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Newsletter: An Overview of the New Eviction Regime in Macau

Law No. 19/2024, which came into force on 1 March 2025, aims to adequately address the persistent issue of rogue tenants, by establishing a streamlined legal framework to enhance the efficiency of the eviction process in Macau. The new law introduces several principal changes in the eviction regime, *inter alia*:

Essential Legal Prerequisites

Under the new regime, in general, the conditions for initiating eviction proceedings in court are as follows:

- The tenant has been in arrears for three (3) months or more;
- Rent payments are made by deposit into accounts of credit institutions authorized to operate in Macau SAR; and
- The landlord has formally notified the tenant **in writing** regarding non-payment.

Claims and Counterclaims

- In addition to eviction and lease termination claims, landlords may seek outstanding rent payments and compensation. However, damage claims beyond statutory compensation are no longer permitted.
- Meanwhile, tenants are precluded from filing counterclaims within eviction proceedings. Instead, they may offset arrears with maintenance costs, provided such costs remain within the limits of the landlord's rent claim.
 Alternatively, they may assert their rights through a separate legal action.

Other Key Changes on Eviction Proceedings

- <u>Citation regime</u> Postal citations to tenants will proceed without prior judicial approval. If unsuccessful, citation by edict will follow.
- <u>Hearings</u> Judges may decide cases without a hearing if the evidence submitted is deemed sufficient. If a hearing is required,

each party may only present up to three (3) witnesses. Absence of a party will not justify postponement.

 <u>Judgements and Appeals</u> – If the eviction request is considered justified, tenants must vacate the premises within fifteen (15) days of receiving the court's decision. Non-compliance allows landlords to request enforcement measures.

Broader Considerations

- <u>Data Enquiry Mechanism</u> In accordance with the provisions set forth in the *Civil Procedure Code*, information on certain rogue tenants will be integrated into an accessible database. The Housing Bureau, acting in compliance with the *Personal Data Protection Act*, grants real estate agents access to verify prospective tenant during agency activities.
- Lease Arbitration Clauses Pursuant to the Stamp Duty Regulation, lease stamp duty is reduced by half when the contract includes an arbitration clause or agreement, requiring all disputes during the lease term to be resolved by a Macau SAR arbitration organization. Nevertheless, the Arbitration Law clarifies that arbitration clauses do not override eviction proceedings, which must be handled by the courts.

If you require further information, please feel free to reach out.

We would be happy to guide you through the legal intricacies.

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