month if it is about a lease whose duration was agreed for a year or more, and before ten days in the other leases. Lessor's claim for damages due to the premature dissolution of the lease contract is not excluded.

The notice of termination is ineffective if the lessee pays the delayed rent before the time period passes with any expenses relating to the notice".

- Statutory restrictions on notice:
  - for specific types of dwellings, e.g. public dwellings; rental dwellings recently converted into condominiums (if there exists a special form of protection in this case as in German law) etc.

Greek tenancy law does not provide any statutory restrictions on notice for specific types of dwellings.

- in favour of certain tenants (old, ill, in risk of homelessness)

Greek tenancy law does not provide for any statutory restrictions on notice in favour of certain tenants.

- for certain periods

Greek tenancy law does not provide for any statutory restrictions on notice for certain periods. Reference as to the deadlines which should be respected is made to the analysis made herein below.

- after sale including public auction ("emptio non tollit locatum"), or inheritance of the dwelling

Regarding termination notice following sale including public auction, as already explained above, reference is made to whether the tenancy is proved by a document of certified date. Please refer to the analysis made above.

In case of inheritance, please refer to the analysis made above.

- Requirement of giving valid reasons for notice: admissible reasons

As explained above, in the case of an ordinary termination notice, Greek tenancy law does not require any valid notice. However, all other cases require such reasons. Further reference is made in the analysis made above.

- Objections by the tenant

In the case of ordinary termination notice, the objections of the tenant are limited to those in art. 281 GCC, on abusive exercise of a right. In particular, the above provision prohibits the holder of a right from exercising it in a manner exceeding the limits set by good faith, or good morals, or the economic and social purpose of the right. For example, giving notice to a tenant who has a guarantor, with the allegation that he is late in paying the rent, when in reality the landlord simply wants to find another tenant to pay more rent should be deemed as significantly exceeding the economic purpose of the termination right. In this case, due to the fact that a guarantor for the current tenant does, indeed, exist, and has undertaken to satisfy the creditor if the debtor of the principal obligation defaults, the landlord's right to terminate in this case should be considered unlawful[161].

- Does the tenancy have "prolongation rights", i.e. the statutory right to stay for an additional period of time (outside the execution procedure)?

Greek law does not provide any statutory right for the tenant, in order for the latter to stay for an additional period of time.

- Challenging the notice before court (or similar bodies)

The tenant could file a declaratory action demanding the acknowledgment of the nullity of the termination notice. However, such cases are rare in common day practice, given that tenant could object by way of opposing to the action for eviction filed by landlord.

- in particular claims for extension of the contract or for granting of a period of grace under substantive or procedural law

Neither substantive nor procedural Greek tenancy law provide for such claims.

[161] P. Agallopoulou, , 84.

- Termination as a result of urban renewal or expropriation of the landlord, in particular:
- What are the rights of tenants in urban renewal? What are the rules for rehousing in case of demolition of rental dwellings? Are tenants interested parties in public decision-making on real estate in case of urban renewal?

There is no special statute regulating such cases. It is our opinion, that termination of urban renewal or expropriation of the landlord should fall under the cases related to termination for outstanding reasons. Furthermore, tenants are not considered as interested parties in public decision-making on real estate in case of urban renewal.

6.7. Enforcing tenancy contracts

Example of table for g) Enforcing tenancy contracts

	Private tenancy		Main characteristic(s) of tenancy type 2, etc.	Ranking strongest weakest regula if there is r than one tena type
Eviction procedure	Not possible without order and enforcement procedure			
Protection from eviction	Not special protection of the tenant.			
Effects of bankruptcy	No			

- Eviction procedure: conditions, competent courts, main procedural steps and objections

Disputes arising from tenancy contracts belong to the jurisdiction of civil courts, due to being disputes of private law, while no special jurisdiction for tenancy disputes exists. Therefore, ordinary civil courts are authorised to hear tenancy law disputes. However, Art. 647-662Θ GCCP include a special procedure that applies to all principal or secondary disputes arising from the tenancy of a property. This special procedure mainly aims to make proceedings simpler, quicker and more efficient. The most illustrative example thereof is that regarding Art. 650 (1) or rather that the Court also takes into consideration evidence that does not fulfil all requirements of the Law, as well as the fact that even first-instance judgments are directly enforceable, as an exemption to the rule according to which enforceability requires a final judgment.

As for material competence, in accordance with art. 14 GCCP, the Court of Peace has jurisdiction in cases where the agreed rent does not exceed €600 per month, whereas the Single Member Court of First Instance has jurisdiction for all other tenancy law disputes.Regarding the possibilities of an appeal, the general rule of Art. 511 GCCP

applies, according to which all first-instance judgments are subject to appeal. Thus, there is no differentiation between judgments issued through the special procedure of tenancy disputes and those for which the ordinary procedure was followed. Moreover, it should be mentioned that pursuant to Art. 552 GCCP, cassation is also permitted against the above judgments.

Therefore, in order for a landlord to evict a tenant, he should file a legal action before the competent court, and serve it to the tenant. After the hearing takes place, and providing that all legal conditions are met, the Court will issue an enforceable judgment evicting the tenant. Subsequently, the landlord should notify the tenant of the judgment, along with an order to leave the dwelling. Should the tenant refuse to do so, the landlord is entitled to enforce this judgment, three days after its service. According to Greek Civil Procedure, judgments are enforced by a professional bailiff on behalf of Greek people.

Finally, it should be pointed out that in 1997 a new procedure was introduced by Art. 662A-662Θ GCCP. This procedure covers eviction when the tenant fails to pay rent, due to an unjustified unwillingness to do so. In that case, the landlord is entitled to file a motion for an eviction order, providing that he has given 15 days prior notice to the tenant and the tenant continues to withhold the arrear rent. The judge issues the order immediately, and without oral hearing of the case. This eviction order is enforceable and can be enforced twenty days following its service, while the tenant can defend his rights by filing a motion against the eviction order as well as a petition for stay of proceedings. The judgments issued on the tenant's legal recourses above are subject to appeal and cassation.

- Rules on protection ("social defences") from eviction

Greek tenancy law does not provide for any social defences from eviction.

- May rules on the bankruptcy of consumers influence the enforcement of tenancy contracts?

