

משרד העלייה והקליטה

The Ministry of Aliyah and Immigrant Absorption



ENGLISH

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Housing  
6th Edition

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הודפס על ידי המדפיס הממשלתי

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## Introduction

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Finding the right place to live, and the right kind of home to suit your lifestyle, are among the most important aspects of absorption. This booklet presents the various forms of government assistance for housing, explains rental and purchase procedures, and offers tips to help choose the home that best suits your needs. Keep in mind that the situation of each individual is different, and that the type of housing you will be able to acquire depends upon your personal financial situation, as well as the type of Governmental assistance to which you may be entitled. For this reason, the information presented here is general in nature. In most cases, it is a good idea to consult with the appropriate bodies, such as a Ministry of Aliyah and Immigrant Absorption personal absorption counselor, or a mortgage bank, especially when purchasing a house or apartment, in order to ascertain exactly what you are entitled to, before making any final decisions.



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**NOTE:** This is the sixth edition of this booklet and hereby nullifies all previous editions. The information contained in this booklet is based on data provided by various official sources. Details are subject to change. In case of any discrepancy, the regulations of the Ministry of Aliyah and Immigrant Absorption, the Ministry of Construction and Housing, and other official bodies will prevail.

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# Geographical Survey

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The State of Israel covers an area of 21,946 kilometers, measuring 560 kilometers long and 120 kilometers at its widest point. Thus, even places situated far from each other are still relatively close together. This affords many people the opportunity to live in one place and work in another.

## The North

Most of northern Israel is hilly. It includes the northern coast, the Haifa Bay region, the Zevulun Valley, Upper and Lower Galilee and the northern valleys (the Hula, Jordan, Beit Shean, and Jezreel) and the Golan Heights. The area's larger population centers include the city of Haifa and its suburbs, Afula, Tiberias, Beit Shean, Acco, Nahariya, Safed (Tzfat,) Carmiel, Kiryat Shmona, Hadera, and Zichron Yaakov. Metulla is the northernmost city, situated in the foothills of Mount Hermon. Mount Hermon itself is located partially in Israel and partially in Syria.

## The Center

The center of the country includes the Coastal Plain and the hills of Samaria. The center's main cities are Tel Aviv/Yaffo, Netanya, Holon, Bat Yam, Ramat Gan, Givatayim, Bnai Brak, Petach Tikva, Hod HaSharon, Cfar Saba, Ra'ananna, Herzlia, Ramat HaSharon, and Hadera. The majority of Israel's population lives in the center of the country.

## The Jerusalem Area

The Jerusalem area is hilly. The main cities include Jerusalem, Israel's capital, Beit Shemesh, Ma'aleh Adumim, Givat Ze'ev, and Kiryat Arba. Modi'in, Israel's newest city, is located approximately halfway between Jerusalem and Tel Aviv.



## The South

Israel's south includes the southern coast as well as the cities of Rishon LeTzion, Rehovot, Ashdod, Gedera, Nes Ziona, Ashkelon, Kiryat Malachi and Kiryat Gat.

## The Negev

The Negev, Israel's southernmost region, is divided into two parts; the semi-arid Northern Negev, and the wilderness of the Southern Negev. Beer Sheva, the largest city in the region, is known as the capital of the Negev. The Negev also contains the cities of Arad, Ofakim, Netivot, Yerucham, Mitzpe Ramon, and Eilat, Israel's southernmost city, located on the Red Sea. East of the semi-arid inhabited region is the Dead Sea - the lowest point on earth (below sea level) - and the source of much of Israel's natural resources.

## Climate

Israel's climate varies. Summer is hot and humid in the Coastal Plain and dry in the hills and the Negev. Winters are usually rainy. Hilly areas frequently have snow, and Mount Hermon is often covered with snow all winter.



### Approximate Average Temperatures (Centigrade)

	January	March	May	July	September	November
Jerusalem	7-14	12-19	17-27	20-30	20-30	13-19
Tel Aviv	9-19	13-22	16-27	22-32	21-28	13-19
Haifa	11-17	13-21	17-25	22-29	21-28	15-21
Tiberias	13-21	14-26	20-33	25-40	27-35	15-25
Eilat	12-22	20-24	23-35	27-40	27-35	15-28



## Distances Between Cities (Kilometers)

	Eilat	Beer Sheva	Haifa	Tiberias	Jerusalem	Tel Aviv	Safed
Eilat	-	243	451	404	326	356	437
Beer Sheva	243	-	208	248	83	113	284
Haifa	451	208	-	70	158	95	74
Tiberias	404	248	70	-	156	135	36
Jerusalem	326	83	158	156	-	63	234
Tel Aviv	356	113	95	135	63	-	171
Safed	437	284	74	36	234	171	-



## Communities in Israel

### Cities

Approximately 90% of Israelis live in urban centers. The number of inhabitants of Israeli cities ranges from 50,000 to 500,000. The most common form of urban housing is high-rise buildings, although there are also one- and two-story homes. The three largest cities are Jerusalem, Tel Aviv, and Haifa.

### Development Towns

The term "development town" refers to those cities established after the founding of the State for the purpose of building up undeveloped areas and absorbing immigrants. Most development towns are in peripheral parts of the country, including the Galilee and the Negev. The government frequently offers a variety of incentives to those who locate in development towns, such as cash grants, assistance





towards starting new businesses, and loans for purchasing apartments. A number of development towns have experienced significant growth and progress over the past few years, in part due to the large numbers of new immigrants who have made their homes there.

## **Rural Communities**

While the majority of Israel's population lives in the main urban cities, many families are drawn to the advantages of life in smaller, rural communities, including community villages, *moshavim*, *yishuvim kehillatim*, and *kibbutzim*.

These types of communities offer a pastoral atmosphere, low-rise dwellings, and varying levels of social and economic cooperation between residents. They are organized into regional councils that provide educational, health, and cultural services. In some cases, regional councils also coordinate joint marketing of agricultural products and administer industrial zones. On *kibbutzim* and *moshavim*, industry and services to residents are often within the community itself. A number of such communities are often within reasonable proximity of larger urban centers, giving them the atmosphere of a suburban bedroom community.

## **Yishuv Kehillati**

*Yishuvim kehillatim* (plural) range in size from 10-20 residents to hundreds of families. Many reach populations of up to 1000 families. Yet, on a *yishuv kehillati*, a rural atmosphere is preserved. Residents maintain a network that provides educational and cultural services, but do not have any economic ties to each other.

On a *yishuv kehillati*, each family builds or purchases a home. On some, each family makes its own arrangements for building, while on others construction is centrally organized. Eligible new immigrants purchasing or constructing a home in a *yishuv kehillati* can generally obtain government mortgages.



Many of these communities have an acceptance committee that handles membership applications. Applicants can apply to the committee directly, without going through any intermediary body. Information about various *yeshuvim kehillatim* is available in the press or online, and from the various communities themselves.

## **Moshav Ovdim**

A *moshav ovdim* was originally a partially-collective settlement with each family independently working its own farm. Marketing and purchasing were on a cooperative basis.

Over the past years, the nature of the *moshav ovdim* has changed. Many no longer have collective marketing and purchasing, and are more like a *yishuv kehillati* or a suburb. Many residents no longer make their living primarily from agriculture, and often work in industry or tourism, or in jobs in nearby cities.

The majority of older *moshavim ovdim* are in the center of the country and northern valleys. Newer ones are in the Negev, Galilee, the Jordan Valley, and the Golan.

An acceptance committee handles membership on a *moshav ovdim*. Candidates must pass a trial period. More information is available through the press, online, and from the various moshav movements.

Homes on a *moshav ovdim* belong to the individual families. The land itself is nationally-owned. On older, more established *moshavim ovdim*, houses may be quite large and comfortable, while on newer ones homes tend to be smaller and more modest.

## **Kibbutz**

There are many types of kibbutzim throughout Israel, but generally speaking, life on a kibbutz is on a collective basis; members own the means of production, the homes, and the public areas. The kibbutz



provides educational, economic, and other services, as well as income to the members. Many no longer rely on agriculture as their main source of income, and instead are involved in tourism, industry, and other enterprises.

The central kibbutz organizations, located in Tel Aviv, can provide information and link applicants with appropriate kibbutzim. Candidates can also apply directly to the kibbutz of their choice. Applicants undergo a candidacy period before becoming full members with the approval of all kibbutz members.

Homes on a kibbutz are the property of all members. Members receive housing according to family size and length of membership. On some kibbutzim, it may be possible to rent housing and reside on the kibbutz without becoming a member.

