



**Kuluttajaliitto – Konsumentförbundet ry**

# **Rental guide**

Easy-to-read tips for  
both the tenant and the landlord

## Content

Introduction .....	3
Before signing a tenancy agreement .....	4
Transfer of the residence and keys .....	10
The condition of the residence .....	12
The amount of rent .....	17
The use of the residence during the rental period ....	19
The end of the tenancy .....	23
Guidance and help in disputes .....	34

The Consumers' Union of Finland is the only union in Finland dedicated to promoting the interests of consumers, patients and healthcare and social welfare customers.

The Consumers' Union of Finland is an independent non-governmental organisation open to everyone. You can become a member of the Consumers' Union of Finland on its homepage at [kuluttajaliitto.fi](http://kuluttajaliitto.fi) or by contacting the Union's office.



## Introduction

This guide provides instructions for tenants and landlords. The landlord owns the apartment and rents it to the tenant. Both have rights and obligations, which they should be aware of.

This results in a smoother relationship and less arguments between the tenant and the landlord.

We recommend getting to know these matters before entering into a tenancy agreement.

A tenancy agreement is an agreement between the landlord and the tenant, which both parties must comply with.

The agreement is affected by legislation, but both the tenant and the landlord can agree on many details, such as the condition of the residence, the amount rental fee and increase of the fee.

The tenant and the landlord may not agree on everything as they so wish.

The law stipulates rights and obligations that neither party may deviate from.

Therefore, the tenant's lawful rights may not be reduced through the agreement.

## Before signing a tenancy agreement

A tenancy agreement is based on trust.

Therefore, it is important that the tenant and the landlord discuss the matter openly.

We recommend you to state your hopes and needs.

All agreements are binding.

This includes verbal agreements.

A tenancy agreement may not be illegally changed or terminated.

Therefore, it is important that both parties understand what the agreement entails.

Read the tenancy agreement carefully before signing it.

If you do not understand everything, please consult a professional.

The most important factors of an agreement are the residence and its condition.

For this reason, it is important for both the tenant and the landlord to inspect the residence together before signing a tenancy agreement.

During the inspection, note all the flaws and other important matters concerning the apartment and what should be repaired.

## Checklist for the tenant

- Does the landlord have the legal right to lease the residence?
- What is the duration of the rental period?  
Is this an open-ended or a fixed-term agreement?
- What is the payable rental amount?  
What are the conditions for increasing the rent?  
The grounds for increasing the rent indicates how much can the rent be increased.
- What other areas does the agreement include for the tenant?  
Does the residence include a cellar, an attic closet, a sauna or a laundry room?  
Does the agreement include a parking space or garage?
- Is heating or water included in the rent?
- Are there any upcoming renovations?
- Are there any household appliances included?  
If so, what is their condition?
- How large is the security deposit and how is it paid?

## Checklist for the landlord

- Is the tenant able to pay the rent?  
Inspect the tenants credit report rating.
- What is the form of the tenancy?  
The agreement may be a fixed-term or open-ended agreement.
- What is the agreed upon security deposit?
- Are pets allowed in the residence?  
Is smoking allowed in the residence?  
Write these down on the agreement.
- Tell the tenant of any upcoming renovations.

## Is the agreement an open-ended or fixed-term agreement?

A tenancy agreement may be open-ended, or it may be a fixed-term agreement.

It is important that both parties understand what type of agreement they are signing.

**An open-ended agreement** may be terminated at any time.

It can be terminated by the tenant or the landlord.

The tenancy will end after the notice period.

The tenant must pay rent for the notice time as well.

An open-ended agreement may also include a termination clause, which stipulates the earliest time when the agreement may be terminated.

**A fixed-term agreement** is in force until the day stated in the agreement.

The agreement may not be terminated at an earlier time.

There are several exceptions, but terminating an agreement is difficult.

The tenancy agreement may also be **mixed**.

In this case, the agreement is initially a fixed-term agreement, but is then changed to an open-ended agreement.

The form of the agreement may change after the agreement has lasted for one year, for example.