According to Greek law, rules on the bankruptcy of consumers do not influence enforcement of tenancy contracts

6.7. Tenancy law and procedure "in action"

Preliminary notice: To the extent that scientific sources are lacking, reporters are welcome to use any evidence (also newspaper Articles, online sources, private interviews or even their own experience and opinion) in this section.

The practical role of private rented housing can only be realistically assessed when the practical functioning of the legal system in this field ("tenancy law in action") is taken into account:

- What is the legal status and what are the roles, tasks and responsibilities of associations of landlords and tenants?

As already mentioned hereinabove, the main aim of landlords and tenants association is the representation and defence of the interests of the entirety of house and private real estate owners of the country. It should be noted that Greek associations are not empowered with any kind of regulatory competence. Their main aim is to provide consulting to their members as well as to solicit in a collective level for the defence of their interests.

- What is the role of standard contracts prepared by associations or other actors?

  There is no particular role of standard contracts prepared by associations.

- How are tenancy law disputes carried out? Is tenancy law often enforced before courts by landlords and tenants and/or are - voluntary or compulsory - mechanisms of conciliation, mediation or alternative dispute resolution used?

It seems that most of the cases connected to residential tenancies are most often resolved without recourse to time consuming and costly court proceedings. On the other hand, commercial tenancies are more likely to be resolved by the courts, as the interests involved are of greater economic value. Mediation and other alternative dispute resolutions are rarely used, mainly as they have only recently been introduced into the Greek legal system. As a matter of fact, mediation was instituted by 3898/2010

- Do procedures work well and without unreasonable delays? What is the average length of procedures? Are there peculiarities for the execution of tenancy law judgments (e.g. suspensions of, or delays for, eviction)?

Common day legal practice reveals that the most significant problem of the Greek judicial system is delays in proceedings. A first-degree eviction trial can last more than two years, whereas in case of appeal and cassation, the total procedural length may exceed five years. However, the special injunction provided by art. 662B ff. GCCP should not last for more than two to three months. However, due to the enforceable character of first-degree judgments in tenancy disputes, enforcement does not seem to be subject to considerable delays.

- Are there problems of fairness and justice? Are there problems of access to courts especially for tenants? What is the situation concerning legal fees, legal aid and insurance against legal costs?

There does not seem to be any real problems of fairness and justice which can be reported. Tenants do not seem having problems of accessing to courts, despite the fact that they should bear their own legal costs if they decide to do so. Regarding procedure costs, according to art. 196 GCCP, they are allocated to the losing party.

Furthermore, due to the adequate supply of houses available for rent, it seems that a tenant would prefer to leave from a house he is not satisfied with, rather than claim his rights before the courts. To what regards legal aid, Greek law provides for such measures, however they are rarely used.

- How about legal certainty in tenancy law? (e.g.: are there contradicting statutes, is there secondary literature usually accessible to lawyers etc?)

There does not seem to be any significant problems regarding legal certainty in tenancy law. As it has already been stated herein above, the Greek Civil Code contains

specific provisions applying to tenancy contracts. Moreover, legal literature to this field is sufficient, while lawyers seem to have access thereto.

- Are there “swindler problems” on the rental market (e.g. flats fraudulently advertised on the internet as rental offers by swindlers to whom the flats do not belong)?

  Due to the sufficiency of available dwellings, no such problems can be reported.

- Are the areas of “non-enforcement” of tenancy law (such as legal provisions having become obsolete in practice)?

  There are no provisions that have become obsolete in practice.

- What kind of tenancy-related issues are currently debated in public and/or in politics?

Due to the enormous effect of the current financial crisis on the Greek economy, the tenancy-related issues which are currently debated in public refer to all kinds of taxation which is being imposed on dwellings.

7. Analysing the effects of EU law and policies on national tenancy policies and law

7.1 EU policies and legislation affecting national housing policies

EU policies and legislation does not seem to have affected Greek housing policy, given the complete absence of any consistent and aggregated policy in the field.

7.2 EU policies and legislation affecting national tenancy laws

- EU social policy against poverty and social exclusion

EU social policy against poverty and social exclusion does not seem to have affected Tenancy Law.

- consumer law and policy

As mentioned above,, EU directives on excessive clauses in consumer contracts, although made national law by Law 2251/1994, as amended and lawful today, do not seem to ve of any significance in residential tenancy contracts. Given that the application of any consumer protection legislation requires the existence of a B2C

relation, Greek practice has not shown any relevant examples, due to the absence of "professional landlords

- competition and state aid law

EU legislation on competition and state aid law does not have to seem any effect on Greek tenancy law.

- tax law

EU directives have affected Greek tax system regarding VAT which is imposed on new buildings.

- energy saving rules

EU legislation on energy saving rules have affected Greek tenancy law, given that pursuant to the provisions of Law 3661/2008, all the new built dwellings as well as all the buildings of total surface exceeding 1000 square meters under radical renovation should fulfil certain energy efficiency standards. Moreover, every sale and tenancy contract should be accompanied by an Energy Sufficiency Certificate. Said certificate also includes recommendations for the improvement of the energy sufficiency of the dwellings and is valid for 10 years

- private international law including international procedural law

European private international law affects Greek national tenancy law, given that pursuant to the provision of art. 22 (1) of Regulation 44/2001, Greek courts have exclusive jurisdiction in proceedings which have as their object tenancies of immovable property. Moreover, pursuant to the provisions of art. 4 (c) of Regulation 593/2008 would Cypriot law applies to contracts relating to a tenancy of immovable property situated in Cyprus.

- anti-discrimination legislation

As mentioned above, Greek Law lacks any modernised national antidiscrimination legislation. The only relevant provisions are found in Law 729/1979, which only describes criminal offences related to discriminative actions. In fact, and due to Greece's explicit obligation under European law to transfer the relevant EU directives in national law, the establishment of a national administration legislation has recently provoked severe political debate. In 2013, the Greek government unsuccessfully attempted to pass such measures through parliament twice, while the relevant Minister has recently announced that this is one of his main priorities.

- harmonization and unification of general contract law (sources such as the Common European Sales Law, the Common Framework of Reference or the Principles of European Contract Law may be considered here)

The harmonization and unification of general contract law attempts undertaken till now, do not seem to have affected Greek tenancy and general contract law. It is our opinion, that such attempts should be emphatically accepted by the Greek legislator.

- e.g. the Austrian restrictions on the purchase of secondary homes and its compatibility with the fundamental freedoms;
- cases in which a licence to buy house is needed – is this compatible with the fundamental freedoms?