As stated above, kibbutzim base their livelihoods on a variety of enterprises, including agriculture, tourism, manufacturing, and services. Some kibbutz members, especially professionals, work in local industries or services outside the kibbutz.

### **Moshav Shitufi**

A *moshav shitufi* is a combination of a *moshav ovdim* and a kibbutz. That is, all members own the means of production, yet live independently. Kibbutz members own their land collectively, and distribute income between families.

Members of a *moshav shitufi* live in individual homes owned by the *moshav*.

Information is available from newspaper advertisements, online, and from the movements themselves.





## The Local Authorities

In every city and town, there is a local authority (*reshut makomit*). The local authorities are responsible for providing municipal services including maintenance of local infrastructure such as water and sewage, educational services including registration for kindergarten and primary schools, social services for a variety of populations, and some health services. The municipalities are also responsible for community pest control, and registration and licensing of dogs. The municipalities are empowered to collect local property taxes (*arnona*) and fees for water. Note that specific categories, including new immigrants, persons with disabilities, and pensioners, may be entitled to a reduction in *arnona*. Consult with the local authority for details.

The municipal authority can provide residents with information about local services, including health services, transportation, and the location of various governmental and public bodies.

In most locations, the open-line number (*moked*) for the municipalities is 106, although in some smaller communities the number may be 105 or 107.

## Apartment Living In Israel

Most Israelis live in urban centers, where the main form of residence is individually-owned apartments.

A typical apartment is approximately 85-120 square meters. An apartment usually consists of three or four rooms including two or three bedrooms, a living room (*"salon,"*) kitchen, bathroom (usually with separate toilet room,) and often at least one balcony. Most Israeli apartments usually do not have a separate dining room,



although some do have a dining area (known as a *pinat ochel*,) set off from the living room. Note that most Israeli apartments do not have built-in closets, meaning that tenants must usually purchase freestanding closets (*aron/ot*). This also means that most people usually have to come up with creative storage options for items that they do not use on a day-to-day basis. In some buildings, there is a central storage space for all tenants (known as a *machsan*,) while in other buildings tenants use the shelter (*miklat*) for storage, even though this is not the shelter's designated function. Flooring usually consists of stone tiles (*balatot*). A tenant who prefers wall-to-wall carpeting, or any other type of flooring, must arrange this with the contractor when buying a new apartment or home, or install it if purchasing second-hand. Further, few apartments come with formal lighting fixtures, window dressings, wall treatments, or other amenities. In other words, anything beyond the basic features found in any apartment is the tenant's prerogative to install according to their personal taste and budget.



## Standard Features of Apartments

Most apartments in Israel come with the following standard features:

**Kitchen** - one or two sinks, marble counters (*shayish*,) cabinets (usually a minimal number. Tenants who want more cabinets must install them,) service balcony with outlets for a washing machine (but not the machine itself,) and laundry lines. Few kitchens come with built-in appliances, meaning that tenants must provide their own refrigerator, oven, and stove.

**Bathroom** - a bathtub with shower (often detachable and a sink. Few bathrooms have built-in cabinets, but most are designed so that tenants can install cabinets under the sink and attach them to walls. Electrical outlets in bathrooms are rare.



**Toilet room** - often has a small sink.

**Reinforced Room** – All new apartments constructed since 1991 should have a reinforced room built according to Civil Defense standards.

**Windows and balcony doors** usually have shutters (*trissim*).

**Solar water heaters** are mandatory in new apartments. Older buildings often have electric water heaters only.

Apartment owners share joint ownership of stairwells, gardens, roofs, and other common features of the building.

## The "Va'ad Habayit"

Maintenance of joint property in apartment buildings is the responsibility of the residents' committee - *va'ad habayit*. The *va'ad habayit* is a body of representatives chosen by the residents, and authorized to charge monthly fees for cleaning and maintenance, care of gardens, repairs, etc. All residents are required to pay *va'ad habayit* fees. In buildings with elevators, gardens, and other features, *va'ad habayit* fees tend to be higher. It is advisable to figure *va'ad habayit* fees into calculations when choosing an apartment to rent or purchase (*va'ad habayit* fees are usually the responsibility of the occupants, not the landlord). In most buildings, the *va'ad habayit* meets a few times a year, and tenants are usually encouraged to participate in the meetings. Being active in the *va'ad habayit* can frequently mean having some influence in how the building is maintained, to what extent rules such as "quiet times" are enforced, and decisions concerning finances, improvements, etc.

## The Better Homes Society

The Better Homes Society (*HaAguda LeTarbut HaDiyur*,) set up by the Ministry of Construction and Housing in 1964, offers services to



residents' committees who have become members, and to individual apartment dwellers of buildings whose *va'ad habayit* has joined. The tenants of each apartment pay a small yearly membership fee.

**The Society offers a number of services, including:**

- Grants for improvement of common areas (stairways, courtyards, etc.).
- Consultation with building engineers.
- Low-cost third-party insurance.
- Advice on gardening.
- Guidance and assistance to residents' committees (law books, notice boards, bookkeeping advice and supplies, etc.)

An apartment dweller whose *va'ad habayit* is a member of the Society can request assistance in enforcing the regulations of the building, for example, keeping common areas clean. To file a complaint, send a letter that includes the address, the nature of the problem, and a list of the building's residents to the Society (see Useful Addresses).

## Private Homes

Private homes typically consist of 1 or 2 stories, and often have a garden or yard. Some share a wall with the adjoining house. A standard home includes a living room, 3-4 bedrooms, kitchen, dining area, and washrooms. Some also have a basement and storeroom. All private homes are required to have an adjoining shelter or security room (*cheder bitachon* or *cheder atum*). They must also have solar water heaters.

When planning to build a private home, it is necessary to take the cost of the land into account.



Although acquiring land for building is a major expense, there are certain locations in which the Government subsidizes the price of land (under its ownership,) such as in development areas or specific communities or neighborhoods.

Government loans for obtaining land are usually not available, however regular loans are available from the mortgage banks. It may also be possible to obtain a short-term Government loan for leasing the land from the Israel Land Administration if the land involved is Government-owned.



## Land for Building

Most available land for building is public domain. That means it is owned by the Government, the Jewish National Fund, or the Development Authority. The Israel Land Administration (*Minhal Mikarka'ay Yisrael*) is the Government agency responsible for managing this land. The Israel Land Administration allocates land in accordance with Government policies, building associations, and private individuals. The Administration does not actually sell the land to the party concerned, but rather leases it for an extended period of time.



## Registration of Property

**Property rights can be registered in three ways:**

1. **Outright ownership registered in Tabu.** Tabu is the branch of the Ministry of Justice that keeps a register of property ownership.
2. **A lease registered in Tabu.** In many cases, homes and apartments are on Government-owned land, which is leased to the tenant for extended periods of time (49 years plus an option for an additional





49 years). In such circumstances, the lease is recorded in *Tabu*. Note that in certain parts of the country, particularly Jerusalem, various churches own a great deal of property, and lease it to tenants. In such a situation, be certain to consult with a lawyer before making any purchase.

3. **Unregistered Leases.** Leases not registered with the Land Registry or in *Tabu*.

Property and leases are often subject to various annual fees, as well as fees when the property is sold.

All registration of property ownership is according to regulations encoded by law. Consult with a lawyer for details. When purchasing or building any apartment or home, it is essential to ascertain the manner in which the property is registered. Your attorney should advise you.



# Government Housing Assistance to New Immigrants

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The Government, through the Ministry of Construction and Housing, assists new immigrants to obtain both short-term and long-term housing solutions. The primary form of long-term assistance is a mortgage for purchasing or building a home, while short-term aid consists primarily of subsidies for apartment rental on the open market. This section describes the different forms of aid, and methods for obtaining them.

## Eligibility for Government Housing Assistance

The Government extends housing assistance to those considered “without housing.” The definition of “without housing” in most cases applies to both individuals and families in which each member meets the following criteria:

- A person who does not currently possess an apartment or home, and did not possess one in the past.
- A person who at one time owned an apartment, but was deprived of it as the result of divorce, and not compensated for it.
- A person who currently has an apartment in their name, but to which they do not have access, and that is occupied by immediate family members (parents, grandparents,) who do not presently have, and who have not had in the past, any other apartment in their name, and who did not receive any form of government housing assistance.
- Persons with a valid *“te’udat zeka’ut.”* See below.

Three housing-assistance companies provide rental subsidies:

- Amidar
- Matan-Chen
- M.A.G.A.R.



