

**NB: Unofficial translation**

Issued in Helsinki on March 20, 2008

***Government Decree on the Selection of Tenants for State-Subsidised (ARAVA) and Interest-Subsidy Rental Dwellings (2008/166)***

In accordance with the decision taken by the Council of State, issued on the submission of the Ministry of the Environment, it is hereby enacted by virtue of Sections 4 b and 4 c of the Act on the Use, Assignment and Redemption of State-Subsidised (ARAVA) Rental Dwellings and Buildings issued on December 17, 1993 (1190/1993), as they stand recorded in the Act 716/2006, and Sections 11 b and 11 c of the Act on Interest Subsidy for Rental Housing Loans and Right of Occupancy Housing Loans issued on June 29, 2001 (604/2001), as they stand recorded in the Act 717/2006:

**Section 1**

**Scope of application**

This Decree issues detailed provisions on the selection criteria of tenants, placing them in an order of priority, and departing from the selection criteria of tenants enacted in Sections 4 b and 4 c of the Act on the Use, Assignment and Redemption of State-Subsidised (ARAVA) Rental Dwellings and Buildings (1190/1993) and Sections 11 b and 11 c of the Act on Interest Subsidy for Rental Housing Loans and Right of Occupancy Housing Loans (604/2001).

This Decree is also applied when residents are selected for partial-ownership dwellings referred to in the Act on Partial-Ownership Housing financed by an interest-subsidy loan for rental housing (232/2002). The Decree is also applied when tenants are selected for a dwelling financed in accordance with the Act on Interest Subsidy for Rental Housing Loans (867/1980), subject to a period of restriction on use of 20 years.

**Section 2**

**Housing need**

In evaluating the housing need, the housing conditions of the applicant household and the urgency of improving said conditions are specifically taken into account. The size and age composition of the household are further taken into account. The dwelling offered shall be of reasonable size in relation to the size and age composition of the household. In determining the reasonableness of the size of the dwelling, the demand and supply of dwellings of different types in the locality are taken into account.

**Section 3**

**Means**

The aggregate means of the members of the applicant household shall be taken into account as the means of the household, unless its value is small or unless it is required by a member of the household for obtaining a reasonable livelihood derived from carrying on a trade or profession.

The value of a dwelling owned by the household in their locality of origin can be deducted from the means taken into account, if the applicant household moves to another locality to work and it is unreasonable for members of the applicant household to commute to work daily on account of the distance or poor traffic connections between the localities.

An applicant household shall not be selected as tenants if it has enough means to be taken into account to enable them to purchase a dwelling corresponding to their needs without state subsidy. Other means are taken into account as a factor having bearing on tenant selection.

#### **Section 4**

##### **Income**

The permanent monthly income of the members of the applicant household shall be taken into account as the income of the household (*gross monthly income*). Housing allowance or income referred to in Section 1 of the Housing Allowance Decree (949/1993) shall not be taken into account as income.

In comparing the income of different applicant households, the size of the household and the number of children belonging to the household are taken into account.

#### **Section 5**

##### **Placing the applicants in order of priority**

The mutual order of priority of the applicants shall be appraised as a whole on the basis of the housing needs, means and income of the applicant households so as to give priority to an applicant having the greatest need for a rental dwelling.

If the housing needs of several applicant households are equal, households with a low income and means shall have priority over households with higher income and means.

#### **Section 6**

##### **Exceptions to the tenant selection criteria**

An applicant may be selected as a tenant regardless of his or her means or income when it comes to:

- 1) appointing a dwelling to a household living in a rental building to be renovated;
- 2) a household needed for the upkeep and care of a rental building;
- 3) switching of rental dwellings between two households;
- 4) moving from one rental dwelling to another, both being owned de facto by the same owner;

5) a person entitled to continuation of the lease by virtue of Section 45, 46, 48 or 88 of the Act on Residential Leases (481/1995); or

6) a rental dwelling subject to a restriction period of ten years pursuant to Section 3, paragraph 1 of the Act on the Use, Assignment and Redemption of State-Subsidised (ARAVA) Rental Dwellings and Buildings and the lease takes place within said ten years: the exception may nevertheless only relate to 15 per cent of all dwellings in the rental building.

An applicant household may be selected as tenants regardless of their means when it comes to supported housing that is especially necessary for social or health reasons. An applicant household shall nevertheless not be selected as tenants if it has sufficient means to enable them to purchase a dwelling and to acquire care corresponding to their needs without state subsidy. The value of a dwelling owned by the applicant household may be deducted from the means to be taken into account.

To promote appropriate use of rental dwellings, an applicant may be selected as a tenant even though the criteria for the housing needs of the applicant household are not met, if the rental dwelling used by the applicant is thereby vacated.

#### **Section 7**

##### **Temporary exceptions in tenant selection**

A local authority may give permission to temporarily use a rental dwelling for a maximum period of two years at a time, to persons other than those selected according to the criteria for tenant selection when socially appropriate and necessary or otherwise highly urgent measures are concerned. Giving such permission shall not substantially hinder persons fulfilling the criteria from obtaining a dwelling. The exceptional permission shall only relate to a small number of dwellings.

#### **Section 8**

##### **Lack of applicants fulfilling criteria**

When there are no applicants fulfilling the criteria for tenant selection, other applicants can also be selected as tenants. In such a case, however, an applicant whose conditions are closest to the criteria for tenant selection shall be selected as a tenant.

#### **Section 9**

##### **Entry into force**

This Decree comes into force on April 1, 2008.

This Decree repeals the Government Decree on Selection of Residents for State-Subsidised (ARAVA) and Interest-Subsidy Rental Dwelling (731/2006), with the subsequent amendments.