.Greek Law does not provide for any cases in which a licence is required to buy a house.

7.3 Table of Transposition of EU legislation

DIRECTIVES	TRANSPOSITION	RELATED SUBJECT	PART QUESTIONNAIRE
CONSTRUCTION			
Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts (OJEU 30.4.2004 Nº L 134/114)	Presidential Decree 60/2007 published at the Official Gazette (FEK 64/A/16-03-2007)	It is envisaged a special allocation procedure for contractors when the target is the construction of social housing (art. 34).	
Council Directive 89/106/EEC of 21 December 1988 on the approximation of laws, regulations and administrative provisions of the Member States relating to construction products (OJEC 11.02.1989 Nº L 40/12)	Presidential Decree 334/1994 published at the Official Gazette (FEK 176/A/25-10-1994)	About construction products: free movement and the certificates required.	
TECHNICAL STANDARDS			
Energy efficiency			
Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJEU 14.11.2012 Nº L 315/1).		Energy saving targets imposed to the State. It also deals with the Public Administration buildings and others that require greater energy savings.	
Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (OJEU 18.06.2010 Nº L153/13).	Law 4122/2013 published on the official Gazette (FEK 42/A/19-02-2013)	Energy efficiency of the new and the existing buildings.	Part II 2.a 'Regulation on energy saving'.
Directive 2010/30/EU of the European Parliament and of the Council of 19 May 2010 on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products (OJEU 18.6.2010 Nº L 153/1).	Joint Ministerial Decision 12400/1108/02-09-2011 published at the Official Gazette (FEK 2301/B/14-10-2011)	Labelling and basic information for household electric appliances' users.	
Commission Delegated Regulation (EU) Nº 874/2012 of 12 July 2012 supplementing **Directive 2010/30/EU** of the European Parliament and of the Council with regard to energy labelling of electrical lamps and luminaires (OJEU 26.9.2012 Nº L 258/1).	Law 4122/2013 published at the official Gazette (FEK 42/A/19-02-2013))		
Commission Directive 98/11/EC of 27 January 1998 implementing Council Directive 92/75/EEC with regard to energy labelling of household lamps	Joint Ministerial Decision Δ6/B/13897/1999 published at the Official Gazette (FEK 1792/B/28-09-1999)		

(OJEC 10.3.1998 Nº L 71/1).			
Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (OJEU 5.6.2009 Nº L 140/16).	Law 4062/2012 published at the Official Gazette (FEK 70/A'/30-03-2012), Price Control provision 1/2012/09-04-2012.	Promotion of the use of renewable energy in buildings.	
Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC (DOCE 14.8.2009 Nº L 211/55).	Law 4001/2011 published at the Official Gazette (FEK 179/A/22-8-2011)	Basic standards for electricity sector.	
Heating, hot water and refrigeration			
Commission Delegated Regulation (EU) Nº 626/2011 of 4 May 2011 supplementing **Directive 2010/30/EU** of the European Parliament and of the Council with regard to energy labelling of air conditioners (OJEU 6.7.2011 Nº L 178/1).	Joint Ministerial Decision 12400/1108/02-09-2011 published at the Official Gazette (FEK 2301/B/14-10-2011)	Labelling and information to provide about air conditioners.	
Commission Delegated Regulation (EU) Nº 1060/2010 of 28 September 2010 supplementing **Directive 2010/30/EU** of the European Parliament and of the Council with regard to energy labelling of household refrigerating appliances (OJEU 30.11.2010 Nº L 314).	Joint Ministerial Decision 12400/1108/02-09-2011 published at the Official Gazette (FEK 2301/B/14-10-2011)	Labelling and information to provide about household refrigerating appliances.	
Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJEU 14.8.2009 Nº L 211/94).	Law 4001/2011 published at the Official Gazette (FEK 179/A/22-08-2011)	Basic legislation about natural gas in buildings and dwellings.	
Council Directive of 10 December 1982 amending Directive 78/170/EEC on the performance of heat generators for space heating and the production of hot water in new or existing non-industrial buildings and on the insulation of heat and domestic hot-water distribution in new non-industrial buildings (OJEC 31.12.1982 Nº L 378/19).		Legislation about heating and hot water in dwellings and buildings.	

Household appliances			
Commission Delegated Regulation (EU) Nº 392/2012 of 1 March 2012 supplementing Directive 2010/30/EU of the European Parliament and of the Council with regard to energy labelling of household tumble driers (OJEU 9.5.2012 Nº L 123/1).	Joint Ministerial Decision 12400/1108/02-09-2011 published at the Official Gazette (FEK 2301/B/14-10-2011)	Labelling and information to provide about tumble driers.	
Commission Delegated Regulation (EU) Nº 1059/2010 of 28 September 2010 supplementing Directive 2010/30/EU of the European Parliament and of the Council with regard to energy labelling of household dishwashers (OJEU 30.11.2010 Nº L 314/1).	Joint Ministerial Decision 12400/1108/02-09-2011 published at the Official Gazette (FEK 2301/B/14-10-2011)	Labelling and information to provide about dishwashers.	
Commission Delegated Regulation (EU) Nº 1061/2010 of 28 September 2010 supplementing Directive 2010/30/EU of the European Parliament and of the Council with regard to energy labelling of household washing machines (OJEU 30.10.2010 Nº L314/47).	Joint Ministerial Decision 12400/1108/02-09-2011 published at the Official Gazette (FEK 2301/B/14-10-2011)	Labelling and information to provide about washing machines.	
Commission Delegated Regulation (EU) Nº 1062/2010 of 28 September 2010 supplementing Directive 2010/30/EU of the European Parliament and of the Council with regard to energy labelling of televisions (OJEU 30.11.2010 Nº L 314/64).	Joint Ministerial Decision 12400/1108/02-09-2011 published at the Official Gazette (FEK 2301/B/14-10-2011)	Labelling and information to provide about televisions.	
Commission Directive 2003/66/EC of 3 July 2003 amending Directive 94/2/EC implementing Council Directive 92/75/EEC with regard to energy labelling of household electric refrigerators, freezers and their combinations (OJEU 09.07.2003 Nº L 170/10).	Joint Ministerial Decision Δ6/B/12915/2004 published at the Official Gazette (FEK 1144/B/28-07-2004)	Labelling and information to provide about household electric refrigerators and freezers.	
Commission Directive 2002/40/EC of 8 May 2002 implementing Council Directive 92/75/EEC with regard to energy labelling of household electric ovens (OJEC 15.05.2012 Nº L 128/45).	Joint Ministerial Decision Δ6/B/3160/2003 published at the Official Gazette (FEK 267/B/05-03-2003)	Labelling and information to provide about household electric ovens.	
Commission Directive 96/60/EC of 19 September 1996 implementing Council Directive 92/75/EEC with regard to energy labelling of household combined washer-driers (OJEC 18.10.1996 Nº L 266/1).	Joint Ministerial Decision Δ6/B/9142/1997published at the Official Gazette (FEK 368/B/13-05-1997)	Labelling and information to provide about household combined washer-driers.	
Lifts			
European Parliament and Council Directive 95/16/EC of 29 June 1995 on the approximation of the laws of the Member States relating to lifts (OJEC 07.09.1995 Nº L 213).	Presidential Decree 335/1993 published at the Official Gazette (FEK 143/A/02-09-1993)	Legislation about lifts.	
Boilers			