In order to receive a rental subsidy, some categories of persons are required to request a certificate of eligibility- "*te'udat zeka'ut*" at a branch office of one of the housing-assistance companies. See details below.

### **The Certificate of Eligibility**

A *te'udat zeka'ut* is an official document issued by the Government of Israel (the Ministry of Construction and Housing and the Ministry of Aliyah and Immigrant Absorption) through the mortgage banks. It defines rights to government housing assistance according to age and family size, the number of years in Israel, and the length of service in the Israel Defense Forces (IDF).

### **The following documents are necessary when applying for a *te'udat zeka'ut*:**

- *Te'udat zehut* (identity card) of both spouses, as well as any adult children living with the family.
- *Te'udat oleh* (immigrant's certificate) of the head of the household, which lists all family members.
- Marriage certificate (for couples and families).
- Pregnant women, from their fifth month of pregnancy, should provide a doctor's authorization of the pregnancy, in order to count the unborn child as a family member and receive assistance accordingly. This does not include a single woman during her first pregnancy.
- Authorization of army service (if applicable).
- Authorization from the National Insurance Institute of receipt of assured income payments, income supplements, or disability allowances where applicable.



In some cases, it is necessary to provide additional documents. Check with the housing-assistance company in order to ascertain the required documents.

A *te'udat zeka'ut* is a personal document, and only those individuals listed in it may use it.

## Who is Required to Receive a Te'udat Zeka'ut?

New immigrants who receive regular rental assistance upon completion of the Absorption Basket are generally not currently required to have a *te'udat zeka'ut*. On the other hand, immigrants who receive increased rental subsidies, including individuals who receive specific allowances from the National Insurance Institute, such as single-parent families, and recipients of special old-age pensions, are required to have a *te'udat zeka'ut*.

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**NOTE:** Residents of absorption centers should apply for a *te'udat zeka'ut* before their period of residency expires.

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## Obtaining a Rental Subsidy

Rental subsidies for new immigrants are through the housing-assistance companies. The rates are calculated according to family size and number of years in the country.

### **The following documents are required when requesting a rental subsidy:**

- Valid *te'udat zeka'ut* (where applicable).
- Rental contract signed by both the landlord and the tenants.
- *Te'udat zehut* and *te'udat oleh* of each tenant.

Rental subsidies to new immigrants who receive the Absorption Basket during their first year following aliyah are included within the Basket. From the 13th month following aliyah, The Ministry of Construction and Housing deposits rental subsidies directly into the recipient's bank account. It is generally not necessary to apply for a *te'udat zeka'ut*.

Certain categories can be eligible for increased rental subsidies, including immigrants who receive allowances from the National Insurance Institute, including single-parent families, recipients of special old-age allowances, and persons with disabilities. For information about eligibility for an increased rental subsidy, consult with one of the housing-assistance companies at the conclusion of the period of Absorption Basket payments.

Following receipt of a *te'udat zeka'ut* and authorization of an increased rental subsidy, present the following documents:

- Valid *te'udat zeka'ut*.
- Original rental contract signed by both landlord and tenant
- *Te'udat oleh*
- *Te'udat zehut* of each tenant
- Authorization from the National Insurance Institute of receipt of the allowance and the type of allowance.



- Documentation from the bank (record of transactions, photocopy of check, etc.)

### **Period of Rental Subsidy**

Rental subsidies are for a period of five years from the date of receiving new-immigrant status.

Single-parent families can receive assistance for up to six years from the date of aliyah (the first year of assistance is included in the Absorption Basket.)

Immigrants who serve in the IDF can receive an assistance package in accordance with their length of service following discharge.

Elderly immigrants can receive rental subsidies for as long as they continue to receive an old-age pension together with an income supplement from the National Insurance Institute.

The level of rental subsidies for immigrant families and singles decreases from year to year, and in most situations, is insufficient to cover the entire rental fee. In any case, regulations prohibit the subsidy from covering more than 95% of the rental fee. Rates are adjusted periodically.

Note that immigrants who rent an apartment from an immediate family member (parent, child, child's spouse,) do not receive a rental subsidy, with the exception of elderly immigrants who rent from a child or child's spouse, and with whom they live together. In such a case, it is necessary to prepare and sign a legal rental contract in order to receive the subsidy.

A family in which one spouse is a new immigrant, and the other a veteran Israeli, can receive rental assistance for a single immigrant, on condition that both spouses meet the criteria for "without housing."



Immigrant soldiers in regular IDF service can usually have their period of eligibility extended in accordance with their length of service. The period of army service is generally not included when calculating the period of rights. Note that soldiers in regular army service (*sadir*) may in some cases be entitled to housing assistance from the Ministry of Aliyah and Immigrant Absorption and/or the IDF. Consult the booklet entitled "Military Service," available from the Publications Department, for details (see the order form at the back of this booklet).

## Moving

A recipient of a rental subsidy may move from one rented apartment to another while receiving the rental subsidy. It is not necessary to return any of the money; however it is necessary to present a copy of the new rental contract to the housing-assistance company. It is also permissible to purchase an apartment with a government mortgage during the period of a rental subsidy. A recipient of a rental subsidy who purchases a new apartment can continue to receive the subsidy until they move in, or until the period of rights ends, whichever is earlier. A recipient of a rental subsidy who builds a home can continue to receive rental assistance for one year following construction of the frame, or until the period of rights ends, whichever is earlier. One who purchases a second hand apartment can continue to receive a rental subsidy for up to six months from signing the purchase contract, or until the period of rights ends, whichever occurs earlier.

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**NOTE:** Immigrants who receive rental subsidies may be subject to periodic checks that they actually live in the subsidized apartment.

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## Renting an Apartment

There are very few apartments specifically for rental in Israel. Private individuals own the majority of apartments available to rent. Some



people buy apartments for investment purposes and rent them for income. Other landlords may have purchased the apartment for a child, are temporarily out of the country, or are not using the apartment for some other reason. This usually means that it is not possible to count on renting the same apartment over a long period. The landlord sets the rental terms, including the amount, how much the tenant must pay in advance, length of the rental period, use of facilities, etc. The rental contract should list all of the terms of the rental.

In some cases, a landlord may request a memorandum of understanding (*zichron devarim*) prior to the contract. This document sets forth the landlord's intention to rent out the apartment, and the tenant's agreement to rent it. It also outlines the conditions of rental.

Rental apartments are generally unfurnished, or partially furnished (this usually means appliances, and occasionally, closets).

## Finding an Apartment

### Agents

An agent can be helpful in finding a rental apartment, especially if a tenant needs to find a place within a short time. Once the client finds an apartment, the agent will act as a go-between in getting the contract signed (it is best to consult with a lawyer before signing as well). Agents usually charge the equivalent of approximately one month's rent. It is recommended to ascertain the agent's fee in advance. Apartment-hunters can find agents through the "Golden Pages" (*Dapei Zahav*) telephone directory, in newspapers, and online.

Most cities have agencies that, for a one-time fee, allow access to their listings of available apartments for a specified period.





## **Newspaper Advertisements**

All of the major Hebrew papers, as well as the English-language press, carry rental advertisements, particularly on Fridays. Local papers also carry ads. Many of the advertisements are placed by the landlord, which eliminates the need for going through an agent.

## **The Internet**

Many of Israel's real estate agencies have listings of available apartments (as well as apartments for sale) on their company websites. Apartment-seekers can also search independently using such keywords as "real estate in Israel," "apartments in Israel," or "homes in Israel," or by searching in specific locations such as Jerusalem or Tel Aviv.

## **Notice Boards**

In many public places, including supermarkets, community centers, and Ministry of Aliyah and Immigrant Absorption offices, there are often notice boards with advertisements for rental apartments.

## **Word-of-Mouth**

As in many other areas of life in Israel, an important source of information and leads about available apartments is through word-of-mouth. Don't hesitate to let as many people as you can know that you are searching for an apartment. Many apartments are rented without ever being advertised.

## **The Rental Contract**

The rental contract, which sets forth the terms of rental, should state the names of both landlord and tenant, the address of the apartment, and the rental fee. It should also specify the length of the rental period, the amount of the deposit, the rights and obligations of the tenant, and the responsibilities of the landlord. The contract should indicate which party is responsible for *va'ad habayit* fees,



repairs, and utilities. Unless stated otherwise, the tenant, and not the landlord, pays the municipal taxes (*arnona*). A tenant who does not speak Hebrew well enough to understand the contract should request a Hebrew speaker to translate it. Remember, parties are liable for anything they sign, whether or not they understand it.

The tenant should also be sure to ascertain that the individual renting out the apartment is in fact the owner. Don't be taken in by unscrupulous frauds!

