

NEWSLETTER

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WHAT WILL CHANGE IN RENT UPDATES FOR THE YEAR OF 2026?

The annual determination of the rent adjustment coefficient has a direct impact on the adjustment of the amounts to be charged in urban and rural lease agreements. With the publication of Notice No. 23174/2025/2, which sets the applicable coefficient for 2026, it is important to clarify the respective legal framework, how it is applied and the main practical implications for landlords and tenants.

Business Team



FRAMEWORK

On 19 September, Notice No. 23174/2025/2 was published, announcing the annual adjustment coefficient for urban and rural rents applicable for 2026.

Under the terms of the law, the National Statistics Institute (Instituto Nacional de Estadística, I.P. – INE) is responsible for calculating the annual rent update coefficient applicable to the various types of lease agreements.

For 2026, INE has set this coefficient at 1.0224, which represents an increase over the coefficient in force in 2025.

UPDATE COEFFICIENT

As a rule, the parties can freely stipulate, in writing, the possibility of updating the rent and the respective regime.

In the absence of an agreement between the parties, the supplementary legal regime applies, under the following terms:

- ✓ the rent may be updated annually, in accordance with the update coefficients in force
- ✓ the first update may be required one year after the start of the contract, and subsequent updates one year after the previous update
- ✓ the landlord must notify the tenant, in writing and at least 30 days in advance, of the applicable coefficient and the resulting new rent amount
- ✓ failure to update the rent in the year in which it could have been done does not prevent the coefficients from being applied in subsequent years, provided that no more than three years have elapsed since the date on which the update would initially have been possible

Thus, the annual publication of the coefficient is particularly important when there is no contractual stipulation on how the rent should be updated.

For 2026, the coefficient set is **1.0224 (2.24%)**, which means that for every €100 of current rent, the landlord may increase it by up to €2.24. For example, for a monthly rent of €1,500, the maximum updated value for 2026 amounts to **€ 1,533.60**.

CONCLUSION

After the reduction between the years of 2024 and 2025 (from 1.0694 to 1.0216), the coefficient for 2026 shows a new increase, rising from 1.0216 to 1.0224.

Therefore, landlords who wish to update the rent must notify the tenant, at least 30 days in advance, of the coefficient applicable for 2026 and the new rent amount resulting from it.

In turn, the tenant should bear in mind that the update may not exceed the limit established by Notice No. 23174/2025/2 of 19 September.

Rogério Fernandes Ferreira
Marta Machado de Almeida
Patrícia Largueiras
Inês Dias de Pinho
Miriam Vicente
Carolina Gomes Alves

Avenida da Liberdade 136 4º (reception)
1250-146 Lisboa • Portugal
T: +351 215 915 220

contact@rfflawyers.com
www.rfflawyers.com



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