

Royal Decree-Law 28/2026 (New Maricarmen Decree), of 6 October, adopting urgent measures to strengthen the stability of habitual residential lease agreements

On **6 October 2026**, the Council of Ministers **approved Royal Decree-Law 28/2026 of 6 October adopting urgent measures to strengthen the stability of habitual residential lease agreements**, which was published in the *Spanish Official State Gazette (Boletín Oficial del Estado, or BOE)* on **7 October 2026**. The Royal Decree-Law will enter into force on **15 November 2026** and must be submitted for parliamentary ratification by the **Standing Committee** of the Congress of Deputies.

Royal Decree-Law 28/2026 again amends Article 10 of Law 29/1994 of 24 November on Urban Leases (LAU), Paragraph 1 of which had been amended **by Royal Decree-Law 29/2026**. In particular, it replaces the annual tacit extension, for a maximum of **three additional years**, with a system of mandatory tacit extensions for successive periods of **five or seven years**.

I. Mandatory tacit extension of lease agreements

Once the lease has been in force for at least **five years**, or **seven years where the landlord is a legal entity**, a habitual residential lease agreement or any extension thereof, including voluntary and statutory extensions, will be tacitly and mandatorily extended for **successive periods of five or seven years**, respectively.

The extension will not apply if the landlord gives at least **six months' notice** of its intention not to extend the lease, or if the tenant gives at least **two months' notice**.

This extension applies once the **minimum** five-year or seven-year term has been reached. It must therefore be distinguished from the **initial mandatory extension under Article 9.1 LAU**, which operates annually until the relevant minimum term is reached where the originally agreed term is shorter.

II. Compensation where the landlord elects not to extend

Where the landlord **validly** gives notice of its intention not to extend the lease, the landlord must compensate the tenant in an amount equal to the greater of: a) **twelve monthly payments** calculated by reference to the upper end of the individualised range applicable to the leased dwelling under the State Rental Price Reference System or b) **one monthly payment for each year** during which the tenant has resided in

the dwelling, calculated by reference to the same value, with periods of less than one year prorated by month and periods of less than one month prorated by day.

If no individualised value can be obtained for the dwelling under the State Rental Price Reference System, both amounts will be calculated by reference to the **monthly rent in force on the date of the non-extension notice**.

Compensation must be paid when **possession** of the dwelling is **returned**, except in cases where the landlord recovers the dwelling on grounds of need.

A transfer of ownership of the leased dwelling does not extinguish the tenant's right to compensation. The **purchaser** that succeeds to the landlord's position will be liable for payment, provided that none of the statutory exclusions apply.

III. Circumstances in which compensation is not payable

Compensation will not be payable where, in relation to the expiry date referred to in the non-extension notice, the tenant meets the statutory requirements to obtain, upon **request**, a statutory extension that the landlord is required to accept but fails to request it.

If the tenant requests the extension and the extension applies, the right to compensation will be **deferred until the extension expires**, at which time it will become payable unless another exception applies.

Compensation will also not be payable in the following circumstances, which must be **expressly, fully** identified in **writing** in the non-extension notice:

a) The landlord is an **individual** and needs the dwelling as a **permanent residence** for the landlord, relatives up to the second degree by blood or adoption or the landlord's spouse following a final judgment of separation, divorce or annulment.

However, if the relevant person does not occupy the dwelling within **three months** after possession is returned, the tenant will be entitled to compensation unless *force majeure* applies.

b) The tenant has not occupied the dwelling for more than **six months during the 12 months preceding notice**, unless the absence is justified or the persons referred to in Article 7.1 LAU have continued to reside there.

c) On the date of notice, the tenant owns outright or holds a *right in rem* to use or enjoy, **another suitable dwelling in the same municipality**, and is able to occupy that dwelling.

d) The parties enter into a new habitual residential lease agreement.

e) The tenant expressly or tacitly rejects a duly evidenced offer, made by the landlord **during the notice period**, to enter into a new habitual residential lease agreement for the same dwelling.

Said offer must guarantee a **minimum** term of **five** years, or **seven** years where the landlord is a legal entity and the new monthly rent must comply with Article 17.6 LAU, even if the dwelling is not located in a stressed residential market area.

IV. Agreed extensions following a non-extension notice

If, after the landlord has given notice of its intention not to extend the lease, the parties agree a voluntary or contractual extension, its term may not be shorter than **five years** or **seven years** where the landlord is a legal entity.

Any provision in the extension agreement that amends the original lease terms to the tenant's detriment will be **null and void and deemed not to have been included**.