The various English-speaking immigrant organizations may be able to provide limited legal consultation.

### **Deed of Guarantee**

In most cases, a landlord will require a guarantee against the possibility that tenants do not pay their rent or expenses, do not repair any damage they have caused, or fail to vacate the apartment at the required time.

One of the standard ways of providing the guarantee is by having the tenants sign for a specified amount of financial liability should they default on debts or cause damage. This is a deed of guarantee, or *shtar areivut*. It is advisable to list the condition of the apartment, and its contents at the time of renting, in an inventory, which is then attached to the contract. Both landlord and tenant should sign the inventory. If the deed of guarantee is not used, the tenant receives it back at the end of the rental period.

Another option is to have a third party stand as a guarantor, or to request a security deposit from the tenant.



## Purchasing an Apartment

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Once you conclude that you are ready to purchase an apartment or house, you must then decide whether you want to buy a new residence or one that is second-hand, or to build your own home. These decisions, in addition to being governed by your finances, are also determined by the location in which you wish to live. For example, if you wish to build a home, government assistance is available only for specific areas.

Most people find it necessary to request government assistance for purchasing an apartment or building a home. This assistance takes the form of a "*mashkanta*."

### What is a Mashkanta?

The word "*mashkanta*" describes a mortgage in which the object of purchase (the apartment) is held as collateral against repayment of the loan. Repayments are usually linked to interest, and are on a monthly basis for a period of 10-28 years.

Holding the apartment as collateral against the mortgage means that if the borrower fails to make monthly repayments, the bank is authorized to foreclose on the collateral, including selling it and retaining the proceeds.

This also means that one cannot sell or otherwise transfer ownership of an apartment to another party without the bank's authorization. A bank can transfer a mortgage from a previously-owned apartment to a new apartment, which then becomes the collateral. The banks determine the rules and regulations governing the transfer of mortgages.



## What Types of Mortgages are Available?

### There are two types of mortgages:

- Government mortgage-loans to eligible borrowers according to government criteria.
- Loans provided by the banks at their discretion.

## Eligibility for a Government Mortgage

In order to be eligible for a Government mortgage, an applicant must be classified as “without housing” (see criteria for “without housing, above).

### Period of Eligibility

The period of eligibility for mortgages from the assistance companies is 15 years from the date of aliyah. Following the conclusion of the 15-year eligibility period, immigrants who meet criteria of the Ministry of Aliyah and Immigrant Absorption can be eligible for mortgages from the Ministry of Construction and Housing according to their conditions of assistance.

## Government Mortgage Assistance

Government assistance consists of basic loans linked to yearly interest for a period of 25-30 years. Borrowers repay mortgage loans on a monthly basis.

The level of the basic mortgage is according to a point system. Points are based on family size and number of years in Israel. A woman in her fifth month of pregnancy is entitled to count the unborn child as a family member for the purposes of calculating family size, with the exception of a single mother pregnant with her first child.



## Supplement to the Basic Mortgage

- An individual who serves in the IDF can be entitled to an additional loan in accordance with the number of months of service.
- An immigrant family that resides in Israel for five or more years, and single immigrants who make aliyah at least eight years prior to requesting assistance, may be eligible for additional loans in accordance with their number of years in the country.

Information on assistance rates is available from the mortgage banks.

### Additional Assistance

Those who purchase apartments in one of the communities deemed “areas of national priority” may be able to receive “Location Loans.” Amounts and conditions are according to the community.

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Note that amounts of “Location Loans” are liable to change. Information about areas for which loans are available can be obtained from the mortgage banks.

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### Additional Sources of Assistance

In addition to government mortgages, borrowers can request a supplementary loan from a mortgage bank. Amounts and conditions are subject to the bank's discretion. Bank loans are linked to the Cost of Living Index. Other sources of funds can also include loans from the building contractor (when purchasing a new apartment,) from insurance companies, and in some cases, from the immigrant organizations. It is usually not recommended to take loans from too many sources at once, as this can result in problems if they all hold the same apartment as collateral.-



Generally speaking, it is advisable to take a supplementary loan from the same bank that provides the mortgage. At the same time, it is a good idea to investigate the types of supplementary loans, and conditions for them, available from other banks as well.

The banks offer a variety of supplementary loans, including loans linked to the Consumer Price Index, to the dollar exchange rate, to various interest rates, and to various conditions of repayment. It is recommended to research the packages offered by a number of banks and choose the one that best suits your needs.

### **Guarantors**

In most cases, a borrower who takes both a government and a bank loan must present guarantors (*areivim*) to the bank who cosign on the loan. Guarantors must be between the ages of 21-55 years old, and must prove that they have a sufficient regular income or other means of repaying the loan in the event that the borrower defaults. In most cases, guarantors must provide the bank with either a salary statement (*tlush maskoret,*) or an income-tax statement if self-employed. A husband and wife cannot sign as 2 separate guarantors. The bank will specify how many guarantors are necessary, but in some cases, it is possible to negotiate the number.

### **Total Assistance**

The total of all assistance from government sources cannot exceed 95% of the cost of the apartment. Grants cannot exceed 50%.

## **The Loan Procedure**

The loan procedure can be roughly broken down into three stages. Stage one involves ascertaining eligibility for a mortgage by filing a request with a mortgage bank. It is worthwhile to do this **prior** to signing any purchase contract. Stage two is the point at which you officially request and process the mortgage, and stage three



involves signing the loan agreement. During the first stage, it is necessary to fill out a form and present the following documents:

- A valid, up-to-date *te'udat zeka'ut*.
- *Te'udat oleh* of each spouse, or each party to a joint purchase.
- *Te'udat zehut* of all parties to the purchase.
- Verification of income – salary statements (*tlushei maskoret*) for the last three months for an applicant who works for an employer. A self-employed applicant must present income tax statements or verification of income from an accountant.
- Copies of bank statements, in order to verify that your salary is deposited into your bank account.
- Verification of length of regular army service or *Sherut Leumi* (if applicable).

The mortgage bank will calculate the level of the prospective mortgage, as well as the level and conditions of supplementary loans, primarily the rate of interest and the number of required guarantors. After a short time, you should receive a basic authorization (or a rejection) from the bank, which details the conditions of the loan that the bank is willing to provide.

The authorization states the conditions of the loan and includes the following details:

- Amount of the loan.
- Period of the loan.
- Level of interest.
- Amounts of the monthly repayments.
- For loans with varying interest rates, the authorization will contain information about the range of fluctuation, the basis for calculating the fluctuation, the interest level based on the



fluctuation, and monthly repayments based on the fluctuating rates, since interest rates are liable to change on the day the loan is issued.

- Service charges.
- The risks for which the bank requires coverage by insurance.

You may submit requests for a loan to a number of banks, and choose the one willing to offer the most favorable conditions.

The second stage of the loan procedure involves processing of the loan. Following receipt of authorization of the loan from the banks, and your choice of the bank offering the most favorable conditions, you can then make the official request for a loan.

Processing a mortgage involves filling out numerous forms and presenting various documents. It is a good idea to make an appointment with the bank clerk in order to verify what is required in advance. In all cases, the following documents will be necessary:

- Valid *te'udat zeka'ut* where applicable.
- Purchase contract signed according to law, or building permits and an agreement from the contractor if building your own home.
- *Te'udat zehut* of each spouse or party to the purchase.
- Certification of income (and spouse's income, if applicable,) i.e. salary statements if employed, income tax statements or certification of income from an accountant if self-employed.
- Copies of banking records for the preceding three months.
- The names and details of guarantors.





### **Additional documents the bank may require include:**

- Applicants purchasing a new apartment must present the guarantee received from the builder according to “The Sale of Apartment (Protection of Purchaser’s Investment) Law” (*hok hamecher lehavtachat hashka’otehem shel rochshai dirot*) or the text of the registration of ownership in Tabu.
- Applicants purchasing a second-hand apartment (and sometimes when buying a new apartment,) must present proof that the seller has legal title to the property. The bank will explain exactly what is required.
- Applicants purchasing an apartment in an area of national priority must present proof that the apartment construction is under the auspices of the Ministry of Construction and Housing.

Other documents may also be necessary, for example, certification of membership in a building association (*amuta*) or proof that you have returned a public-housing apartment.

