

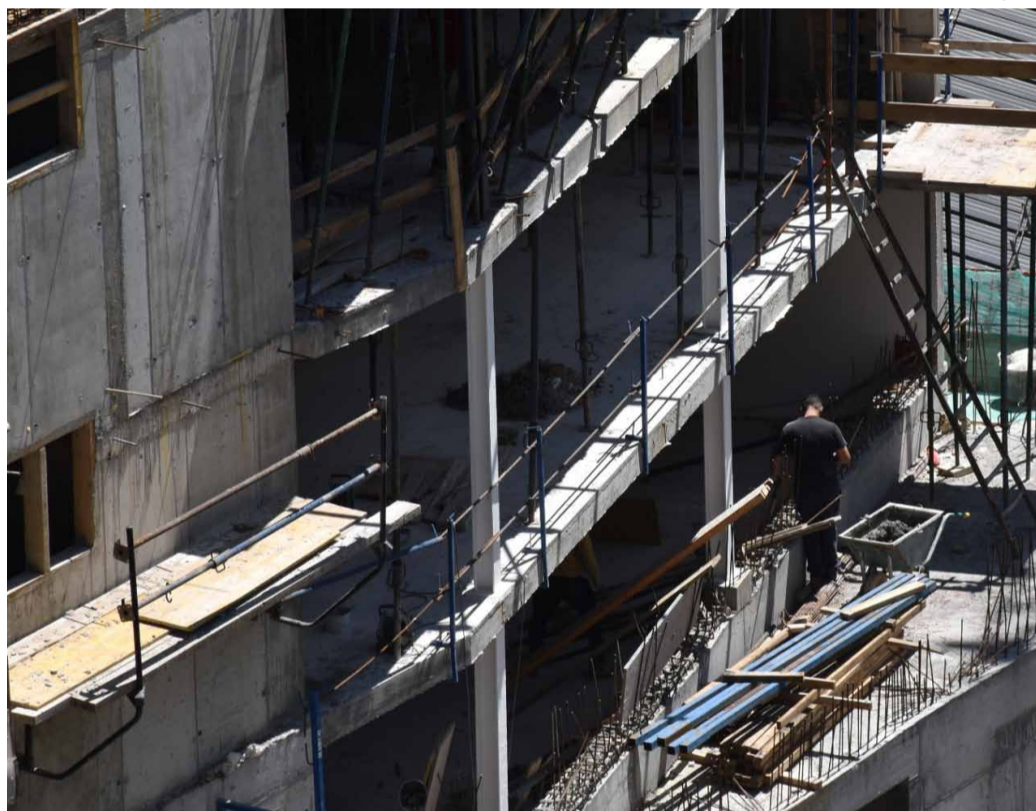
# The public-private agreement, the solution to the housing situation

Currently, the executive's shock plan is to build nearly 1,500 affordable rental homes.

EL PERIÒDIC  
ESCALDES-ENGORDANY

The problem of housing continues to be on the agenda despite the numerous measures implemented by the Government, which to date have not managed to relax a market with a low supply in the face of high demand and with completely exorbitant prices. Despite the recent shock plan presented by the Executive, which aims to put about 1,500 affordable rental homes on the market within three years, one of the ways that should gain more strength is the public-private partnership, always that from the public sector facilities are given to private individuals so that they are interested in the construction of rental housing and can also benefit from it.

The lack of affordable housing is a problem that is also present in neighboring countries such as Spain. In fact, the housing law that will predictably be approved soon by the Spanish Parliament does not convince the experts in the matter, who call for more social housing and less price limitation since, for practical purposes, they generate even more tension in the market. In fact, experts in the neighboring country to the south say that, in the long term, the limitations are likely to moderate rental prices, although in the short and medium term it is doubtful that there will be any significant re-



A building under construction.

ductions.

In the same way as the shock plan approved by the Government, from Spain they also warn that the law is «highly protectionist» with tenants and that the text is partly forgotten by the owners. A similar case occurs with Andorran law regarding the mandatory inclusion of empty flats in the purchase or rental market. As mentioned, the solution to the problem, ac-

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**Rent control has had negative consequences in countries like Sweden**

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According to Spanish experts, is to bet on public-private collaboration by carrying out real estate projects jointly, but guaranteeing a series of facilities for private individuals so that it is also profitable for them to bet on this way. Betting on strongly interventionist measures, therefore, is one of the facts that aggravates the fear of the private sector and slows down investment. In fact, during the first Conference on housing in Andorra, which was held last week, it was already made clear that to address the lack of construction, one of the most useful escape routes is through public-private alliances in order to carry out certain housing projects that the State cannot undertake, suggesting the

implementation of grants and more accessible financing to facilitate the participation of new developers.

Beyond Spain, it is also necessary to look at other European cities to find out what measures they have applied and what are the fruits that have been obtained by implementing rent caps. In the case of Berlin, from 2020 a limit was placed on the maximum price of rents and the amount to be paid was frozen in all those homes built before 2014. The measure resulted in the coexistence of two markets: that of the regulation of homes before 2014 and that of relatively new buildings that were not affected by the measure. The conclusion was that the supply of regulated rents fell sharply, while that of homes that were not subject to this limit rose significantly.

In the case of Sweden, it must be taken into account that the rents are negotiated by the Swedish Tenants' Union and the owners, which generates a whole series of negative consequences. In the Nordic country's experience, rent control led to excess demand for housing that is more attractive, resulting in long waiting lists for access. Finally, in the case of Vienna, the public rental housing stock has been in practice for 110 years and moving along the same lines regardless of who governs, which has been paying off for years. ●

THE TRIBUNE

# Mutatis Mutandis: The Latin phrase that hides a lot of changes... or not so much



MARTA AMBOR

In the world of agreements, contracts and promises we often come across Latin phrases that sound important, intellectual and, why not, a little mysterious. One of them is the famous «mutatis mutandis», which literally means «changing what needs to be changed». A priori, it sounds good, right? A perfect motto for flexibility and adaptation in our agreements. But, in practice, what is hidden behind these solemn words?

In reality, «mutatis mutandis» can be a friend or a foe, depending on the intent with which it is used. On the one hand, it can be a useful tool to adapt an agreement to unforeseen circumstances, allowing some flexibility without having to rewrite the entire document. For example, if a contract says to deliver 1,000 red apples, but there are only 800 in season, the «mutatis mutandis» allows us will change the amount without

altering the essence of the agreement.

But, on the other hand, «mutatis mutandis» can also be a screen to hide important changes, to dilute obligations or to leave room for subjective interpretation. A clear example would be a prenuptial agreement that establishes a distribution of assets «mutatis mutandis» in the event of divorce. What exactly does «mutatis mutandis» mean in this case? What weight is given to each factor in determining the distribution? The vagueness of the term can lead to disputes and frustrations in the future.

In short, «mutatis mutandis» is like a wild card in the game of agreements: it can be useful for flexibility, but it can also be risky if used abusively. Before accepting a «mutatis mutandis» in an agreement, it is necessary to analyze in detail what should be changed, how it should be changed and what are the implications of these changes. Don't be fooled by the Latin words: in the world of contracts and agreements, clarity



PIXABAY

The phrase comes from Latin and means «changing what needs to be changed» and can lead to disputes in some cases

«mutatis mutandis» means in an agreement, consult a lawyer or other competent professional. It is not worth risking misunderstandings or misinterpretations because of a sentence in Latin. ●

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