

Housing in Denmark

Welcome to Copenhagen! One of the issues that most expats mention as a difficult part of relocating to Denmark, is housing. The rental market is tricky, for a multitude of reasons. But with the right information, it needn't be so hard. Here is a guide to understanding the market, and how best to navigate it for you and your family. We also take you through some of the quirks of renting and housing in general, to prepare you for some of the more notable differences between Denmark and other countries. Charlie's Roof is a housing and relocation company, with a primary focus on helping internationals find their new home in Denmark. Never hesitate to reach out to us if there is anything we can assist with.



Kind regards,

Alison O'Keeffe
Partner and COO

Introduction

The rental market in Denmark is notorious amongst expats – everyone has a story to tell. State involvement in housing, as well as many old systems for governing housing needs, have left a rather small and fractured property rental market, with lots of quirks (most people can probably think of some less kind words to use to describe it!) There are many laws governing the rental market, and a lot of the time it seems that such tight legislation causes more problems than it solves. There is a lot of fear from both landlords and tenants, which causes some friction. But with the right information, there is no need to be afraid.

Deposits

Deposits are the main housing concern amongst expats and Danes alike, because they are so prohibitively large. The relative value of a deposit makes it all the more concerning when it is difficult to get back, as it can be. 3 months' rent is the standard deposit for all kinds of properties, landlords and contracts. It is very uncommon to pay less. You will hear it said amongst renters that "landlords think they can just keep the deposit" but there is a firm system in place to make sure this doesn't happen, so if you can utilize that system, you can protect your deposit. Here is what you need to do:

1. Understand your rent contract. Rent contracts are typically quite explicit about the expectations placed on the tenant in relation to the condition of the apartment at move-in,



and what it must be returned to at move-out. So make sure you understand what your contractual renovation and maintenance obligations are.

2. Make a move-in report. Any landlord with more than one property is legally obliged to make a move-in report, and most one-property landlords will want to do it as well, as it protects both parties. A move-in report documents the condition of a property, room by room, in writing and in photos, in order that the landlord and tenant have a mutually agreed statement of the condition of the property when the new tenant takes over. By law, the tenant has an additional 14 days to add something to the report which may have been missed during the move-in inspection.
3. Do a pre-move-out check. Not all landlords will offer this, but if at all possible it can be worthwhile to do a walk-through of the property in the weeks leading up to the termination of the contract, so that you have time to fix any issues before the end of the contract. This can save you a lot of money, as you can have the issues fixed yourself, or by someone you know. If the landlord is to make renovations after you move out, it will be done by a craftsmen selected by him, but the bill will be yours to pay.
4. Make a move-out report. At the end of your contract, a similar report will be made as at the move-in. This report will be compared to the move-in report, to assess what damages have occurred and what renovations need to be made. Having made a good and thorough move-in report becomes vital at this stage, as it will make it very difficult for any issues to be unfairly attributed to your tenancy.

Having a professional assist you with making the various reports, as well as understanding your lease contract, can be very valuable when a 3 month deposit is on the line.

Don't forget that the 3 month deposit is not the only upfront cost to be paid – a landlord can ask for 3 months' rent to be paid up front, as well as the first month of rent. This is because the notice period on most Danish rental contracts is 3 months, so this prepaid rent covers the final months of rent in your property. This money can't be used by the landlord as a security deposit, it can only be used in lieu of rent.

Contracts

Danish rent contracts also have some other strange clauses by international standards.

- ✍ Time limits. The majority of housing suitable for expats is rented out for a limited period only; usually 2 or 3 years. If you specifically require an unlimited tenancy, you will restrict your housing options a lot.