Once the bank approves the loan, the third stage of the process begins. This stage involves signing legal documents prepared by the bank, including the loan agreement itself (which the guarantors also sign,) and a standing bank order (*hora’at keva*) for transfer of monthly repayments from your bank account to the mortgage bank. The bank will provide instructions regarding the procedures, as well as the fees that you must pay. In general, the loan agreement should include the names of the guarantors, the total amount of the loan and conditions of repayment, and details of the apartment. A lawyer or a notary must verify some of the documents. Remember to include their fees in your calculations. Be aware that while some lawyers are notaries, others are not, which means that you may often have to pay an additional fee to notarize documents prepared by your lawyer. There may be additional documents to provide, such as receipts that verify payment to the seller, a property assessor’s report on a property’s value for purchases of second-hand apartments or independent construction, and a power of attorney in favor of the



bank that enables it to register the apartment as collateral. The bank will tell you what you need. It takes approximately 2 weeks to receive the loan.

Before taking a mortgage, be sure to check that the property is registered in Tabu in the seller's name. Many people have had serious problems resulting from the failure to do so. If you purchase a second-hand apartment, make sure that there are no other mortgages or restrictions on it. If there are, be certain that the seller repays or transfers them. You should also have your lawyer file a "cautionary note" in Tabu as soon as both sides sign the contract. This prevents the apartment from being sold to anyone else.

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**NOTE:** Under no circumstances should you obligate yourself to a payment schedule based on your mortgage before you know exactly the amount to which you are entitled, and when it will become available. Make sure that your *te'udat zeka'ut* is still valid. If it is not, be sure to renew it. It is very important to consult with a lawyer from the start of the procedure. A lawyer can spare you a great deal of trouble.

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## Insurance

Laws permit the banks to require mortgage recipients to acquire insurance. The first type of insurance covers damage to, or loss of, the apartment, in the event of an earthquake, fire, or other disaster. The bank is the beneficiary of the policy. A borrower can arrange for this insurance and sign it over in the bank's favor, or acquire it through the bank. It can sometimes be worthwhile to arrange for the insurance through the bank, as the terms are often more favorable. Nevertheless, it is worthwhile to shop around and compare various policies before purchasing. Insurance covers the apartment itself only. The contents of the apartment are not included. The cost of insurance is according to the size of the apartment, its location, etc. It may be necessary to have a property assessor value the property (in cases of second-hand apartments or independent construction).



The second type is life insurance equal to the amount of the mortgage. In most cases, if a borrower should die before the age of 60, the insurance company will pay the balance of the mortgage so that the burden does not fall on the survivors. Borrowers over the age of 55 at the time of the loan, and those with specific health problems, cannot receive this life insurance.

Borrowers who prefer not to acquire insurance through a bank can investigate the options available through regular insurance agents.

Finally, it may be necessary to take out investment insurance on an apartment that is still in the construction stage, in the event of bankruptcy on the part of the contractor or the construction company.



## Repayment of Loans

Government loans are generally for up to 28 years, and supplementary bank-loans for up to 25 years. Repayments are on a monthly basis. Accordingly, the longer the repayment period, the smaller the monthly payments. On the other hand, a lengthy repayment period means paying more interest over time.

The banks recommend that the initial monthly repayments do not exceed 25% of the borrower's net income.

## Early Repayment

If circumstances allow a borrower to pay off a mortgage before the end of the mortgage period, the banks will usually permit them to do so. One can generally repay government loans without any restrictions. Bank loans are usually subject to an early repayment fee, based on the balance of the yearly interest. Check with your bank for more information.



## In Summary - Be Careful!

Remember that if you fail to repay your mortgage, the bank will initiate procedures against you and your guarantors, which can be a very unpleasant experience. Missing payments are subject to very high interest. If you do not make the payments within a short time, the bank can take you and your guarantors to court. The courts have the authority to seize salaries, automobiles, furniture, and other assets.

If unexpected difficulties suddenly occur, such as disability or unemployment, go to the bank immediately, and explain the circumstances. It might be possible to arrange a rescheduling of payments. If difficulties are liable to continue over an extended period, consult with the bank about the possibility of extending the repayment period and reducing the monthly repayments.

In the majority of situations, housing loans are comprised of a primary loan from the Ministry of Construction and Housing to those who meet eligibility criteria, and supplemental bank loans. In order to request a restructuring of the Ministry loan, it is necessary to file a request, via the bank, with the inter-ministerial committee of the Ministry of Construction and Housing and the Finance Ministry in order to explain the circumstances.



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**NOTE:** Under no circumstances should you obligate yourself to a payment schedule based on your mortgage before you know exactly the amount to which you are entitled, and when it will become available. Make sure that your *te'udat zeka'ut* is still valid. If it is not, be sure to renew it. It is very important to consult with a lawyer from the start of the procedure. A lawyer can spare you a great deal of trouble.

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## Purchasing Tips

### Second-Hand Apartments

There are a number of advantages to buying a second-hand apartment. First, it is possible to inspect the property before purchasing, find out what the neighbors are like, and get an impression of the neighborhood.

If you already rent an apartment, then you will probably be eager to move into your purchased home as soon as you can, and avoid having both rental and mortgage payments. Buying second-hand usually means being able to move in earlier than if you wait for a new apartment to be completed.

### Finding an Apartment

Finding a second-hand apartment to purchase is much like finding one to rent. Agents can be helpful in locating a suitable apartment. They usually charge a percentage of the purchase price. Make sure to ascertain the amount in advance. Try to get any agreements with the agent in writing. You can also find advertisements for apartments in the major newspapers, and public notice boards as explained in the section on renting. Further, you can find information about building projects and apartments for sale online. Try searching using keywords such as "Apartments in Israel," "Real Estate in Israel," or "Apartments for Purchase," in specific locations.

### What to Investigate Before Purchasing

- The direction of exposures, amount of sun, vulnerability to cold, wind, and rain.
- If the apartment has an electric and/or solar water heater.
- How to heat the apartment in winter.
- The condition of the plumbing.



- Problems with dampness (*retivot*). It is worthwhile asking the neighbors about this. It is also often helpful to hire an engineer who can spot defects before you sign a purchase contract.
- Try to become acquainted with the neighbors. Very often, the relationships between the neighbors can have a significant effect on the quality of life - for better or worse!
- Speak with the head of the *va'ad habayit* and find out how much the fees are. Remember that costs are usually higher in buildings with elevators, gardens, and other extra features.
- Explore the neighborhood. Find out what type of people live there. Are there other immigrant families? Are they your age group? Are there other children to be friends with yours? What kind of schools, kindergartens, and health facilities are there? Are banks, shopping, health-fund clinics, and other services conveniently located? What is the distance to your place of employment?

## The Legal Side

Purchasing an apartment is a major undertaking, and involves significant amounts of money. Therefore, it is **imperative** that a lawyer handle the transaction. Your lawyer should be involved from the very beginning, even if you have a good relationship with the seller. A good lawyer can save you a great deal of anguish.

### Check Before You Buy!

**The following list suggests various points that are worth checking before you purchase an apartment. It is by no means comprehensive.**

- Make sure that the apartment is listed in the seller's name in *Tabu*.
- If the building is on government land, find out if you have to pay a surveyor's fee.



- Make sure the seller pays off, or transfers, any mortgages or other encumbrances on the apartment.
- Find out if the seller also owns rights to a parking space, storage space, garden, or any other additional part of the property.
- It is **never** a good idea to rely solely on the word of the seller or the agent. Get all agreements in writing. **Never** allow the seller's lawyer to arrange the contract or any other aspects of the transaction without the participation of your lawyer.
- Under no circumstances should you agree to a payment schedule before you have verified the exact amount of your mortgage and other loans, and when the funds will be available.

## The Purchase Procedure

Once you have found an apartment, but before you sign a purchase contract, you must usually first sign a memorandum of understanding - "*zichron devarim*." A *zichron devarim* is a legal document that obligates both parties to fulfill the transaction. It includes:

- The obligation of the owner to sell the apartment, and the purchaser's obligation to buy it.
- The address of the apartment, its exact location (number and lot if listed in Tabu,) the size of the apartment, and the number of rooms.
- The price of the apartment, and conditions of payment.
- The date of transfer of ownership.
- Terms of compensation, should one of the parties violate the agreement.
- A statement of the owner's obligation to free the apartment from any mortgages or other encumbrances, within a specified period.
- The signatures of both sides.



Many people make the mistake of signing a *zichron devarim* without consulting a lawyer. **This is not recommended.** As stated above, a *zichron devarim* is a legally binding document, which serves as the basis of the purchase contract. If a lawyer only enters the picture once you have signed the *zichron devarim*, it is usually too late to protect your interests.