Council Directive 92/42/EEC of 21 May 1992 on efficiency requirements for new hot-water boilers fired with liquid or gaseous fuels (OJEC 22.06.1992, Nº L 167). Amended by Council Directive 93/68/EEC of 22 July 1993 (BOE 27.03.1995 Nº 73).		Legislation about boilers.	
Hazardous substances			
Directive 2011/65/EU of the European Parliament and of the Council of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment (OJEU 01.07.2011 Nº 174/88).	Presidential Decree 144/2013 published at the Official Gazette (FEK 147/A/17-06-2013)	Legislation about restricted substances: organ pipes of tin and lead alloys.	
CONSUMERS			
Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/44/EC of the European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council (OJEU 22.11.2011 Nº L 304/64).	Joint Ministerial Decision Z1-891/13-08-2013 published at the Official Gazette (FEK 2144/B/30-08-2013).	Information and consumer rights. Legislation referred to procurement of services, car park. Immovables are excluded: lease of housing, but not of premises.	
Directive 2009/136/EC of the European Parliament and of the Council of 25 November 2009 amending Directive 2002/22/EC on universal service and users' rights relating to electronic communications networks and services, Directive 2002/58/EC concerning the processing of personal data and the protection of privacy in the electronic communications sector and Regulation (EC) Nº 2006/2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws (OJEU 18.12.2009 Nº L 337/11).	Law 4070/2012 published at the Official Gazette (FEK82/A/10-04-2012)	Consumer protection in the procurement of communication services.	
Directive 2009/22/EC of the European Parliament and of the Council of 23 April 2009 on injunctions for the protection of consumers' interests (OJEU 01.05.2009, Nº 110/30).	Joint Ministerial Decision Z1-111/07-03-2012 published at the Official Gazette (FEK 627/B/07-03-2012)	Collective injunctions infringements of Directives Annex I.	

Directive 2006/114/EC of the European Parliament and of the Council of 12 December 2006 concerning misleading and comparative advertising (OJEU 27.12.2006, Nº L 376/21).	Law 3587/1997 published at the Official Gazette (FEK 152/A/10-07-1997)	Misleading advertising and unfair business-to-consumer commercial practices.	
Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) Nº 2006/2004 of the European Parliament and of the Council (OJEU 01.6.2005 Nº L 149/22).			
Directive 97/7/EC of the European Parliament and of the Council of 20 May 1997 on the protection of consumers in respect of distance contracts (OJEC 04.06.1997 Nº L 144/19).	Law 3587/2007 published Official Gazette (FEK 152/A/10-07-2007)		
Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts (OJEC 21.04.1993 Nº L 095).	Law 2251/1994 published at the Official Gazette (FEK 191/A/16-11-1994)	Unfair terms	Part II 2.c 'control of contractual terms'.
Council Directive 85/577/EEC of 20 December 1985 to protect the consumer in respect of contracts negotiated away from business premises (OJEC 31.12.1985 Nº L 372/31).	Law 1961/1991 published at the Official Gazette (FEK 132/A/03-09-1991)	Information and consumer rights. Legislation referred to procurement of services. Contracts on immovables are excluded.	
HOUSING-LEASE			
Regulation (EC) Nº 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations - Rome I (OJEU 04.07.2008 Nº L 177/6).		Law applicable (art. 4.1.c and d and 11.5)	
Council Regulation (EC) Nº 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJEC 16.01.2001 Nº L 12/1).		Jurisdiction (art. 22.1)	
Commission Regulation (EC) Nº 1920/2001 of 28 September 2001 laying down detailed rules for the implementation of Council Regulation (EC) Nº 2494/95 as regards minimum standards for the treatment of service charges proportional to transaction		CPI harmonization. Art. 5 includes estate agents' services for lease transactions.	

values in the harmonised index of consumer prices and amending Regulation (EC) Nº 2214/96 (OJEC 29.9.2001 Nº L 261/46).			
Commission Regulation (EC) Nº 1749/1999 of 23 July 1999 amending Regulation (EC) Nº 2214/96, concerning the sub-indices of the harmonized indices of consumer prices (OJEC 13.8.1999 Nº L 214/1).		CPI harmonization. Subscript 4: Lease, housing preservation and repair, water and other services.	Part II 2.d 'Index-oriented increase clauses'.
Council Regulation (EC) Nº 1687/98 of 20 July 1998 amending Commission Regulation (EC) No 1749/96 concerning the coverage of goods and services of the harmonised index of consumer prices (OJEC 31.07.1998 Nº L 214/12).			
Commission Regulation (EC) Nº 2214/96 of 20 November 1996 concerning harmonized indices of consumer prices: transmission and dissemination of sub indices of the HICP (OJCE 21.11.1996 Nº L 296/8).			
Recommendation 65/379/EEC: Commission Recommendation of 7 July 1965 to the Member States on the housing of workers and their families moving within the Community (OJEC 27.07.1965 Nº L 137/27).		Discrimination on grounds of nationality. Equality in granting housing, aids, subsidies, premiums or tax advantatges to workers who have moved within the EU.	
DISCRIMINATION			
Council Directive 2004/113/EC of 13 December 2004 implementing the principle of equal treatment between men and women in the access to and supply of goods and services (OJEU 21.12.2004 Nº L 373/37).		Discrimination on grounds of sex.	.
Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin (OJEC 19.07.2000 Nº L 180/22).		Discrimination on grounds of racial or ethnic origin.	Part II 2.c 'Restrictions on choice of tenant - antidiscrimination issues'.
IMMIGRANTS OR COMMUNITY NATIONALS			
Council Directive 2009/50/EC of 25 May 2009 on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment (OJEU 18.06.2009 Nº L 155/17).	Law 4071/2012 published at the Official Gazette (FEK 85/A/11-04-2012)	Equality of treatment with housing (art. 14.1.g.) However, Member States may impose restrictions	

