

# Regulated housing sectors

Monaco's real estate market is prestigious and highly sought-after. Selling your property with local experts guarantees a smooth and successful transaction. Contact us today to maximize your property's value!

## Monaco housing sectors:

- The free sector, which has no specific regulations.
- The state-owned sector, managed by the government and reserved for Monegasque citizens.
- The regulated sector, which applies to buildings constructed before September 1, 1947, and is governed by Laws 1235, 1291, and 887.

## The protected sector (Laws 1235 and 1291)

This sector benefits from regulated rents, determined by the Housing Department based on market prices. It is reserved for protected persons, ranked in the following order of priority:

- Monegasque citizens
- Children of Monegasque parents, spouses, widows/widowers of Monegasques
- Divorced individuals with children in common with a Monegasque citizen
- People born and residing in Monaco since birth
- Residents who have lived in Monaco for at least 40 consecutive years

The lease has a 6-year renewable term, with a 3-month notice period for tenants. The landlord may terminate the lease only for personal use or significant renovation work.

## The liberalized sector (Law 887)

This sector applies to higher-quality housing and properties historically occupied by their owners. It is open to:

- The owner's close relatives (ascendants, descendants, and spouses)
- Monegasque citizens
- Residents who have lived in Monaco for at least 5 years and worked in the Principality for over 6 months
- Employees working in Monaco for at least 5 years

The lease also has a 6-year renewable term, but tenants can terminate it annually without justification. Unlike in the protected sector, landlords can end the lease at its expiration without providing a reason.

In both sectors, certain non-commercial professional activities may be allowed under specific conditions, with the owner's approval and in compliance with co-ownership regulations.

	Law No. 1235/1291	Law No. 887
<b>Obligation to Rent or Occupy</b>	Yes	No (but vacancy declaration required)
<b>Rent</b>	Set by the government. Annual increases are regulated.	Rent freely set by the landlord, including annual increases.
<b>Tenant Selection</b>	Must follow the priority ranking of eligible persons.	Freely chosen among eligible persons.
<b>Lease Duration</b>	6 years, automatically renewed. Renewal under the same conditions.	6 years, not automatically renewed. New conditions freely set by the landlord.
<b>Lease Termination / Repossession</b>	Tenant: any time with 3 months' notice. Landlord: any time with 6 months' notice only if exercising the right of repossession.	Tenant: annually with 3 months' notice. Landlord: at the end of the 6-year lease with 3 months' notice without justification.
<b>Permitted Use</b>	Residential or mixed-use.	Residential, mixed-use, or liberal professions.
<b>Right of First Refusal</b>	First to the State, then to the tenant.	First to the State, then to the tenant.

## Contact us

Contact us today to bring your property vision to life!

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