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**NOTE:** Some lawyers recommend that, whenever possible, you avoid signing a *zichron devarim*, and sign only on a purchase contract. This is because if there are disagreements during the contract negotiations over clauses not included in the *zichron devarim*, the seller may accuse you of violating the agreement and seek compensation.

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## Acquisition tax

The acquisition tax "*mas rehisha*" is one of the many various expenses associated with the purchase of an apartment. *Mas rehisha* is according to the price of the apartment, and can involve considerable amounts. In many cases, new immigrants are eligible for a discount on paying the acquisition tax. Your lawyer will help you to calculate how much your *mas rehisha* should be.

## Discount on Value Added Tax

The Government of Israel is introducing a program to exempt eligible first-time purchasers from paying Value Added Tax (VAT) on apartments. For complete information about conditions of eligibility and terms of discounts, consult with a mortgage bank.

## Purchasing a New Apartment from a Contractor

In most cases, new apartments for sale from contractors are still in various stages of construction. Some apartments exist only on paper.





What are the advantages of buying an apartment from a contractor, other than getting it completely new? One plus is that you can make changes in the floor plans. You can also choose the materials for floors, countertops, cabinets, and other fixtures (although usually at extra cost). Another advantage is that you can hire a construction engineer to oversee the process, and ensure that the apartment is properly built and finished.



### **Check Before You Buy!**

**Make sure of the following points before you sign any agreement with a contractor. It is a good idea to involve your lawyer in each stage.**

- Is the contractor's license valid? Has he received all the necessary building permits? Is he listed in the Registrar of Builders and authorized by the Ministry of Construction and Housing?
- Try to visit other apartments built by the same contractor. What is the quality? Ask the residents whether the contractor lived up to his commitments.
- Find out whether the land is State- or privately-owned, and whether the contractor has authorization to build on it.
- Try to find out who is financing the project. If the backers of the project are primarily from overseas, there may be a reason that Israeli banks do not want to back that particular contractor. In such a case, it is wise to be cautious.

Read the purchase contract carefully before you sign. It is a good idea to have it checked by your lawyer. Make sure that all promises, agreements, or understandings between you and the contractor are set forth in an unequivocal manner. If you request any additions or alterations, these must be in the contract.

Verify the location of the apartment, the direction of exposures, size, and interior and exterior plans.



### **Be sure to check these points in the purchase contract:**

- Parking - If you intend to purchase rights to a parking space, this must be included in the contract.
- Solar water heater - The law requires the contractor to install a complete solar water heating system. Make sure the contract states this.
- Development - be sure that the contract lists development plans - roads, walkways, gardens, etc.
- Utilities - the costs of having gas, electricity, and water connected to the apartment must be included.
- Tax - ascertain that the price listed in the contract includes the tax.
- Transfer of possession - be sure that the contract indicates the date on which you take possession of the apartment. If, for reasons that are the fault of the contractor, you are unable to move in on the specified date, you are entitled to compensation. Be sure the contract contains compensation terms.
- Registration of Ownership - make sure that your agreement with the contractor indicates the last date upon which your ownership of the apartment must be registered in Tabu or with the Israel Lands Authority.
- Structuring of payments in accordance with building progress - it is advisable to agree upon a payment schedule based on the progress of the building stages (i.e., when specified stages of building are completed,) rather than a payment schedule based on arbitrary dates.
- Be sure that your lawyer is involved in each stage. It is also worthwhile to have your lawyer's assistance in checking the reputation and financial stability of the contractor.

### **The contractor should furnish the following documents:**

- The number of the block and the plot on which the apartment is located.
- The technical specifications of the apartment.



- The floor plan.
- The building plan, property plans, and development plans for the surrounding area.



## Insuring Your Investment

The construction of an apartment takes several months, and often up to a year. At the same time, you hand over significant amounts of money and get only promises in return. How can you protect your investment?

The law obligates the contractor to insure the money you have paid against the chance of bankruptcy or other financial problems. Your investment is insured in two ways:

1. Special guarantees in your favor from a bank or an insurance company, which back the return of your money. The contractor is not obligated to provide this insurance until you pay 15% of the apartment price. The law does not make any provisions for linking the guarantee to the Consumer Price Index, despite the fact that this can significantly reduce its value. Therefore, demand to have your insurance linked to the CIP. The cost of insurance falls on the purchaser.
2. "Registering a Caution in Tabu": In lieu of bank guarantees, the contractor may choose to file a cautionary notice in Tabu, which prevents anyone else from purchasing the property, even if the contractor goes bankrupt.

Remember that if you purchase a new apartment with a mortgage, the banks will insist that you receive the appropriate guarantees from the contractor according to law.





## Building Your Own Home

In certain selected locations, purchasers may be able to receive Government assistance for building a private home. Conditions of assistance are subject to change. Check with the mortgage banks for updated details.

Building a home involves an extensive process of planning and licensing procedures. It is necessary to monitor the construction closely.

One can choose to build a home independently, or through a building organization (*amuta*).

It is important to hire an experienced contractor and construction workers. When choosing a contractor, make sure that he is listed in the Contractors' Registry (*rasham hakablanim*) of the Ministry of Construction and Housing (see Useful Addresses). Check also the contractor's financial position and professional abilities. You can verify the status or credibility of a building organization through the Registrar of Non-Profit Organizations (*Rasham HaAmutot*) of the Ministry of Justice. See Useful Addresses.

Another option is to purchase a finished home from a contractor. This is usually a more expensive alternative, as the price includes the contractor's profit.

The building procedure is often easiest if done through a cooperative organization as in a community village, or through a building association.



## Planning a Construction Budget

When building a home, the first and most important step is determining the construction budget. It is necessary to factor in both the projected expenses at each stage of the building, as well as funds for unexpected expenses and alterations in the plans.

The bank transfers the loan funds for private construction to the recipient's account on a proportional basis, according to the progress of the construction.

**Note:** A borrower may not use a government mortgage for the purposes of acquiring land for construction. In order to finance land for building it is often possible to acquire a special bank loan. Such a loan generally covers between 40%-60% of the costs of the land. A supplemental bank loan for private construction can cover up to 50% of the costs at each stage.

The progress of the construction at its various stages, and the costs are determined by an assessor chosen from a list provided by the bank, or from the construction engineer responsible for the project.



## Taking Possession and the Liability Period

Once the construction of your new home is completed, you will no doubt be anxious to move in. However, it is advisable to make a thorough inspection of the property before you take possession. A qualified engineer should make the inspection, if possible. Make sure to keep a detailed record of any problems that you find, and that are the contractor's responsibility to repair within a specified time. The law defines the time periods for various types of repairs for which the contractor is responsible. In most cases, problems and defects discovered within one year of occupancy are the responsibility of



the contractor (although this period can often be extended for up to 7 years,) while plumbing problems should be covered for two years. Irregularities in the level of the paving of the ground floor, the level of the parking lot, stairwells, or walkways of the building, should be the contractor's responsibility for three years.

Legislation in 1990 mandates differing liability periods for separate components of the construction:

- Plumbing systems (water supply and sewage with the exception of damage caused by rain) – two years.
- Leakage or dampness caused by defects in the insulation of the roof, walls, or basement (shelter) - three years.
- Uneven flooring on the ground floor – three years.
- Disfiguring cracks in walls or ceilings – five years.
- Noticeable damage to exterior surfaces – seven years.

If at any time you discover defects in the foundation or structure that threaten the stability of the building, you should contact the contractor, even if the period of liability has expired.

Should a contractor refuse to make any repairs for which he is responsible, or to compensate you accordingly, you can file a complaint with the Registrar of Contractors of the Ministry of Housing (*Rasham HaKablanim*). This department deals only with complaints against registered contractors. The Registrar of Contractors handles specific types of complaints, including:

- Engineering and technical defects such as faulty construction, leaks, and dampness.
- Failure to complete work.
- Violations of the purchase agreement.
- Delays in occupancy.



- Failure to register the residence in *Tabu*.
- Failure to provide the proper guarantees and securities on money that you have paid.
- Failure to conform the construction to the specifications.

The Registrar of Contractors is not authorized to rule on financial claims filed by apartment owners against contractors, and does not adjudicate claims that can only be settled by financial compensation. Further, the Registrar does not handle suits already filed with the Courts. One may file a complaint with the Registrar only after they have approached the contractor and given him an opportunity to rectify the problem. When submitting a complaint, attach copies of prior communications with the contractor regarding the problem, as well as a form available from the Registrar (see Useful Addresses) or their website: [www.moch.gov.il](http://www.moch.gov.il). Only the owner of an apartment may file complaints concerning defects in an apartment, while the Residents' Committee (*va'ad habayit*) should file complaints about defects that affect the entire building. Be sure to include any relevant information (for example copies of the purchase agreement, technical specifications, etc.).