		(art. 14.2).	
Directive 2004/38/EC of the European Parliament and of the Council of 29 April 2004 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States amending Regulation (EEC) Nº 1612/68 and repealing Directives 64/221/EEC, 68/360/EEC, 72/194/EEC, 73/148/EEC, 75/34/EEC, 75/35/EEC, 90/364/EEC, 90/365/EEC and 93/96/EEC (OJEU 30.04.2004 Nº L 158/77)	Presidential Decree 106/2007 published at the Official Gazette (FEK 135/B/21-06-2007)	.	
Council Directive 2003/109/EC of 25 November 2003 concerning the status of third-country nationals who are long-term residents (OJEU 23.01.2004 Nº L 16/44).	Presidential Decree 150/2006 published at the Official Gazette (FEK 160/A/31-07-2006)		
Council Directive 2003/86/EC of 22 September 2003 on the right to family reunification (OJEU 03.10.2003, Nº L 251/12).	Presidential Decree 131/2006 published at the Official Gazette (FEK 143/A/13-07-2006).		
Regulation (EEC) Nº 1612/68 of the Council of 15 October 1968 on freedom of movement for workers within the Community (OJEC 17.04.1964 Nº L 257/2).			
INVESTMENT FUNDS			
Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) Nº 1060/2009 and (EU) Nº 1095/2010 (OJEU 01.07.2011, Nº L 174/1).	Presidential Decree 34/2012 published at the Official Gazette (FEK 72/A/05-04-2012	Real estate investment funds	

8. Typical National Cases (With short solutions)

8.1: Formal Requirements of the Contract

Facts: L and T conclude a tenancy contract in writing; however neither of them proceeds to its registration with the competent tax authority pursuant to the provision of Art. 77 of the Tax Income Code. After one year, L files an action before the competent court against T, asking for monthly rents not paid by the latter. Should the court take into account the written contract between the parties, despite the fact that it was not registered before the tax authority?

Answer: At the outset, it should be underlined that according to the provision of Art. 574 of the Greek Civil Code (hereinafter to be referred to as "GCC"), the conclusion of a tenancy contract doesn't require any special form and that, therefore, Art. 158 GCC applies, dictating the principle of non-formality of the juridical acts. Thus, tenancy contract, being a non-formal contract, can be validly concluded either in writing or orally, even tacitly, irrespectively of whether it refers to a movable or an immovable. However, the provision of Art. 77 (1) of Law 2238/1994 "on the Tax Income Code", as modified by the provision of Art. 321 (8) of Law 4072/2012 provides that *"Private written tenancy contracts of urban immovable […] should be electronically submitted either by the landlord or by the tenant, within one (1) month from their conclusion"*[162]. Moreover Art. 77 (2) of same Law provides that *"If the documents of the above paragraph haven't been submitted, then they are deprived from any probative power and cannot be taken into account by the courts and the public authorities in general"*[163]. However, according to well established jurisprudence[164] of the Greek Court of Cassation – "Areios Pagos" (hereinafter to be referred to as "AP"), the court, legally takes into account not registered tenancy contracts, when the special procedure provided by Art. 647 ff. of the Greek Code of Civil Procedure (hereinafter to be referred to as GCCP) "on lease disputes and disputes arising between owners and caretakers of condominiums" applies. Special reference is made to Art. 650 (1) GCCP which reads as follows: *"The court also takes into account evidence that doesn't fulfill the requirements of the law […]"*[165]. Thus, in this case, the court will legally take into consideration the contract submitted by L. The fact that the contract is not registered with the tax authority has no effect in this regard.

8.2: Minimum Duration

Facts: L and T conclude a tenancy contract. It is explicitly agreed that the property will be used by T as his primary residence and that the contractual time thereof is one year. After one year, L requests the return of the property, invoking the annual duration of the

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[162] **Art. 77 (1) of the Tax Income Code**: *«Ιδιωτικά έγγραφα μίσθωσης ακινήτων ασχέτως ποσού μισθώματος [...] υποβάλλονται με τη χρήση σύγχρονων ηλεκτρονικών μεθοδων και δικτυακών υποδομών από τον εκμισθωτή ή τον μισθωτή, μέσα στον επόμενο μήνα από τη σύνταξή τους».*

[163] **Art. 77 (2) of the Tax Income Code**: «*Τα έγγραφα της προηγούμενης παραγράφου εφόσον δεν έχουν υποβληθεί, στερούνται κάθε αποδεικτική δύναμης και δεν εξετάζονται από τα δικαστήρια και τις δημόσιες γενικά αρχές».*

[164] AP 1795/2001 *Dikaio Epiheirisseon kai Etairion* (hereinafter referred to as "DEE") 8, 1030; 863/2001 *Epitheorissi Dikaiou Polykatoikias (*hereinafter referred to as "EDPol") 31. 63; Lamia Court of Appeal 36/2011 published at the Athens Bar Data Base "Isokratis"; Athens Court of Appeal 7886/2000 EDPol 30, 279; Thessaloniki Court of Appeal 875/2000 *Armenopoulos (*hereinafter referred to as "Arm") 56, 708.

[165] **Art. 650 (1) GCCP**: *«Το δικαστήριο λαβάνει υπόψη του και αποδεικτικά μέσα που δεν πληρούν τους όρους του νόμου».*

contract. T, however, doesn't want to leave the property and denies. Can L file a claim in order to evict T?

Answer: According to the provision of Art. 2 (1) of Law 1703/1987, as currently in force after its replacement by the provision of Art. 5 (1) of Law 2235/1994, *"the residential tenancy for an immovable stands for at least three (3) years, even if it was concluded for a shorter period of time […]"*[166]. While applying the above provision of law, Greek courts accept that said provision is binding both for landlord and tenant[167]. It should be further mentioned that in order for the above provision to apply, an agreement between the parties that the property will be used as the **primary** residence of the tenant is essential[168]. Thus, it does not apply to tenancies of properties to be used as secondary or rural residence. It derives therefrom that if T doesn't want to leave the property rented, the tenancy will continue to be valid for two more years, despite the shorter duration agreed. L's relevant claim should be dismissed.

