Commercial Leases, Law No. 49-16

Reference: Law No. 49-16 on leases of buildings or premises used for commercial, industrial or craft purposes

Practice areas: Real estate and land law, Business and company law

> Law No. 49-16 protects traders, manufacturers and craftspeople who run their business from leased premises. It regulates rent review, the assignment of the lease and, above all, eviction, which as a rule entitles the tenant to compensation. This is an unofficial explanatory note; only the Arabic text published in the Official Bulletin is authoritative.

Who this law applies to

The law applies to leases of premises in which a business (fonds de commerce) is operated, as well as certain ancillary premises, private schools and some similar activities. The tenant is protected after a period of occupation set by law, or if they paid key money (pas de porte).

The key rules

- A commercial lease must be in writing and bear a certain date.
- A landlord who wants the premises back must, as a rule, serve a reasoned notice and pay eviction compensation reflecting the tenant's loss, in particular the value of the business.
- Certain grounds (unpaid rent after formal notice, serious cause, demolition of a building at risk of collapse) allow eviction without compensation or with reduced compensation, under the conditions provided.
- The tenant may assign the lease together with the business, provided the landlord is notified.
- Rent review is regulated and may only take place at intervals and within limits set by law.

Key deadlines and figures

- Protection is acquired after a minimum period of occupation, or immediately if key money was paid.
- Rent review: as a rule no more than once every three years.
- Unpaid rent: a formal notice left unanswered within the legal period opens the way to termination.
- The time limits for contesting a notice to quit are short and should be checked as soon as it is received.

What it means in practice

For a trader, the right to the lease is often the most valuable part of the business. Receiving a notice to quit does not mean you must leave: first check whether it is valid and whether compensation is due.

For landlords, the law requires a precise procedure. A badly drafted or improperly served notice can cause the attempt to recover the premises to fail.

Reforms and recent developments

Adopted in 2016, Law No. 49-16 replaced the Dahir of 24 May 1955 on commercial leases. It simplified the procedure, in particular by removing the mandatory prior conciliation stage of the old regime, and gave key money a legal basis.

When to consult a lawyer

When signing a lease or paying key money, on receiving a notice to quit or a formal notice to pay, before selling a business, or to assess eviction compensation.

Sheet prepared by the office of Maître Malak Elimani, lawyer at the Rabat Bar. Building 13, Rue Al Ijas, Apartment No. 1, ground floor, Hay Riad, Rabat, Morocco · 05 37 56 53 58 · contact@elimaniavocats.com

General information document and unofficial English translation. Only the version published in the Official Bulletin of the Kingdom of Morocco is authoritative; the articles cited may have been amended since this sheet was written. Last updated : 3 November 2026.