A homeowner may also sue a contractor in court if he fails to meet his obligations. When doing so, it is a good idea to employ a lawyer with experience in real-estate claims. Be aware that a court process can often take several years.

## What to Look For When Renting or Purchasing an Apartment

### A. Exterior Structure

- Foundation walls should be free from defects, and checked especially for water seepage. Large damp spots can mean that the wall is absorbing rain.



- Foundations and structure should be of reinforced concrete.
- External walls should be of cut stone with concrete backing and insulation, or of a minimum of 20 cm. thick concrete blocks with insulation.
- Concrete roof treated with asphalt, fiberglass, jute, and lime wash, for waterproofing and heat reflection.
- Waterproof materials should insulate external walls to prevent water seepage.



## **B. Interior Structure**

- Basements and crawl spaces should be reasonably free from dampness.
- Basements, cellars, and crawl spaces should have sufficient ventilation, with at least one window, opening, or vent located near each corner of the structure.
- Aluminum windows and frames are recommended for preventing dampness and cold.
- Check vents for soundness. Flues, air vents, and gas vents should provide sufficient draft.
- Stairs should be free from defects (cracks, missing pieces). Railings should be sturdy, and bars should be close enough to each other to prevent a small child from falling.
- Balcony rails should be high enough to prevent accidents.
- Check for noticeable defects in floors, walls, and ceilings.
- Install window bars to provide extra security for the apartment, and to prevent children from falling out.





### **C. Basic Facilities**

- Every dwelling should have a potable water supply. Check the water pressure at all outlets. There should be a main indoor faucet that residents can close quickly in case of leaks or a burst water-pipe. If the water tastes unpalatable, install a water purifier at the main inlet to the dwelling.
- Water-heating equipment should include both solar and electric units. They should be capable of delivering water from all hot-water faucets at a constant minimum temperature of 40 degrees centigrade at all times.
- Plumbing fixtures should include kitchen sink(s); bathtub(s); shower stall(s) or some apparatus on the bathtub wall for showering; toilet(s); and a washing machine outlet (for hot and cold water). Fixtures should be connected to the public sewage system or some other accepted facility for sewage disposal.
- Pipes should preferably be made of plastic to prevent corrosion and rust.
- Make sure that sanitary installations are rust-free.
- Drains should be properly indented to prevent flooding. Shower stalls should have proper enclosures.
- Make sure that pipes, faucets, tanks, etc. do not leak (check for telltale rust marks).
- Listen for noises from pipes (dripping, screeching, etc.).
- Kitchen and bathroom cabinets should be made of Formica or wood; bathroom cabinets may be made of heavy-duty plastic or other water-resistant materials.
- Every dwelling should have proper connections to a source of electrical power.
- Electrical wiring and devices should be designed, installed, and maintained to prevent becoming a potential source of ignition or other hazard. Electric fuse boxes should be airtight, and painted with a special fireproof coating.



- Check with the Electric Company or your contractor to see if you need 3-phase electricity (rather than the standard 1-phase in most apartments) in order to handle the electricity requirements of your appliances.
- No temporary wiring should be installed as a permanent fixture. Replace all defective or worn-out wiring.
- It is highly recommended to install an emergency circuit breaker in the main electric box of the dwelling. This device cuts off all electricity in the dwelling in case anything goes wrong in the wiring or at an outlet point.
- Electrical outlets should be accessible (not behind heavy appliances or built-in furniture) in case of a short (which can cause a fire).
- Make sure the outlets are wired for heavy-duty appliances where necessary.
- All habitable rooms should have at least one window or skylight directly to the outdoors for ventilation.
- A window or other method should adequately ventilate bathrooms, shower rooms, and toilet rooms.
- Apartments with 4 bedrooms should have at least 1 1/2 bathrooms—one with toilet, sink, and shower, the other with toilet and sink.
- Make sure the apartment is reasonably soundproof.



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**NOTE:** One who wishes to make **any kind** of independent exterior improvement to an apartment, such as enclosing a balcony, building a shed, or even installing an air conditioner, is required to follow a number of procedures, including receiving the written permission of all other tenants of the building, and permission from the local municipal authorities. Be aware that neighbors are not obligated to consent to the plans, and have the right to appeal plans to the local municipality.

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## Selling an Apartment

### Transferring the Mortgage from One Apartment to Another

Apartment owners who wish to sell their apartment and purchase a new one, can, of course, simply repay the balance of the mortgage on their old apartment. They may also be able to transfer the mortgage to the new apartment, which then becomes the collateral (*"grirat mashkanta"*). Check with the bank for details about transferring a mortgage. It is recommended to determine rights to transfer a mortgage, as well as the bank's requirements and procedures, before signing any contract for a new apartment. Be aware that as a condition for transferring a mortgage, one who purchases an apartment less expensive than the one that they currently own, will be required by the bank to repay a portion of the bank loan. If the new apartment is more expensive than the previous one, the bank may be willing to provide a supplementary loan.

It is usually possible to transfer a mortgage without any alteration in the conditions of the original loan. In most cases, borrowers may transfer loans for purchasing an apartment in an area of national priority without restriction within the same community, and without alteration of the conditions. If a loan recipient purchases



an apartment in a different community, the bank will calculate the difference between the current and the new loan, and inform the recipient of the conditions for transfer.

Before selling an apartment, make sure that all matters pertaining to the registration of the apartment are in order. For example, be certain that the apartment is registered in your name. In case of divorce, make sure that the registration reflects the current ownership status of the apartment.

The mortgage bank processes the transfer of mortgage rights from one apartment to another in accordance with Ministry of Construction and Housing regulations. Once the transfer is complete, your lawyer can conclude the transfer of ownership from your former apartment to your new one.

It is necessary to fulfill a number of conditions in order to transfer a mortgage. For example, a couple that has utilized their rights to a government mortgage prior to their marriage (i.e. each received mortgages as singles) can transfer only one of the mortgages, and on condition that the new apartment is registered in both their names. Additionally, no more than two years may pass between the sale of the former apartment and the purchase of a new one. For complete information, and details on all conditions for transferring a mortgage, consult with the mortgage bank.

In order to apply for a transfer of a mortgage, present the bank with the same types of documents as for the original mortgage request (salary statements, bank statements, etc.). Further, it is necessary to provide copies of the purchase agreement, authorization of your rights to the apartment that you are selling, the purchase contract, and certification of rights to the new apartment. The remainder of the process is not much different from the process of receiving the original mortgage. A contract outlines the conditions of the mortgage transfer, and insurance policies and other documents are brought up to date.





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**NOTE:** Regulations governing the transfer of mortgages are complicated, and may vary according to family status, location of the apartment, etc. The above information is a general outline only. Check with a mortgage bank for complete details.

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## Public Housing

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Public housing apartments (*diur tziburi*) are available to immigrants who meet specific conditions. The apartments are available on a rental basis only, and located primarily in peripheral areas of the country. The demand for public housing apartments is greater than the existing number of available units. Therefore, the criteria for eligibility are quite stringent, and the waiting period tends to be prolonged. Preference is according to length of residency in Israel.

The following are general categories of eligibility for public housing:

- An immigrant family with a member who meets criteria for physical disability and has written authorization from the National Insurance Institute.
- Immigrant families with a chronically ill member. The family must furnish medical authorization.
- Senior-citizen couples who meet age criteria.
- A single senior-citizen may be able to obtain housing in a hostel or an apartment up to 30 meters in size.
- A single-parent family.

### Period of Eligibility

The period of eligibility for public housing is 10 years from the date of aliyah. Following the 10-year period, those who meet Ministry of Aliyah and Immigrant Absorption criteria of eligibility may qualify for public housing from the Ministry of Construction and Housing according to that Ministry's conditions of eligibility.



Apply for public housing through the Housing Division of the Ministry of Aliyah and Immigrant Absorption. The following documents are necessary:

- *Te'udat oleh*
- *Te'udat zehut*
- Verification of divorce for single parents who divorced in Israel.
- *Te'udat zehut* listing divorced status for single parents who divorced overseas.
- Medical certification in cases of chronic illness.
- Authorization of disabled status from the National Insurance Institute or the Ministry of Defense.
- "Chronic-medical information" form signed by a nurse and physician of the applicant's health fund.

Eligibility is according to date of aliyah only. When an apartment becomes available, the applicant receives a referral. Should the applicant decide not to accept the apartment, they must state so in writing, and indicate their wishes on the referral form. Consult with a personal absorption counselor at the Ministry of Aliyah and Immigrant Absorption for more information.