- ✍ 14 day early departure. It is permitted for a landlord to require a tenant to move out 14 days in advance of the final date of the contract, in order to give them the time to do any necessary renovations. The tenant is required to pay rent during this time.
- ✍ Gross m2. The area of a property in the contract (and advertised) is almost always gross, so it can include common areas, lifts, stairs, interior walls etc. So if you are used to a country where the net living area is the common metric, you should prepare yourself for much smaller properties in reality, in comparison to the m2 advertised.
- ✍ Aconto. Some utilities are usually paid directly to the landlord, and often a system is used whereby the utilities are paid 'on account' or aconto. This means that you pay a fixed amount every month, but at the end of the calculation year the usage is measured, and the account is settled: you pay extra if you underpaid in comparison to your usage, or you get money back if you overpaid in comparison to your usage. The utilities not paid to the landlord along with the rent payment are paid directly to the supply company. It will be stated clearly in your rent contract, whether the utilities are paid via the landlord or not.
- ✍ Maintenance. Almost all rental contracts stipulate that maintenance of the property is the tenant's responsibility. The landlord is responsible for technical breakdowns (e.g. washing machines) when the breakdown is caused through no fault of the tenant's own, but the tenant is responsible for the ongoing maintenance of these items, such as removing limescale (which there will be a lot of, as water is really hard in the Copenhagen area). Other areas of normal maintenance expected of the tenant are (when necessary) painting, upkeep of the garden or outdoor space, maintenance of wooden floors etc.
- ✍ NPI. Some properties have rents that are adjusted according to the Net Price Index. This means that every year the landlord can increase rent in accordance with inflation, using the Net Price Index. This is typically no more than 2% per year, but it is the change in prices that determines the level of the increase. The NPI can be seen here: <http://www.dst.dk/da/Statistik/emner/forbrugerpriser/nettoprisindeks>

Housing

Beyond the contract, the kind of housing available in and around Copenhagen might be different than what you encounter in other countries. Here are some of the things that expats mention as being surprising:

- ✍ Apart from a functional kitchen, unfurnished really means unfurnished. Even to the extent of being without curtains/blinds, and light fittings. A few spotlights in the bathroom, hall and



kitchen is the most you can expect, so be prepared. Having plenty of standing lamps, or having someone wire your ceiling lights should be an early priority.

- ✍ On the subject of curtains, windows are not in short supply in Danish houses and apartments, even when the property is right at street-level. Getting as much natural light as possible is important in Denmark, so to avoid SADS, embrace your huge windows! But at the same time, it might be worth investing in some good curtains or blinds.
- ✍ Baths are unfortunately rather rare. Clean Danish design and eco-friendliness made sure that baths became a thing of the past in the last few decades (and in small Copenhagen apartments they were actually never a feature).
- ✍ Houses in Denmark very often have a basement, which is a perk that should not be overlooked. It can add a lot of usable space to your house, although it is not usually listed in the m² of the house.
- ✍ Security alarms are not a typical feature of Danish properties, and be prepared that if you want one installed, you might be required to cover the costs yourself.

If you have any questions regarding housing in Denmark, don't hesitate to get in touch with us at Charlie's Roof. We offer a **free 15 minute Skype consultation** so no matter your situation, feel free to get in touch using the contact details listed below, and we can schedule a meeting.

Scroll down to the next page to get a free guide to viewing properties in Denmark!



Viewing

Are you on your way to your first viewing of a Danish property? Print this document and take it with you, to guide you as to what to ask your landlord or agent.

- ✍ How much is the deposit and prepaid rent? _____
- ✍ Is there a limit on the length of lease? Is there a possibility of extension? _____

- ✍ What appliances are provided?
 - Refrigerator and freezer
 - Oven
 - Microwave
 - Stove – induction, electric or gas _____
 - Washing machine
 - Dryer
 - Dishwasher
- ✍ What utilities are included in the contract? How much do they cost per month? _____

- ✍ What WiFi options are there? Is there a fibre connection? _____
- ✍ Will the apartment be taken over as seen or newly renovated (i.e. with or without freshly painted walls and freshly sanded/varnished floors)? _____
- ✍ Are pets allowed? _____
- ✍ Is parking available? What does it cost? _____
- ✍ What amenities are close by? _____
- ✍ What is the move-in date and is it flexible? _____