V. Extraordinary extension of up to one year on grounds of vulnerability

At the end of the mandatory extension period under Article 9.1 LAU, or any successive extension under the new Article 10.1 LAU, where the lease is due to terminate because the landlord has validly given notice of non-extension, the tenant may request an extraordinary extension of up to one year.

The tenant must provide evidence of social and economic vulnerability by means of a report or certificate issued during the preceding year by municipal or regional social services.

A large-scale residential property owner must accept the request unless the parties have entered a new lease. The terms and conditions of the existing lease will continue to apply during the extension.

This extension may not be aggregated with other extraordinary extensions. If several extensions are available, the tenant may choose the most favourable, without prejudice to the priority of the extension applicable in stressed residential market areas.

At the end of the extension, the lease will terminate pursuant to the non-extension notice that triggered its application, without the need for further notice, unless the parties agree to another extension or enter a new lease. Any compensation for non-extension will become payable at that time.

VI. Extraordinary extension of up to three years in stressed residential markets

Where the dwelling is located in a stressed residential market area and the mandatory extension period under Article 9.1 LAU, or any successive extension under the new Article 10.1 LAU, expires, the tenant may request **annual extensions** for a maximum period of **three years**, provided that the landlord has validly given notice of non-extension.

The landlord must accept the request unless: a) the parties agree other terms and conditions; b) the parties enter into a new lease subject to any applicable rent limitations or c) the landlord has given notice, within the periods and subject to the conditions established in Article 9.3 LAU, of the need to occupy the dwelling as a permanent residence for the landlord or qualifying relatives, as described in Section III above.

This extension is **incompatible** with other extraordinary extensions established by legislation and applies in priority to those extensions.

At its expiry, the lease will terminate under the prior non-extension notice without the need for further notice, unless the parties extend the lease or enter a new lease. Any applicable compensation will **become payable** at that time

VII. Coordination with the extraordinary extension of up to two years

The extraordinary annual extension for up to **two additional years** under **Final Provision Five of Royal Decree-Law 29/2026** will not apply where the mandatory tacit extension for successive periods of five or seven years under the new Article 10.1 LAU applies.

Where the two-year extraordinary extension applies to a lease in respect of which the landlord has already validly given notice of non-extension, the lease will terminate when that extension expires unless the parties **agree** to a voluntary or contractual extension under the new Articles 10.3 and 10.4 LAU; or the parties enter into a **new** lease.

If the lease terminates at the landlord's election and **none** of the circumstances established in Article 10.2 LAU apply, the tenant will be entitled to the **compensation** under Article 10.1 LAU, subject to the applicable transitional regime

VIII. Affected lease agreements and transitional regime

The new Article 10 LAU will apply to habitual residential lease agreements in force on **15 November 2026**, in respect of the expiry of the lease, or any extension thereof, occurring on or after **16 November 2026**. The new regime is therefore not limited to leases entered after the Royal Decree-Law takes effect.

Valid non-extension notices given by a landlord before **7 October 2026**, the date on which Royal Decree-Law 28/2026 was published, will remain effective and will not give rise to compensation, even if a statutory extraordinary extension subsequently applies to the lease.

For leases with **less than six months** remaining to expiry, or to the expiry of the current extension, on **15 November 2026**, the landlord may give notice at least **four months in advance**, rather than the generally applicable six months.

Leases that, on **15 November 2026**, are already within the annual extension period of up to three years under the previous wording of Article 10.1 LAU will continue under that regime until it ends. The new system of successive five-year or seven-year extensions **will then** apply.

The reference to Article 10 LAU in **Transitional Provision Four of Law 12/2023 of 24 May on the Right to Housing**, as amended by Royal Decree-Law 29/2026, will be construed as a reference to Article 10 as amended by Royal Decree-Law 28/2026. This is without prejudice to the transitional rules applicable to existing leases and non-extension notices given before the Royal Decree-Law entered into force.

Habitual residential leases under **tacit renewal pursuant to Article 1566 of the Spanish Civil Code** on **15 November 2026** will become subject to the new Article 10 LAU from the first expiry of the tacit-renewal period occurring after Royal Decree-Law 28/2026 takes effect.

Until that time, their duration will **continue** to be governed by Articles 1566 and 1581 of the Spanish Civil Code.

For leases under tacit renewal, the period from the date of the original lease and the subsequent tacit-renewal period will be **aggregated** when determining whether the minimum five-year or seven-year term has been met.

Valid notices or demands intended to terminate tacit renewal that were given before **7 October 2026** will remain effective and will not give rise to compensation.

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