

# **Outline of Ancillary Expenses**

and additional information

for the **Tenant/Landlord**

**Lessee/Lessor**

**ÖSTERREICHISCHER VERBAND DER IMMOBILIENTREUHÄNDER**

**[AUSTRIAN ASSOCIATION OF REAL ESTATE EXPERTS]**

General terms and conditions pursuant to Section 10 IMV [Real Estate Broker Regulation] 1996 BGBl. [Federal Law Gazette] No. 297/1996 recommended by the Federal Chamber of Commerce Austria, Section for Real Estate Experts and Escrow Agents.

GZ 50.048/200-IMV 96-1/2002/Mag.Rü/Pe

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## I. Ancillary expenses in the case of tenancy agreements (*Mietverträge*)

1. **Fees payable on tenancy agreements** (Section 33 item 5 *Gebührengesetz* ("GebG") [Austrian Fees Act]):  
1% of the gross rent (including VAT) payable during the term of contract; maximum: 18 times the annual value; in case of an indefinite term of contract 1% of three times the annual value. From 1 July 1999 onwards the landlord/lessor (or, as his representative, the broker, property manager, attorney or notary or other party) is obliged to calculate and pay the fee himself. In case of **tenancy agreements** with a fixed term on buildings or parts of buildings **the major purpose of which is housing**, the fees are limited to three times the annual value as of that point in time.
2. **Costs of execution of agreement** as agreed within the scope of the fee regulations of the respective person who prepared the contract.
3. **Commission**  
*The calculation of the commission is based on the gross rent, which consists of:*
  - *basic rent or subrent;*
  - *pro-rata service charges and regular public charges;*
  - *share in special expenses (e.g. lift), if any; and*
  - *any remuneration for furniture or equipment rented together with the premises or other additional services of the landlord.*

<i>(A) Services of real estate brokers who are not at the same time managers of the property where the premises are located</i>	<b>Maximum commission plus 20% VAT</b>	
	in case of main tenancy agreements ( <i>Hauptmietverträgen</i> ) or sub-tenancy agreements ( <i>Untermietverträgen</i> ) on flats, detached (one-family) houses and business premises of all kinds	
<b>Term of contract</b>	<b>Landlord</b>	<b>Tenant</b>
• indefinite period/period of more than three years	3 monthly gross rents plus 5% of the special consideration, if applicable	3 monthly gross rents
• period of exactly 3 years	3 monthly gross rents plus 5% of the special consideration, if applicable ---	2 monthly gross rents
• in the case of renewal to more than 3 years or an indefinite period		supplementary commission of 1 monthly gross rent (total of 3 monthly gross rents)

Terms of tenancy agreements regarding business premises as well as dwellings to which the Austrian Rent Act will not apply (e.g. holiday property or flats in detached or semi-detached houses) may be fixed individually. If the period is less than 2 years, 1 monthly gross rent can be agreed upon with the tenant. In the case of a minimum period of two and a maximum period for 3 years 2 monthly gross rents can be agreed upon. In the case of renewal supplementary commission may be agreed upon. It may be agreed upon that tenants of business premises are obliged to pay the landlords fees.

<i>(B) sub-tenancy agreements on individual rooms for residential purposes, independent of term</i>	1 monthly gross rent	1 monthly gross rent
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<i>(C) services of real estate brokers who are at the same time managers of the property where the premises are located</i>	<b>Maximum commission plus 20% VAT</b>	
	in case of main tenancy agreements or sub-tenancy agreements on flats (also condominium flats if the client is the majority owner of the real property)	
<b>Term of contract</b>	<b>Landlord</b>	<b>Tenant</b>
• indefinite period of time/ period of 3 or more years	2 monthly gross rents plus 5% of the special consideration, if applicable	2 monthly gross rents

Main tenancy agreements or sub-tenancy agreements on business premises or condominium flats (unless the client is majority owner of the property) and sub-tenancy agreement on individual rooms for residential purposes are subject to the same regulation that applies to the commission payable to the real estate broker who is not at the same time manager of the building concerned - see (A) above.

In order to calculate the basis of calculation of the commission the value added tax must not be included in the gross rent. The heating costs are also not to be included if the transaction concerns a tenancy relationship pertaining to a flat, in case of which pursuant to the tenancy law regulations the amount of the rent may not be agreed upon freely (reasonable rent, reference value rent).

In addition, a commission for special compensation in an amount of up to 5% can be agreed with the previous tenant.