Subletting like a pro

There's nothing to it!

If you are thinking of going to live abroad and subletting your apartment, there are a few things you need to consider. Following these simple tips will help ensure that everything is just as you left it when you return.

Things to remember when subletting:

Get the landlord's consent

Even if you don't have any contact with the landlord, apart from transferring the rent to them every month, and the landlord doesn't live there or anywhere nearby: they still have to be informed and – most importantly – agree to you subletting!

Important: If you want to sublet your apartment, you must have the landlord's permission. Regardless of whether you're subletting a room or the entire apartment. The main tenant has to inform the landlord of every new subtenant. Subletting without permission or formal agreement from your landlord, could, in the worst-case scenario, lead to your tenancy agreement being terminated!

Useful tips: There is no ban on subletting. Legally, there is nothing to stop it! And a clause in your rental agreement that prohibits subletting is invalid! However, the landlord can refuse subletting, if:

- 1. the main tenant refuses to disclose the subletting terms and conditions.
- 2. the subletting terms and conditions are misused in comparison to those for the main subtenant. In other words: if the main tenant gains financially.
- 3. subletting presents significant disadvantages for the land-

Zebrabox tip: When we hear the term subletting, many people think of Airbnb – and the pot of gold that you can earn by subletting an apartment in the best inner-city locations. That is illegal! Generally, it's not a problem to rent out your house in order to secure it long term. But not indefinitely. You must have the intention of moving back in yourself at a later date, otherwise it might cause problems. If you don't plan on

moving back in, then it's better just to give your notice.

Tenancy agreement

It is not compulsory or legally obligatory for the main tenant and subtenant to sign a tenancy agreement. However, for people that don't want to take risks, a tenancy agreement is a must!

Important: A subletting tenancy agreement is like a normal tenancy agreement and serves to protect both parties. It is between the main tenant and the subtenant and is a written agreement of all the important information, such as rights and obligations as well as any individual arrangements. Even minor details are recorded in writing. The best option is to use the <u>sample contract</u> of resubletting from the Swiss Tenants' Association. That includes all the important points!

Useful tips: What else should it include? For example, it should include the rent as well as additional costs (how are you going to divide them?!) Not outlining any additional costs? Then they are already included in the rent. All the important elements that a tenancy agreement should include are listed online by the *Swiss authorities* ⁶⁶.

Zebrabox tip: Leaving space for comments, provides room to record any special arrangements or agreements. Have two copies of everything. Don't forget the signatures!

Rent and deposit

When subletting your flat, as the main tenant you have a right to charge rent. However, how much you charge isn't up to you – there are clear rules!

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Important: When subletting your apartment you can demand a surcharge, but only a maximum of 10 percent. If the apartment is furnished, then a surcharge or 20 percent is allowed. This covers wear and tear to the furniture. Be aware: if you charge too high a rent when subletting your apartment, then it could turn out costly. The profit together with interest must be retrospectively reimbursed to the landlord!

Useful tips: The main tenant is responsible for paying the rent. If the subtenant doesn't pay the agreed rent or pays it late, then the main tenant still has to cover the rental payments. So, as the main tenant, if there are rent defaults, this could have serious consequences for you when you move back in: the tenancy agreement may be terminated – without warning, because it is classed as a breach of contract. However, the subtenant can also have their tenancy terminated. If the subtenant doesn't pay the rent on time, then the main tenant can also end the tenancy agreement. It is essential that a <u>rental deposit</u> (also known as a security deposit) is agreed in the tenancy agreement. If there is no mention of a deposit in the tenancy agreement, then nothing has to be paid. If it is part of the contract then the rule applies: maximum three months' rent.

Zebrabox tip: The subtenant has never hurt a fly? They never use anything carelessly? That doesn't matter: if something in your apartment gets damaged, having a deposit means that you're covered financially – depending on the damage! So, if the situation arises, you can purchase new items or re-paint walls.

Risks and potential problems

If you choose to sublet your apartment, then you also become a landlord and therefore have rights and responsibilities towards your subtenant.

Important: The main tenant is liable for any <u>damage</u> [™] in the flat. Even if it occurs while you're subletting. When subletting, it's better to be safe than sorry!

Useful tips: You need to think carefully about who you sublet your apartment to and play it safe. That includes:

· keeping a copy of their ID document

- asking for an extract from the debt collection register
- demanding contents insurance and liability insurance, in case something gets damaged
- signing a tenancy agreement (and sending it by registered mail)

Meeting the subtenant in person is always better than just contacting them online or by phone. At the latest, you should meet in person at the apartment hand over (if necessary, you could send a friend or someone else who you trust). That helps to avoid any unwelcome surprises! At the hand over, it's best to go through the apartment together and tick off the inventory list (with photographic evidence!) and then both parties need to sign it. If you have any furniture or valuable items that you don't want to entrust to your subtenant, then it is best to put these in a <u>storage unit</u> [©] while you are away. In addition, the *inventory inspection report* [©]-should also generally include any existing damage and the number of keys that were handed over. The rule of thumb is always: leave the apartment as you want to find it on your return. Do you expect the apartment, including the toilet, to be clean and the rubbish to have been taken out? Then you should also hand it over to your subtenant in this condition - and emphasise it for good measure.

Zebrabox tip: If medium or large-scale defects occur in your apartment while you are subletting it, which exceed a sum of up to 150 francs/year (depending on the location), then the subtenant is obligated to inform the main tenant promptly. If they don't, then they might be liable for the damages. The main tenant then has to repair the damage, reduce the rent or pay compensation. The main tenant needs to give the subtenant authorisation to have the repairs carried out directly. Otherwise, the whole process will have to be organised through the main tenant.

Notice of termination

Tenancy agreements can be for a fixed or an indefinite period. However, most tenancy agreements are for an indefinite period of time. In this case, both parties are able to give <u>notice</u> <u>of termination</u> subject to specific regulations and notice periods (usually 3 months).

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Important: When subletting, both parties are able to give notice of termination. This usually has to be in writing. If the subtenant wants to move out earlier than agreed, then that may be possible, if they find an acceptable new subtenant.

Useful tips: The main tenant can also give notice on the apartment while subletting it. The subtenant is then also affected by the <u>notice of termination</u> and must be informed immediately. Unlike the main tenant, the subtenant is not entitled to apply for an extension of the term of the tenancy and has no claim against the main tenant. An important difference.

Zebrabox tip: You can contact the Tenants' Association Hotline 0900 900900 (CHF 4.40/ min) with questions about lease disputes and landlord-tenancy law. The average consultation lasts 5-10 minutes (gather all the relevant documents together in advance and jot down your questions!). Or you could become a member for 85 francs a year? Members are offered legal advice, legal assistance in lease disputes and more. For an extra 12 francs, members who have a private apartment can take out *tenants' liability insurance*