## Drafting a tenancy agreement

**A tenancy agreement should always be made in writing.**

The agreement should include all clauses that both parties have agreed on.

A verbal agreement may only be in force temporarily.

The problem regarding oral agreements, however, is that it is almost impossible to prove anything later.

The parties in a tenancy agreement are the landlord and the tenant.

A minor can also be a tenant but in these cases a permission must be given by the legal guardian(s) of the minor. The landlord must determine the matter.

A tenancy agreement may be written freely or by use of ready-made templates.

### **The following must be written in the tenancy agreement:**

- The information of the tenant and the landlord (name, date of birth, address, telephone number and email address)
- The exact address of the leased residence
- Other premises that the tenant may use (e.g., basement closet, attic closet or parking space)
- The security deposit
- The amount of rent and the grounds for increasing the rent (the grounds indicate how much the rent can be increased)
- The time when the rent may be increased
- The fees that the tenant must pay in addition to the rent (E.g., sauna fee, water bill, electricity bill, heating costs and parking space).

Make sure that both parties' information is correct. You will need the information for terminating the agreement, for example.

### **The security deposit**

Rental agreements often include a clause stating that the tenant must pay a security deposit. A security deposit is usually in the form of money. The purpose of the security deposit is to ensure that the tenant complies with the agreement. In some cases, a landlord may also pay a security deposit.

If the security deposit is in the form of money, it may be the value of the rent for one to three months.

The tenant usually receives the security deposit back when they move out of the residence, if they have made all necessary payments and have kept the residence in good condition.

For example, if the tenant has not paid rent, the landlord may take the money out of the security deposit.

The landlord may also use the money from the security deposit to pay other bills.

For example, if the tenant breaks a household appliance, the landlord may take their compensation from the security deposit.

It is recommended for both parties to agree for the security deposit to cover all mandatory payments included in the residence, such as the electricity bill, for example.

When both the tenant and the landlord agree on the security deposit, they also agree the time and place where the tenant pays the security deposit. The tenant may not receive the keys to the residence before paying the security deposit. If the tenant refuses to pay the security deposit, the landlord may cancel the agreement. The cancellation of the agreement means that the agreement ends immediately without a period of notice.

## Transfer of the residence and keys

### Inspection

The tenant and landlord should both inspect the residence together before signing an agreement.

The condition of the residence and all flaws should be written down by both parties.

Photographs of the residence and any flaws should also be taken.

The findings of the inspection are written down and signed and dated by the tenant and the landlord.

Both parties will receive a copy of these findings.

It is recommended to keep this written document for as long as the tenancy agreement is in force.

### If the transfer of keys is prolonged

The keys to the apartment must be transferred to the tenant on the first date of the tenancy agreement, unless otherwise agreed upon.

If the tenant receives the keys later, this must be written on the agreement.

The landlord is liable to pay the tenant if the transfer of keys to the residence or a part of it is postponed.

The tenant is not liable to pay rent for the days they were not able to use the residence.



### Keys

The landlord must give a reasonable number of keys to the tenant.

A minimum of three keys for a single residence is recommended. The more residents there are, the more keys should be given.

The tenant is responsible for the keys given to him throughout the rental period.

The tenant is liable to compensate for any lost keys.

The lock of the residence must be replaced if someone finds the key

or the address of the residence is included on the key.

The tenant is liable to compensate for all expenses incurred from the tenant losing the key.



## The condition of the residence

The tenant and the landlord may freely agree on the condition of the apartment, to a certain extent.

They may agree on the condition of the residence at the start and the end of the agreement.

Usually, the residence must be in such a condition that the tenant may reasonably expect.

The reasonable expectations of the condition of the residence also depend on the age of the residence, other residences in the area, as well as other conditions.

The residence must be healthy to live in.

The residence must also meet all the regulations concerning health-related conditions.

This concerns, indoor air, temperature, and noise, for example.

In addition, the residence must include heating, most relevant household appliances and necessary connections.

For example, the residence must include a refrigerator, a stove and an antenna connection.

