

LEGAL ALERT

AMENDMENTS TO THE PRE-EMPTION RIGHTS OF THE LESSEE

Law no. 64/2018, of 29 October, introduced important changes to the pre-emption rights of the lessee, in properties for housing purposes, which are ruled by article 1091 of the [Portuguese Civil Code](#).

The lessee has now a pre-emption right in the sale and purchase of the leased premises if he has lived in such premises for at least 2 years (before it was 3 years).

The notification to the lessee is made by registered letter with acknowledgement of receipt and the lessee has 30 days from receipt to exercise the pre-emption rights (previously 8 days).

In the case of the premises are being sold together with other properties, joint sale, the owner of the property is required to provide the following information in the notification for the exercise of the pre-emption rights:

- i. Individual price of the leased premises; and
- ii. Evidence that the separation of the assets would imply considerable loss.

In the sale of a property which is not divided in units (horizontal property) the lessee has the right to buy the part of the property which is leased to him. The price is a proportional percentage (*per milagem*) of the total price of the property. This amount must be notified to the lessee. After the acquisition the lessee will have the right of exclusive use of the part of the property previously leased.

If the property is not in horizontal property, and there are various lessees they can jointly exercise their pre-emption rights and acquire the whole property.

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