## Useful Addresses and Telephone Numbers



Telephone numbers and some addresses change frequently in Israel. Consult the latest telephone directory or the information operator if you do not reach the number listed here. When a number has changed there may not be a recorded message noting the change. Thus, if the number continues to be unanswered, check whether it is still in use.

Address	Telephone/Fax
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### Ministry of Aliyah and Immigrant Absorption

[www.klita.gov.il](http://www.klita.gov.il)

[info@moia.gov.il](mailto:info@moia.gov.il)

#### **Main Office**

(02) 6752611

HaKirya, Building 2

Jerusalem

#### **National Telephone Information Center**

(03) 9733333

#### Public Inquiries

(02) 6752765

Publications Department

Fax: (02) 6241585

### Southern and Jerusalem District Headquarters

31 Rehov Zalman Shazar

(08) 6261216

Beer Sheva

Fax: (08) 6230811





Address Telephone/Fax

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**Haifa and Northern District Headquarters** (04) 8631111

15 Rehov HaPalyam, **Haifa** Fax: (04) 8622589

**Tel Aviv and Central District Headquarters** (03) 5209112

6 Rehov Esther HaMalka, **Tel Aviv** Fax: (03) 5209121

## Branch and District Offices

Upper Galilee 1-599-500-920

Binyan Big, Industrial Zone, **Carmiel** Fax: (04) 9580875

Hadera 1-599-500-904

13 Rehov Hillel Yaffee, **Hadera** Fax: (04) 6108417

Beer Sheva and the Negev 1-599-500-921

31 Rehov Shazar, **Beer Sheva** Fax: (08) 6280529

Ashdod and Ashkelon 1-599-500-914

Kiryat HaMemshela Fax: (08)8668030

1 Sderot Menachem Begin, **Ashdod**

Haifa and the Kraiyot 1-599-500-922

15 Rehov HaPalyam, **Haifa** Fax: (04) 8632336

Jerusalem and Judea 1-599-500-923

15 Rehov Hillel, **Jerusalem** Fax: (02) 6249398

Netanya and the Sharon 1-599-500-905

3 Rehov Bareket, **Netanya** Fax: (09) 8629435

Petach Tikva and the Shfela 1-599-500-907

26 Rehov HaHistadrut, **Petach Tikva** Fax: (03) 9312606

Rishon LeTzion and Holon 1-599-500-910

3 Rehov Yisrael Galili, **Rishon LeTzion** Fax: (03) 9525893



Address Telephone/Fax

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Tel Aviv 1-599-500-901

6 Rehov Esther HaMalka Fax: (03) 5209173

[Tel Aviv](#)

Upper Nazareth 1-599-500-903

52 Rehov HaMalacha Fax: (04) 6564019

[Upper Nazareth](#)

## The Ministry of Housing

[www.moch.gov.il](http://www.moch.gov.il)

[pniot@moch.gov.il](mailto:pniot@moch.gov.il)

### Main Office

Kiryat HaMemshela

P.O.B. 18110

[Public Inquiries](#) (02) 5847211

or via the Ministry website

Housing Assistance Line 1-599-505-404

[Registrar of Contractors](#)

[rasham@moch.gov.il](mailto:rasham@moch.gov.il) (02) 5847211

or via the Ministry website

## Head Offices of Mortgage Banks

[Bank Discount Mortgage Bank](#) (03) 9439191 / 6111 \*

[www.discountbank.net](http://www.discountbank.net)

[Bank Leumi Mortgage Bank](#) (03) 9544555/\*5522

[www.bankleumi.co.il](http://www.bankleumi.co.il)





Address Telephone/Fax

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Bank Yerushalayim \*5727  
www.bankjerusalem.co.il

Mishkan, Bank HaPoalim Mortgage Bank (03) 6532409/\*2409  
www.bankhapoalim.co.il

Mizrachi/Tefahot \*8860  
www.mizrahi-tefahot.co.il

## HaAguda LeTarbut HaDiyur

(The Better Homes Association)

www.tarbut-hadiur.gov.il

National Information line \*8484

## Israel Land Administration

www.mmi.gov.il

ILA Information Line (03) 9411011/\*5575

### Public Inquiries

pniot@mmi.gov.il

6 Rehov Shamai (02) 6208422

Jerusalem Fax: (02) 6208427

15A Rehov HaPalyam (04) 8630855

Haifa (04) 8645537

125 Derech Menachem Begin (03) 7632222

Tel Aviv Fax: 7632010



Address	Telephone/Fax
4 Rehov HaTikva Beer Sheva	(08) 6464333 Fax: (08) 6464250
Civil Administration Building P.O.B. 43 Beit El	(02) 9977786 Fax: (02) 9977770
HaKenyon HaAdom Eilat	(08) 9977706
Plaza Hotel Upper Nazareth	(04) 6558211

## The Registrar of Non-Profit Organizations

*(Rasham HaAmutot)*

[www.justice.gov.il](http://www.justice.gov.il)

[Moked-amutot@justice.gov.il](mailto:Moked-amutot@justice.gov.il)

39 Rehov Yermiyahu  
Capital Towers, Bldg. 1  
Jerusalem  
1-700-70-60-44

Check with the Registrar of Non-Profit Organizations in order to verify the status or credibility of non-profit associations set up for group construction of housing.

## Association of Property Assessors The Ministry Of Justice

*(Moetzet Shami'eh Mekarki'in)*

[www.justice.gov.il](http://www.justice.gov.il)

[shamaim@justice.gov.il](mailto:shamaim@justice.gov.il)

15 Rehov Kanfei Nesharim  
Jerusalem  
(02) 6545900

## The Israel Electric Corporation

[www.israel-electric.co.il](http://www.israel-electric.co.il)

Open line for reporting power outages

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## Bezek Telephone Company

[www.bezek.co.il](http://www.bezek.co.il)

Service Center 199

Fax: (03) 6118221

For inquiries about bills and payments

Directory Information

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### Public Inquiries

[ca-2@bezeq.co.il](mailto:ca-2@bezeq.co.il)

132 Derech Begin, P.O.B. 62086

Fax: (03) 6118221

Tel Aviv

## English Speaking Immigrant Associations

### Association of Americans and Canadians in Israel (AACI)

[www.aaci.org.il](http://www.aaci.org.il)

[info@aaci.org.il](mailto:info@aaci.org.il)

37 Rehov Pierre Koenig

(02) 5617151

Jerusalem

Fax: (02) 5661186

94 Rehov Allenby

(03) 6960389

Tel Aviv

Fax: (03) 6960401

28 Rehov Shmuel HaNatziv

(09) 8330950

Netanya

Matnas "Yud Aleph"

(08) 6433953

Rehov Mordechai Namir

(08) 6434461

Beer Sheva



Address

Telephone/Fax

### UJIA (Incorporating Olim from Britain, Australia, and New Zealand)

32 Rehov Tuval (03) 6965244

POB 3624 Fax: (03) 6968696

Tel Aviv

Israel@UJIA.org.il

- Guide for the New Immigrant
- Information for Olim Newspaper
- Consumer Focus Newspaper
- The Absorption Basket
- Employment
- Education
- Military Service
- National Insurance Institute
- Accountants
- Artists, Writers, and Athletes
- Computer Professionals
- Engineers and Architects
- First Steps
- A Guide to Ulpan Study
- Guarding Your Health in Israel
- Lawyers
- Medical Professionals
- Nurses
- Psychologists
- Retirees
- Scientists and Researchers
- Social Workers
- Teachers and Kindergarten Teachers
- The Life Cycle in Israel
- Transportation Services
- Shiluv Magazine

37 Rehov Pierre Keenig  
Jerusalem  
ronen@ujia.org.il

Moshav Meona

P.O.B. 5144

Jerusalem

### South African Zionist Federation

www.telfed.org.il

telfed@inter.net.il

19/3 Rehov Schwartz 1st Floor

Ramat Hashana

Herzlia

13 Rehov Ben Maimon

Jerusalem

### ESRA - English Speaking Residents Association

www.esra.org.il

esra\_her@trendline.co.il

19 Rehov HaTzabarim

Herzlia



## Other Available Publications

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The following publications are available from the Publications Department. To order, simply fill out the attached form and indicate the booklets you wish to receive. Return the form to the Publications Department, 15 Rehov Hillel, Jerusalem 9458115. The publications will be mailed to you free of charge.

Name \_\_\_\_\_

Address in Full \_\_\_\_\_

Date \_\_\_\_\_