8.3: Family home - Termination

Facts: L concludes in writing a tenancy contract with T for an indefinite period. It is thereby explicitly agreed that the dwelling will be used by T as his primary residence as well as of his wife W. After some months, L wants to terminate the contract due to the fact that T doesn't pay the agreed rent. Accordingly, L gives T a termination notice. Has said notice produced the legal effects of a termination?

Answer: According to the provision of Art. 608 GCC[169], the lease contract which was concluded for an indefinite period of time ends with a termination notice given by either of the contracting parties, i.e. by means of a unilateral statement of the one to the other, notifying the latter of the first's intention to terminate the contract. It is noted that the termination produces its effects only for the future. However, pursuant to the provision of Art. 612A GCC *"when the dwelling is used as a family house and such use has been notified to the landlord, the latter's termination is void, if the relevant notice isn't also addressed to the tenant's spouse"*[170]*.* Thus, in the present case, L's notice doesn't produce any legal effects, cannot be deemed as a valid termination and, therefore, the contract continues to be valid and binding.

8.4: Legal defects

Facts: L concludes a tenancy contract with T. However, L had previously concluded another tenancy contract for the same dwelling with P, who occupies the dwelling, as no termination has taken place. Does T have any rights against L or P?

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[166] **Art. 2 (1) Law 1703/1987**: *«Η μίσθωση ακινήτου για κατοικία ισχύει τουλάχιστον για τρία (3) έτη, κι αν ακόμα έχει συμφωνηθεί για βραχύτερο χρονικό διάστημα ή για αόριστο χρόνο».*

[167] Athens Court of Appeal 1791/2000 *Elliniki Dikaiossini* (hereinafter referred to as "Ell Dni") 41, 837.

[168] Athens Court of Appeal 8259/1992 Ell Dni 34, 1154.

[169] **Art. 608 (2) GCC**: *«Η μίσθωση αόριστης διάρκειας λήγει με καταγγελία του καθενός από τους συμβαλλομένους».*

[170] **Art. 612 A GCC**: *«Σε περίπτωση όπου το μίσθιο χρησιμεύει ως οικογενειακή στέγη και η χρήση αυτή έχει γνωστοποιηθεί στον εκμισθωτή, η καταγγελία της μίσθωσης, στην οποία αυτός προβαίνει, είναι άκυρη εφόσον δεν την κοινοποιεί και στο σύζυγο του μισθωτή, τηρώντας την ίδια προθεσμία.*

Answer: The main obligation of the landlord in a tenancy contract, as set out in Art. 575 GCC is to *"[…] hand over the leased thing to the lessee in a condition fit for the agreed use […]*[171]*.* Furthermore, according to the provision of Art. 583 GCC *"If the stipulated use of the thing leased was either entirely or partially taken away from the lessee through the right of a third party (legal defect), the provisions of Art. 576 to 579 apply by analogy"*[172]*.* It derives from the above provisions of law that the leased thing should be free from any legal defects that could obstruct the agreed use. It is to be noted that in relation to legal defects it is not sufficient for a third party to have a right over the leased thing, as is the case in the contract of sale. It is, on top of that, necessary that said right renders the agreed use partially or totally impossible. As to the rights of T in the present case, they should be those provided in Art. 576 to 579 GCC, which stipulate the tenant's rights in case of real defects. Thus, T has the following **alternative** rights against L:

1. He may ask for reduction or non-payment of the rent (Art. 576 (1) GCC).
2. He may ask for damages due to the non-performance of the contract (Art. 577 GCC).
3. He may terminate the contract (Art. 585 GCC).

In relation to any eventual rights of T against P, it should be mentioned that no contract was there concluded between them. Thus, based on the principle of privity of contracts, T has no rights against P.

At this point, it should be underlined that according to the Greek jurisprudence[173], any restrictions whatsoever imposed by Public Law, as to the agreed use of the leased thing, are not considered as a legal but as a real defect.

8.5: Real defects- Knowledge of the tenant

Facts: T, after having visited and inspected L's property, concludes a tenancy contract with L, whereby it is agreed that T will use said property as the primary residence of his family. T's family comprises of his wife and their three children. However, due to the fact that the rented property has only one bedroom, T asserts that said property is defective, as it is not suitable for the agreed use. Is L liable towards T?

Answer: According to the provision of Art. 576 (1) GCC, *"If the thing leased has, at the time of its delivery to the lessee, a defect which either partially or entirely hinders the agreed use (real defect) or if such a defect has appeared during the term of the lease, the lessee has the right of a reduction or non-payment of the rent"*[174]. Every defect which partially or totally obstructs the agreed use of the thing by the lessee is

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[171] **Art. 575 GCC**: *«Ο εκμισθωτής έχει την υποχρέωση ν παραδώσει στο μισθωτή το μίσθιο κατάλληλο για τη συμφωνημένη χρήση και να το διατηρεί κατάλληλο σε όλη τη διάρκεια της μίσθωσης».*

[172] **Art. 583 GCC:** *«Αν εξαιτίας κάποιου δικαιωματος τρίτου αφαιρέθηκε από το μισθωτή ολικά ή μερικά η σμφωνημένη χρήση του μισθίου (νομικό ελάττωμα), εφαρμόζονται αναλόγως οι διατάξεις των άρθρων 576 έως 579 [...] ».*

[173] AP 170/2004 published at the Athens Bar Data Base "Isokratis"; 912/2000 *Archeio Nomologias (*hereinafter referred to as "ArchN") 52, 250; Piraeus Court of Appeal 481/2001 EDPol 32, 352; 695/2001 EDPol 32, 182; Athens Court of Appeal 9526/1998 EDPol 29, 75.

