

PROPERTY OWNERSHIP IN GREECE

GENERALLY SPEAKING, EVEN THOUGH IT'S BEEN SAID THAT EXPLORING THE GREEK REAL ESTATE MARKET CAN BE A MIND-BOGGLING EXPERIENCE, THERE ARE NO RESTRICTIONS ON NON-RESIDENTS ACQUIRING REAL ESTATE IN **GREECE**, EVEN IN THE BORDER REGIONS AND PREVIOUSLY SENSITIVE AREAS SUCH AS THE BEAUTIFUL AND POPULAR ISLANDS OF CORFU AND CRETE.

That said, both EU and non-EU residents must obtain permission from the appropriate authorities before purchasing in the border regions, loosely classified as the eastern Aegean, Dodecanese islands, regions of northern Greece, Crete and Rhodes.

For EU nationals this is a simple process - a temporary residence permit called the Blue Card is required. You may apply for it at the local police station. It takes approximately two weeks to be issued, but your solicitor can collect it on your behalf if you grant them permission. This is typically done by signing a document called a Power of Attorney. Non-EU nationals have to apply for a special permit issued by the Ministry of Defence in Athens.

An alternative way to purchase property in these areas is through an offshore company in your name, based in an EU country. This is fairly commonplace; setting up and maintaining such a company costs approximately £2,000 to

establish and £1,500-£2,000 annually. However, this decision should be made with professional advice with reference to your particular personal circumstances.

As a prospective buyer, any reputable agent or lawyer will urge you to proceed with a degree of caution for a number of reasons, not least because of:

- **Greece's archaic land registration system**
- **Restrictions imposed by the archaeological, forestry, tax and municipal authorities**
- **Restrictions for foreigners renting property in Greece**
- **The complex property law in Greece**
- **The complex taxation of real estate in Greece**

You've found the property you like and you've agreed a price. You should ask to sign a Reservation Contract under which the property should be taken off the market for a

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Protecting your interests abroad

Under Greek law, the contract of sale for property can only be executed before a notary public. The buyer must first acquire a tax registration number from the Greek tax authorities and then proceed to pay the tax for the property.

reservation period in return for you paying a Reservation Deposit, typically £1,000 - £2,000 for a £100,000 property. It's during the reservation period which is usually two to four weeks that your lawyer would carry out your 'searches'.


Following their advice, hopefully you'll be happy to proceed. Once you decide to go ahead, the first stage is to sign a sales agreement and pay a deposit – often around 10%. The vendor will then be instructed to take the property off the market whilst your lawyer (and an English speaking one is a must) makes all the necessary checks and completes the transaction. However, should you then decide not to continue with the purchase not only will you lose your deposit but you may face legal action from the vendor!

Conversely, if the vendor pulls out of the deal at this stage you will be entitled to claim double the deposit amount in compensation; so both sides are quite well protected.

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only be executed before a notary public. The buyer must first acquire a tax registration number from the Greek tax authorities and then proceed to pay the tax for the property. You might also want to take tax advice or appoint an accountant at this stage, as the Greek State has ordered that all property ownership in Greece must be declared by filling out a form (E9) and submitting it to the Greek Tax Authorities. This is compulsory for every property owner in Greece, even for those who live abroad and have never filed tax returns in Greece or do not have an income in Greece.

A nationwide Land Registry is underway which should improve things as far as making the legal searches is concerned. Some islands already have them, while properties in other areas are registered in the Registry of Mortgages. What's more, with new properties a land surveyor is usually required. The surveyor's role is to ensure that all construction activity is carried out in line with planning permissions.

Subsequently, the contracting parties must appear before a notary public along with certain certificates from the tax authorities as well as other documents in order to conclude the transaction. The transfer is then finalised with the registration of the title in the registry of mortgages or the land registry, and the property is then yours 'in perpetuity' to enjoy along with the Greek sunshine and relaxed laidback lifestyle! 

• This article was supplied by Dennis Phillips, Solicitor and Principal of Phillips International Lawyers. This article does not constitute legal advice. For more information visit www.phillipsinternationallawyers.com or contact Dennis on 020 7198 7907 or dp@phillipsinternationallawyers.com.