The residence may also be rented without included household appliances, but this must be agreed upon in the tenancy agreement.

The parties in the agreement may also agree that the tenant is responsible for maintaining the household appliances.

However, the landlord is normally responsible for the household appliances.

For example, if the refrigerator is broken, the landlord must replace it with a new one.

## Right to rent reduction and damages

The tenant has the right to be compensated

- if the condition of the residence is not what was agreed upon.

The tenant has the right to receive compensation for the full period that the situation has lasted.

The compensation may be a deduction or a full relief from paying the rent.

A full relief means that the tenant does not have to pay rent.

The deduction of the rent may not be calculated directly from the amount of unused square meters.

For example, a bathroom is more important than a sauna.

The tenant does not have to pay rent for the period they are not able to live in the residence.

The obstruction may be due to renovations.  
If the tenant's property is left in the apartment, they might have to pay rent for storage.

The tenant is also eligible to receive compensation if the landlord causes damage to the residence.

### **The condition and maintenance of the residence**

The tenant must take good care of the residence.  
The tenant is liable for paying damages for any damage they have caused.  
Whether the damage was caused on purpose or not is irrelevant.  
The tenant is liable for paying damages for losses resulting from negligence on the tenant's part.  
Negligence means that the tenant has failed to take care of the residence.

The tenant is not liable for damage by normal wear and tear.  
Normal wear and tear include small scratches on the floor and picture frame spots on the wall.

Marks left by pets and smoking are also classified as normal wear and tear.  
Pets are allowed to leave marks on the floor to some extent.  
However, ripped wallpapers and bite marks are not signs of normal wear and tear.  
The tenant may be liable for replacing them.

If the tenancy agreement prohibits pets and smoking in the residence, then the tenant is liable for all damage resulting from pets or smoking.



### **Renovation and repair**

The landlord and tenant may agree on any renovation and repair work concerning the residence.  
The tenant may not repair or renovate the residence without the landlord's permission.  
This includes painting the walls, for example.

If a fault requires immediate fixing, the landlord has the right to do so immediately.  
The landlord may also maintain and repair the residence as long as it does not cause harm to the tenant.  
The landlord must inform the tenant of the maintenance and repair 14 days prior to any work.  
If the renovation would cause greater harm to the tenant, the landlord must inform him at least six months prior to starting the work.



**The rent includes all expenses unless otherwise agreed upon in the tenancy agreement.**

For example, the water bill is included in the rent, unless otherwise agreed.

All separate agreements should be made in writing.

## **Checking the rental amount**

In practice, checking the rental amount refers to increasing it.

The tenant and landlord may agree on checking the rental amount, if:

- The tenancy agreement is open-ended
- The tenancy agreement is fixed and lasts three years or longer.

Both parties are recommended to agree on checking the rental amount in the tenancy agreement.

The matter can also be agreed on otherwise.

If the tenant and landlord cannot agree on the matter, the landlord may terminate the agreement.

In this case, the landlord must comply with the notice period.

The landlord may not increase the amount of rent before the end of the notice period.

Increasing the rent requires grounds that are agreed on in advance.

The grounds may be upkeep costs, an increase in euros, or a percentile increase.

The increase of the amount of rent must be agreed on in advance and the increase must be within reasonable limits.

**The investigation whether the amount of rent is reasonable can be made in court or in the Consumer Dispute Board**

The court and the Consumer Dispute Board may inspect whether the rent has been increased in a legal manner.

The investigation can be started at the tenant's or the landlord's request.

## **The use of the residence during the rental period**

The tenant's family may live in the residence without the landlord's permission.

In this case, family refers to a spouse or partner and children in the family.

The family's children may belong to both partners or to one of them.

If a spouse or partner leaves the residence, the spouse or partner remaining in the residence is liable to pay rent and other fees related to the residence.

The spouse or partner is liable to pay even if they have not signed the tenancy agreement.

## Sublease

Subleasing refers to the tenant leasing a part of the residence to another person.

A tenant may lease up to half of the residence to another person, as long as this does not cause trouble for the landlord.