[174] **Art. 576 (1) GCC:** *«Αν κατά το χρόνο της παράδοσής του στο μισθωτή το μίσθιο έχει ελάττωμα που εμποδίζει μερικά ή όλικά τη συμφωνημένη χρήση (πραγματικό ελάττωμα) ή αν κατά τη διάρκεια της μίσθωσης εμφανίστηκε τέτοιο ελάττωμα, ο μισθωτής έχει δικαίωμα μείωσης ή μη καταβολής του μισθώματος».*

considered to be a real defect. In order to ascertain whether a thing is defective or not, reference should be made to every specific contract; the specific will of the parties i.e. "as what" or "for what purpose" was the thing leased, plays crucial role. However, according to the provision of Art. 579 GCC, *"Lessor cannot be held liable for real defects that were known to the lessee at the time of the conclusion of the contract"*[175]. In the present case, even if the fact that the rented property had only one bedroom could be characterized as a real defect, as it wasn't suitable for the agreed use (the residence of five people), however, L could not be held liable towards T, given that the alleged defect was known to the latter when he concluded the contract.

8.6: Real defects – Exoneration of Liability

Facts: L concludes a tenancy contract with T, whereby they agree that L is excluded from his obligation to hand over the leased thing free of real defects, derogating from the provision of Art. 576 GCC. Would that term be valid?

Answer: According to the Greek jurisprudence[176], due to the fact that the provision of Art. 576 GCC contains a rule of *jus dispositivum,* the application of which can be excluded if the parties agree so, based on the principle of freedom of contracts stipulated by Art. 361 GCC, the term in question will be valid. However, said term should be subject to the restrictions of Art. 332 (1) GCC, according to which *"Any agreement excluding or limiting beforehand liability resulting from willful conduct ("dolus") or gross negligence is void"*[177].

8.7: Subletting

Facts: L concludes a tenancy contract with T. T, in his turn, wants to sublet the rented dwelling to S. Before proceeding to said sublet, T informs L of his intention, and L consents. Some months later, and after the conclusion of the sublet contract, S causes serious damages to the dwelling that come to L's knowledge. Is the sublet between T and S valid? Can L hold T liable for the damages caused by S?

Answer: According to the provision of Art. 593 GCC *"In the absence of an agreement to the contrary, the lessee is entitled to transfer to a third party the use of the thing leased, particularly to sublease it, being liable towards the lessor for the third's party fault. The lessor's consent alone to the sublease or to the assignment of the use does not exonerate the lessee from such liability"*[178]. It derives therefrom that the sublet contract

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[175] **Art. 579 GCCC:** *«Ο εκμισθωτής δεν ευθυνεται για πραγματικά ελαττώματα, που γνώριζε ο μισθωτής κατά τη συνομολόγηση της σύμβασης».*

[176] AP 1270/2004 EllDni 2007, 382; 1591/2000 EllDni 42, 1326; AP 1585/1998 EllDni 40, 130; Athens Court of Appeal 95/2007 EllDni 2007, 917; Thessaloniki Court of Appeal 2132/1991 EllDni 33, 1285.

[177] **Art. 332 (1) GCC:** *«Άκυρη είναι κάθε εκ των προτέρων συμφνία με την οποία αποκλείεται ή περιορίζεται η ευθυνη από δόλο ή βαριά αμέλεια».*

[178] **Art. 593 GCC**: *«Ο μισθωτής έχει δικαίωμα, εφόσον δεν συμφωνήθηκε το αντίθετο, να παραχωρήσει σε άλλον τη χρήση του μισθίου και ιδίως να το υπεκμισθώσει, ευθυνόμενος απέναντι στο εκμισθωτή για το πταίσμα του τρίτου. Μόνη η συναίνεση του εκμισθωτή στην υπεκμίσθωση ή στην παρχώρηση της χρήσης δεν απαλλάσσει το μισθωτή από την ευθύνη αυτή.*

between T and S is valid, given that there was no contrary agreement in the main contract between L and T. However, T is liable vis à vis L for S's behavior, independently of the fact that L was aware of the sublet and he had given his consent.

8.8: Termination

Facts: On 01/01/2005 L concludes a tenancy contract with T for an indefinite period of time. It was agreed that the rent would be paid on a monthly basis. Five years later, L decides to terminate the contract and requests the return of the property. For this reason, on 18/01/2010 L gives relevant notice to T. When does said termination notice produce its effect, and, subsequently, T has to return the property to L?

Answer: As already explained hereinabove [179] pursuant to the provision of Art. 608 GCC, the lease contract which was concluded for an indefinite period of time ends with a termination notice given by either of the contracting parties, i.e. by means of a unilateral statement of the one to the other, notifying the latter of the first's intention to terminate the contract. Furthermore, Art. 609 GCC stipulates the time at which said termination produces its effect. In particular, said Art. provides that *"Regarding the lease of indefinite period, unless otherwise agreed by the parties, termination by giving notice referred to in the previous Art. occurs: […]As regards the rent of an immovable paid per month, at least 15 days in advance with effect from the end of the calendar month"*[180]. We observe that in the present case, L notified T on 18/01/2010. Given that the requirement of a fifteen day in advance notification is not fulfilled, the termination will produce its effect at the end of February 2010, when T shall return the property to L. It should be underlined, that T shall be obliged to regularly pay the rent for January and February 2010, as the contract would continue to be binding for that period. Finally, it is clear that if L had given termination notice before the 15th/01/2010, then the notice would have produced its effects at the end of January 2010.

8.9: Essential Expenses- Prescription

Facts: L concludes a tenancy contract with T in order for the dwelling to be used as the latter's residence. One year after and due to reasons that cannot be attributed to T's fault, the water supply pipelines of the dwelling are seriously damaged. T immediately informs L accordingly, but L doesn't proceed to any action in order to fix the pipelines. Therefore, T decides to fix them on his own initiative. Due to discontent caused by L's behavior, the parties mutually agree to terminate the contract. T returns the dwelling to L, but doesn't receive any compensation for the expenses occurred for the repair, despite the fact that he regularly continued to pay the rent till the termination of the contract. One year after termination, T decides to judicially pursue the matter. Can T claim the expenses occurred?

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[179] *See* Case 3.

[180] **Art. 609 GCC:** *«Στη μίσθωση με αόριστη διάρκεια η καταγγελία του προηγούμενου αρθρου, εφόσον δεν συμφωνήθηκε διαφορετικά, γίνεται: [...] Αν πρόκειται για μίσθωμα ακινήτου που εχει οριστεί κατά μήνα, τουλάχιστον πριν από δεκαπέντε μέρες και ισχύει για το τέλος του ημερολογιακού μηνός»*.

