

The Last Word

WE'RE PLEASED TO WELCOME TO OUR TEAM **DENNIS PHILLIPS**, SOLICITOR AND PRINCIPAL OF PHILLIPS INTERNATIONAL LAWYERS, A UK BASED LAW FIRM SPECIALISING IN HELPING ENGLISH AND IRISH CLIENTS BUY PROPERTY OVERSEAS.



COMMON LEGAL PITFALLS IN POPULAR DESTINATIONS

Prior launching his own firm, Dennis gained unrivalled first hand experience initially in the Spanish Department and later as Head of Emerging Markets at another prominent firm of international property specialists. Today, Dennis talks about some of the general legal issues affecting most overseas property markets. In future issues, he'll be focussing on some of the most common legal pitfalls in his specialist markets of Croatia, Dubai, Spain and Turkey and giving us an insight into some of the possible strategies used to negotiate around them.

PAYING WITHOUT SIGNING

Let's begin with a golden rule – "unless you are prepared to lose what you pay, don't pay anything without signing something and don't sign without it being independently checked." Follow this rule and you'll minimise the risk of making one of the most common mistakes when buying abroad and avoid any unwelcome surprises further down the line.

FAILING TO TAKE PROFESSIONAL ADVICE

Always instruct an independent lawyer too. True, the chances are that a national from the country you're buying in probably wouldn't

use a lawyer when buying property. But with so many extra considerations to bear in mind when buying as a foreigner, can you really afford not to? And I'm not just saying that to line my own pockets. As most experienced and successful property investors will confirm, taking good legal and professional advice will usually save you much more than their fees.

It's a quirk of our industry that a great property can be sold by a rogue agent or developer and the best agents can have properties with bad title on their books. And you'll learn a lot about them from their approach to recommending legal advice.

The worst of them will actively discourage you from taking independent legal advice. They'll tell you that involving lawyers will slow things down and cost you more. They're right if this means you'll be spending more time and money to make sure that things are done properly. But would they be saying this if they were a substantial and reputable agent or developer with nothing to hide?

Others will often encourage you to use 'their lawyers', or perhaps their own in-house legal department or the lawyer next door. If these lawyers are directly paid by or getting most of their business from that agent or developer, can you really trust them to point out all of the legal issues that might affect you?

In fact, the best agents will carry out some of

their own title checks before putting properties on their books, particularly before selling a substantial development or a handful of unusual properties. Although this can go a fair way to reducing the risks outlined below, the legal status of the properties they've checked can and often do change over time.

For all these reasons, the best agents and developers will actively recommend that you take independent legal advice, perhaps from an appointed 'panel' of specialist lawyers.

One of the easiest ways of safeguarding your money is by formally instructing your lawyer before you go. Remember above all, we're only a phone call away and can give you instant help and advice when you are being asked to sign anything by the developer or agent. This article has been provided for information only and is not a substitute for proper legal advice. Thinking about investing in Croatia, Dubai, Spain or Turkey? Who's protecting your interests?

• **Phillips International Lawyers can be contacted on 020 7198 7907 or online at www.phillipsinternationallawyers.com.**