Subleasing does not require the landlord's permission.

The new tenant is referred to as a sub-lessee.

The prior tenant is the main tenant.

### **The tenant and sub-lessee are in a subtenancy relation.**

The period of notice for the subtenancy relation differs from that of the main lease.

### **The parties in the main tenancy are the landlord and the tenant.**

The periods of notification in a subtenancy relation:

- **When the sub-lessee terminates the agreement,** the period of notice is 14 days.
- **When the main tenant terminates the agreement,** the period of notice is one to three months.  
If the tenancy has lasted less than a month, the period of notice is one month.  
If the tenancy has lasted more than a year; the period of notice is three months.

## Re-renting

Re-renting means that the tenant leases the entire residence to another person.

This results in a re-renting relationship.

Re-renting must be approved by the landlord.

Both parties are recommended to agree on the matter in writing, such as in the tenancy agreement, for example.



## Transferring the tenant's right to lease

Transferring the right to lease means that the tenant moves out of the residence and allows a third party to move in.

Unless the matter has been agreed in the tenancy agreement, the transfer of the right to lease requires the landlord's permission. If a tenant transfers their right to lease to another person without permission, the landlord has the right to cancel the agreement immediately. However, the tenant may transfer their right to lease to a family member living in the same residence.

## The landlord's death or another transferral

The change of the landlord has no effect on the position of the tenant.

The landlord changes if the residence is sold, for example. If the landlord changes, the ownership of the residence is transferred to another person through inheritance or a will.

The tenancy agreement obligates the new owner of the residence as well.

If the new owner wishes to terminate the tenancy agreement, they must comply with the period of notice.

The period of notice is calculated for the entire living period.

The grounds for increasing the rent also apply to the new owner.

The grounds for increasing the rent indicate how much the rent can be increased.

## The death of the tenant

The tenancy agreement stays in force even after the death of the tenant.

After the death of the tenant, the agreement stays in force with the death estate as the new lessee.

The death estate refers to the people who share the tenant's inheritance.

If the death estate wishes to terminate the tenancy agreement, it must comply with the normal period of notice.



## The end of the tenancy

A tenancy can end in three ways:

1. The termination of the agreement
2. A fixed-term lease ends on the agreed upon date
3. The agreement is cancelled.

### Method 1: The tenancy agreement is terminated

**An open-ended agreement ends when it is terminated by the landlord or the tenant.**

The length of the period of notice depends on which party terminates the agreement.

- **When the tenant terminates the agreement,** the period of notice is one month at most. The period may also be shorter.
- **When the landlord terminates the agreement,** the period of notice is between three and six months. If the tenancy has lasted less than a year, the period of notice is three months. If the tenancy has lasted more than a year, the period of notice is six months.

The period of notice is calculated from the last day of the month when the other party receives a written notice of termination.

When the landlord terminates the tenancy agreement, they must state the reason for termination and the time when the tenancy ends.

The landlord must also have an acceptable reason for terminating the agreement.

### **Both parties carry the burden of proof for termination**

#### **A tenancy must be terminated in a way that the termination can be proved in the future.**

If the termination is notified verbally, the other party's signature or a witness is required.

The tenant or landlord must sign a document stating that they have been informed of the termination.

Another option is

that an external witness is present.

In some cases, a judicial officer employed by the district court can be called as a witness.

A party can also be informed of the termination via email, text message or a Letter with Advice of Delivery from the postal service.

However, this requires an acknowledgement or response from the other party, which states that they have received and read the notification.



### **An open-ended agreement may include a clause regarding the time of termination**

An open-ended agreement may also include a termination clause. The clause indicates the earliest time when the agreement may be terminated.

For example, an agreement is open-ended, but it may be terminated within twelve months at the earliest. An agreement may not be terminated before the specified date. Doing so would constitute a breach of the agreement by either party, who would then be liable to pay damages to the other party.

## **Method 2: A fixed-term agreement ends on the agreed date**

A fixed-term tenancy agreement obligates both the tenant and the landlord as long as the agreement is in force.