Answer: As it has been already explained hereinabove[181], according to the provision of Art. 576 GCC, the landlord is obliged to maintain the dwelling free from any real defect that may appear during the contract. Moreover, according to the provision of Art. 578 (2) GCC *"the lessee has the right of the previous Art.* [i.e. compensation for non-performance of the contract] *also if the lessor is in default regarding the removal of either the real defect […]. In such a case, however, the lessee has the right himself to remove (the defects) and claim expenses"*[182]*.* Moreover, Art. 591 GCC stipulates that *"The lessor reimburses the lessee for any necessary expenses incurred for the thing (by the lessee)"*[183]. According to the Greek Courts[184] necessary are those expenses which are essential in order for the thing to be maintained suitable for the agreed use. Thus, in the present case, T had the right to repair the pipelines on his own initiative, and L is further liable towards T for paying back all the expenses made. However, pursuant to the provision of Art. 603 GCC *"Lessee's claims for expenses are prescribed by six months after the termination of the contract"*[185]. It derives from the above that T can no longer claim the expenses due to prescription.

8.10: Change of Circumstances – Adjustment of the Rent

Facts: On 2006 L concludes a tenancy contract with T. They agree to a monthly rent of € 500. However, due to the economic crisis which strongly affected Greece from the beginning of 2008, in 2011, T's annual income has decreased in a rate of 40% compared to 2006. T further observes that average rent he would pay for a dwelling of the same characteristics on the same street, if he concluded a new contract in 2011, would not exceed the amount of € 300. For this reason, T asks L to respectively readjust the rent. L denies. Can T file an action against L?

Answer: According to the provision of Art. 288 GCC *"The debtor is obliged to effect the performance as good faith requires, after consideration of common usage"*[186]*.* Moreover, according to the provision of Art. 388 (1) GCC, *"If, having regard to the requirements of good faith and common usages, the circumstances on which the parties based the conclusion of a reciprocal agreement have subsequently changed for exceptional reasons which could not have been foreseen and the performance due from the debtor, taking also into consideration the counter-performance, has, as a result of the change become excessively onerous, the court may at the request of the debtor and according to its appreciation, adjust the debtor's performance to the appropriate extent or decide upon the dissolution of the contract, wholly or with regard to its non-performed part.*

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[181] *See* case 5.

[182] **Art. 578 (2) GCC:** *«Ο μισθωτής έχει το ίδιο δικαίωμα και αν ο εκμισθωτής έγινε υπερήμερος ως προς την άρση του πραγματικού ελαττώματος ή της έλειψης της ιδιότητας. Σ' αυτήν την περίπτωση όμως ο μισθωτής έχει δικαίωμα να επιχειρήσει ο ίδιος την αρση και να απαιτήσει τη δαπάνη».*

[183] **Art. 591 (1) GCC:** *«Ο εκμισθωτής αποδίδει στο μισθωτή τις αναγκαίες δαπάνες που αυτός έκανε στο μίσθιο»*.

[184] Athens Court Appeal 7303/2000 Ell Dni 2002 227.

[185] **Art. 603 GCC:** *«Οι αξιώσεις του μισθωτή για δαπάνες παραγράφονται ύστερα από έξι μήνες αφότου έληξε η μίσθωση».*

[186] **Art. 288 GCC:** *«Ο οφειλέτης έχει υποχρέωση να εκπληρώσει την παροχή όπως απαιτεί η καλή πίστη, αφού ληφθούν υπόψη και τα συναλλακτικά ήθη».*

[…]"[187]. Said provision is a special expression of the principle of *bona fides* and consists derogation from the principle of *pacta sunt servanda.* Recent jurisprudence[188] has accepted that the impact of the international economic crisis to Greek economy can be considered as an exceptional change to the circumstances on which the parties had been based in order to conclude a lease agreement. Thus, tenant may rely on either of the above provisions in order to file an action asking for the agreed rent to be adjusted to the appropriate amount, as this is dictated by the principles of good faith and common usage. The question of whether tenant should invoke the general clause of Art. 288 GCC or the special expression of Art. 388 GCC, can be answered on the basis of whether said change was foreseeable or not. Thus, if the contract was concluded before any financial effects whatsoever had appeared, then the change should be considered as unforeseeable, and, thus, Art. 388 GCC should apply. If, on the contrary, when the parties concluded the contract, the economic crisis had already begun showing its effects, then the general clause of Art. 288 GCC should apply. Therefore, T can file an action against L asking for readjustment of the agreed rent.

[187] **Art. 388 (1) GCC:** *«Αν τα περιστατικά στα οποία κυρίως, ενόψει της καλύς πίστης και των συναλλακτικών ηθών, τα μέρη στήριξαν τη σύναψη αμφοτεροβαρούς σύμβασης, μεταβλήθηκαν ύστερα, από λόγους που ήταν έκτακτοι και δεν μπορούσαν να προβλεφθούν, και από τη μεταβολή αυτή η παροχή του οφειλέτη, ενόψει και της αντιπαροχής, έγινε υπέρμετρα επαχθής, το δικαστήριο μπορεί κατά τη κρίση του με αίτηση του οφειλέτη να την αναγάγει στο μέτρο που αρμοοζει και να αποφασίσει τη λύση της σύμβασης εξ ολοκλήρου ή κατά το μέρος που δεν εκτελέστηκε ακόμη».*

[188] Volos Single Member Court of First Instance 49/2011 unpublished; Athens Single Member Court of First Instance 2192/22010 published in "NOMOS" legal data base; 2963/2009 *Efarmoges Astikou Dikaiou (*hereinafter to be referred to as EfAD) 2010, 691. It is hereby noted that all the above cases concern commercial leases of immovable property.

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9.3. Abbreviations

- AP: Areios Pagos (Greek Court of Cassation)
- GCC: Greek Civil Code
- GCCP: Greek Code of Civil Procedure
- EllDni: Elliniki Dikaiossini (Greek law review)
- DEE: Dikaio Epiheirisseion kai etairion (Greek law review)
- EDPol: Epitheorissi Dikaiou Polikatoikias (Greek law review)
- Arm: Armenopoulos (Greek law review)
- ArcNom: Archeio Nomologias (Greek law review)
- NoV: Nomiko Vima (Greek law review)
- EEN: Efimeris Ellinon NOmikon (Greek law review)
- EfAd: Efarmoges Astikou Dikaiou (Greek law review)