

# **GOVERNMENT SHUTDOWN INFORMATION & ROMANIAN RESIDENTIAL HOUSING RENTAL AGREEMENTS**

06 November 2025

## **A. ROMANIA LANDLORD-TENANT LAW – FAILURE TO PAY RENT**

### **(1) Ordinary Termination (for Cause) (Romanian New Civil Code)**

The Romanian New Civil Code primary regulates the lease agreement in Article 1777 – 1850. Incidental are also the provisions of the New Civil Code, Article 1551 – 1557, 1164 – 1282. The termination of the housing lease, like any contract, concluded by the agreement of will of the parties, the lease can be terminated in the same way, *mutuus consensus*, *mutuus dissensus*.

The common causes for termination of contracts have some particularities in the case of lease i.e. termination of the contract at the expiry of the term or termination of the contract for non-performance of obligations, while other causes of termination are specific to the lease contract i.e. unilateral denunciation, loss of the work, abolition of the lessor's title, or alienation by deeds between the living on a private basis of the thing leased, if there is a special clause in this regard.

Termination of the lease (housing), when, without justification, "one of the parties to the lease (housing) contract does not perform its obligations arising from this contract, the other party has the right to terminate the lease, with damages, if applicable" (art. 1817 of the New Civil Code).

As a rule, the termination of the lease or lease for performance must be based on the failure to fulfil a principal obligation i.e. change of use, non-payment of rent, et cetera, and not on a less important obligation'. As an exception, in the case of contracts with successive performance, the creditor has the right to termination, even if the performance is of little significance, but has a repeated character (art. 1551 paragraph 1 of the New Civil Code).

Termination of the lease (private housing) contract may be ordered by the court on request or, as the case may be, it may be declared unilateral by the entitled party, by written notification of the debtor, if the parties have so agreed, when the debtor is in default or when he has not performed the obligation within the period fixed by the formal notice. (art. 1552 paragraph 1 of the New Civil Code).

In this case, the declaration of termination is entered for enforceability in the land register or, as the case may be, in the publicity register becomes irrevocable from the date of its communication to the debtor or, as the case may be, from the date of expiry of the deadline set by the notice of formal notice (art. 1552 C. civ.).

The termination must be ordered by the court, but it will be able to operate by law, if the parties have stipulated an express *lex commissoria* agreement in this regard (art. 1553 paragraph 1 of the New Civil Code). Pursuant to Article 1553 of the Civil Code, termination is subject to the debtor's

formal notice, unless it has been agreed that it will result from the mere fact of non-performance. A formal notice shall not take effect unless it expressly indicates the conditions under which the commissary agreement operates. In the cases provided for by law or if the parties have so agreed, termination may operate as of law.

Judicial practice has interpreted the *lex commissoria* clause (agreement) inserted in the contract restrictively, as it derogates from the principle of the active role of the judge. In the case of the *lex commissoria* clauses, the court verifies only the conditions under which it becomes applicable and can no longer consider that following the performance, albeit delay, of the contractual obligations, that it can no longer order the termination of the contract, because in this way the will of the parties expressed at the conclusion of the contract would be removed.

In Romania, with the force of principle, as far as housing rental contracts are concerned, art. 1831 of the New Civil Code expressly provides that the eviction of the tenant is made only on the basis of a court decision, unless otherwise provided by law.

The law provides for two alternative eviction procedures, a common law procedure, based on the real estate claim action that the owner of the property has at hand to recover his property from third parties in any circumstances, as well as a special procedure introduced with the entry into force of the New Code of Civil Procedure by Articles 1034-1045, which applies to disputes regarding the eviction from used buildings, or, as the case may be, occupied without right by the former owners or other persons.

The eviction of the tenant is a measure of *ultima ratio* when the landlord and the tenant fail to reach a consensus on the release of the property. The court may order the eviction of the tenant when the contract is no longer in existence because it has been terminated or cancelled, leaving the landlord and the person who no longer holds any leasehold title in front of him. The tenant eviction cannot be ordered in the absence of a request for termination of the contract, since the eviction concerns persons who unlawfully occupy a residential space.

The tenant has the right to first be notified in writing of the intention to evict and to be given a reasonable period, in accordance with the provisions of art. 1038-1039 of the Code of Civil Procedure, to leave the property voluntarily. The landlord must notify the tenant or the occupant without right, of his intention to request the eviction, indicating the reasons for the eviction and the deadline in which he must leave the building, which is 30 days in the case of the tenant and 5 days in the case of the occupant without right.

Another measure to protect tenants in residential buildings is the rule that no eviction can be made between 1 December and 1 March, unless the creditor proves that, within the meaning of the housing legislation, he and his family do not have a suitable home to which they could move immediately.

## **(2) Rental Security Deposit**

The landlord may(!) use the rental security deposit if the tenant defaults on his rent. Thereafter, the tenant has to settle the rental security account, again.

## **B. RECOMMENDATIONS:**

- It is advisable to pay at least part of the rent.
- The landlord may be amenable to any late payment if approached and the situation gets explained, *i.e.*, the default is due to the government shutdown and the Government Employee Fair Treatment Act of 2019 mandates that military personnel and other federal employees will receive retroactive backpay once a shutdown concludes.
- If the landlord depends on the rental income to pay off his debts/mortgage, he may use the rental security deposit (which will need to be repaid by the tenant).

## **C. BOTTOM LINE:**

Unless there have already been prior furlough unrelated financial problems or legal actions already pursued or mutually agreed otherwise, in practice no landlord will be able to terminate a lease and evacuate the tenant, if the November rent is not paid in part or full. Nevertheless, the tenants are advised to inform the landlord up front if they cannot pay the rent in November.

Note, some landlords may not even know the governing Romania housing (private) lease laws and send an invalid termination and/or eviction notice. The tenants should neither be tricked or scared by such action but contact their legal assistance office.

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