**A fixed-term agreement ends on the date written on the agreement.**

**The agreement may not be terminated before that time.**

A fixed-term agreement may end on a prior date if the tenant and landlord agree so together.

An agreement may also end if another party breaches it.

An agreement may also end due to the court's decision.

In some cases, a court may decide to exempt the tenant from a fixed-term agreement. In this case, the tenant may terminate the agreement.

For example, a tenant may be exempt from a fixed-term agreement in the following situations:

- The tenant may no longer live in a residence, because they or their family member has become ill or injured.
- The tenant must move to study in another municipality.
- The tenant or their spouse or partner is employed in another municipality.

The court may also grant the landlord the right to terminate the tenancy agreement due to a similar reason. Even in this case, the statutory notice periods must be complied with.

If the tenant becomes exempt from the agreement before the date of expiry, they must pay damages to the landlord. The same applies to the landlord, if they become exempt from the agreement before the date of expiry.

## **How is a mixed tenancy agreement terminated?**

**A mixed tenancy agreement is first fixed and then open-ended.**

The agreement may change to another type after a year, for example.

Normally, a fixed-term agreement may not be terminated.

An agreement may only be terminated after it has been changed to an open-ended agreement.



### **Method 3: The tenancy agreement is cancelled**

The cancellation of the tenancy means that the tenancy ends immediately without a period of notice. The cancellation of an agreement is rare. An agreement may only be cancelled in the cases described by the law.

#### **The landlord's right to cancel the tenancy agreement**

##### **The landlord may cancel the tenancy agreement when:**

- The tenant does not pay rent for at least two months
- The tenant transfers the agreement to another person
- The tenant gives the residence to another person
- The tenant fails to take care of the residence
- The tenant disturbs their neighbours repeatedly.

Neighbours may be disturbed by loud music, noises, and partying, for example.

The time of the noises is also significant.

A tenancy agreement may not be cancelled due to normal noises. Normal noises include everyday walking and speech, for example. The shower and bathroom may also be used at any time, even during the night.

### **Tenant's must usually be warned of the cancellation of the agreement**

**The tenant must be warned in advance,** if the landlord wishes to cancel the agreement due to the following reasons:

- The tenant disturbs the neighbours
- The tenant fails to take care of the residence
- The tenant fails to comply with the police or health regulations
- The tenant uses the residence for another purpose than that which was agreed upon in the tenancy agreement.

It is important to warn the tenant first.

If the tenant receives a warning and ceases with their improper behaviour, the landlord does not have the right to cancel the tenancy agreement.

The warning must be given to the tenant in such a manner that it may be proven later.

Therefore, the tenant must sign a document stating that they have received the warning.

A witness may also be called.

**The tenant does not have to be warned,** if the landlord is cancelling the agreement for the following reasons:

- The tenant has not paid rent
- The tenant has transferred the tenancy agreement to another party
- The tenant has given the residence to another party.

## The tenant's right to cancel the tenancy agreement

### The tenant has the right to cancel the tenancy agreement when:

- The residence constitutes a health risk
- The transfer of the keys to the residence is postponed, i.e., the tenant does not receive access to the residence in time
- The residence is not in the condition which was agreed upon
- The residence is in poor condition but not due to any fault on the tenant's part.

For example, if there is mould in the residence, the tenant has the right to cancel the agreement.

If the residence is in poor condition due to the tenant's actions or negligence, the tenant does not have the right to cancel the agreement. Neither does the tenant have the right to cancel the agreement, if the faults are minor or they are corrected within a reasonable period.

### The party cancelling the agreement must always notify the other party

When a tenancy agreement is cancelled, the other party must receive a **notice of cancellation**.

The notice must always be made in writing.

The notice must state:

- The reason for which the tenancy agreement is cancelled
- When the tenancy will end.

The notice of cancellation must be given in such a manner that it can be proven later.

## Damages upon cancelling the tenancy

**The landlord has the right to receive compensation** from the tenant, if the tenancy is cancelled due to a reason for which the tenant is at fault.

The landlord incurs additional costs if the tenant does not pay rent or the landlord must seek a new tenant for the residence, for example.

The same applies vice versa.

**The tenant has the right to receive compensation** from the landlord, if the tenancy is cancelled due to a reason for which the landlord is at fault.

For example, if the landlord has been negligent or has managed matters poorly, they are liable to pay damages to the tenant. The tenant may receive money for the search of a new residence and for moving.

## Eviction

In some cases, the tenant refuses to leave the apartment despite the tenancy having ended.

In this case, the tenant may be evicted, i.e., expelled from the residence.

The landlord may not personally evict the tenant.

Eviction requires the decision of the court, after which the bailiff evicts the tenant.



## Moving day

The moving day may be included in the tenancy agreement. If the date is not included in the agreement, the moving day is the date after the termination of the tenancy agreement.

For example, a tenancy agreement may be terminated so that the period of notice ends on the last day of January. In this case, the moving day is the first day of February, unless it is a Saturday, Sunday, or a national holiday.

## Returning the security deposit

Typically, the tenant pays the security deposit at the start of the tenancy. When the tenant leaves the residence, the security deposit is returned to them.

## The security deposit is returned to the tenant, if:

- They have kept the residence in good condition
- They have cleaned up the residence before leaving
- They have paid rent and other bills.

The landlord must return the security deposit immediately after inspecting the apartment.

If the tenant has failed to perform their duties, the landlord has the right to keep the security deposit or a part of it. The landlord may use the funds from the security deposit to pay costs incurred from the tenant's negligence or actions. For example, if the tenant has caused damage to the residence, the landlord may use the security deposit to pay for renovation.

However, the security deposit may not be used to pay for repair work resulting from normal wear and tear. Normal wear and tear include small scratches and frame spots on the wall.





## Guidance and help in disputes

### **The Consumer Union's counselling service**

assists both tenants and landlords.

The counselling service is free of charge and available for everyone.

You can call us at +358 40 92 33 844.

Our counselling times are shown on our website at [www.kuluttajaliitto.fi/en](http://www.kuluttajaliitto.fi/en).

### **The consumer advice service of the Finnish Competition and Consumer Authority**

will also provide assistance for rent-related issues.

It also provides advice on

disputes between consumers and companies.

The service is free of charge.

The contact information of the service can be found at [www.kkv.fi/kuluttajaneuvonta/](http://www.kkv.fi/kuluttajaneuvonta/).

If a rental dispute arises, we recommend both parties to resolve the matter together. If this is not possible, the dispute can be taken to the Consumer Disputes Board or the court.

The Consumer Disputes Court may process disputes between the tenant and the landlord and recommend a solution.

The solution does not have to be complied with, however. Processing disputes is free of charge.

The court's decision is binding, which means that it must be complied with. Decisions may be appealed against, however. Processing the dispute is subject to charge, and additional costs are incurred from the lawyers' fees. Typically, the loser of the dispute must pay for the legal costs of both parties.

*The cat destroyed the walls – who will pay for renovation?  
Can a fixed-term tenancy agreement be cancelled?*

# Rental guide

## Easy-to-read tips for both the tenant and the landlord

This guide provides instructions on renting a residence. The guide includes information on the tenant's and the landlord's rights and obligations. The landlord owns the apartment and rents it to the tenant.

The guide also describes

- The legal provisions regarding rental living.
- What can be agreed in the tenancy agreement
- How a tenancy can be ended.

This guide is intended for both tenants and landlords.

The Consumer Union of Finland has extensive experience on aiding both tenants and landlords.

In addition to the Finnish version, information on rental living is available in different languages.

The guides can be found from the Consumer Union of Finland website [www.kuluttajaliitto.fi](http://www.kuluttajaliitto.fi).



**KULUTTAJALIITTO**  
**KONSUMENTFÖRBUNDET**

Kuluttajaliitto – Konsumentförbundet ry 2021

ISBN 978-952-9787-30-2 (nid.)

ISBN 978-952-9787-31-9 (pdf)