

THE HOW - TO GUIDE FOR PROPERTY PURCHASES IN GREECE

A step- by- step guide to take you through the technical and legislative requirements for property investment in Greece.

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Technical Actions/ Land Legality Data

Technically it is necessary to establish through an official document issued by a civil engineer, if the land plot is "whole" and "buildable". Next we need to ascertain if it includes parts of forested areas or areas where special restrictions have been established.

Such restrictions include archaeological sites, environmentally protected sites (natura, Ramsar Convention, wildlife sanctuaries, coastal or beach areas, river flood zones, or areas designated as high productivity land).

Some of the above categories of special protection areas are not transferable. In other cases they are transferred but under strict regulations concerning land use. All of the above are certified by a civil engineer who is under the obligation to sign relevant formal statement.

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Finding this information is generally feasible today as the publication of forest maps and inclusion in the National Cadastre and spatial planning have been carried out in most of Greece.

An inflexible condition for the transfer of the property is the prior registration of the property (with its correct data) in the Cadastre, where this has been completed.

On the topographic diagram drawn up by an engineer it is necessary to record all the necessary information such as the construction coefficient details and permitted land uses.



Navigating the technical and legislative requirements for investing in Real Estate in Greece

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Buildings' Legality Data

In Greece today, the law governing the transfer of real estate does not allow transfer of building of any scale or use if there are arbitrary constructions or uses. In the last 12 years, legislation has allowed the conditional suspension of such a prohibition, with the exception of demolition of arbitrary constructions against payment fine if the unauthorized constructions have been carried out before 28-07-2011.

The technical requirements for transfer of real estate include the preparation of the electronic identity of each building through which the engineer technically supports the transfer,

In the Building Electronic Identity is registered all data referring to the design of the building, records of history of all administrative acts (OA, contracts, etc.) as well as all transfer agreements and contracts of transfer that have taken place on the property from its creation to the date of the transfer.



Finally, it is necessary for the transfer to carry out a building energy inspection and subsequently issue an energy efficiency certificate that certifies energy class, i.e. the energy consumption level during use of the building as residence, shop, or office.

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Legal Actions to Secure Property Transfers

Legal actions to secure the transfer usually precede technical research. There are 4 steps to legal due diligence prior to property transfers:

1. Title deed research

This investigation certifies the legality of the purchase of the property and ensures that there are no pending claims, expropriations or registered mortgages and third party rights to the property.

2. Investigation of the possible existence of any rights under a debt (bondages, rights exclusive use, etc.)

3. Investigation in relation to the registration of the property in the National Cadastral and potential discrepancies between the title deed and the actual condition of the property that possibly necessitate modification of the registration details in the Cadastral registration (spatial changes or modifications)

4. Investigation of potentially pending cases of claims and disputes over the land at hand.



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ax audit: 4 steps towards securing property purchases

In every transfer of real estate it is necessary to present:

1. An official certificate regarding payment of the real estate tax which is a mandatory fee for all real estate.
2. Proof of payment of the single property tax (ENFIA) of the last 5 years before the transfer.

3. Payment of transfer tax

Land Transfer tax is calculated on the basis of the system of objective valuation applied in a very large part of the Greek territory and determines with objective data the commercial value (objective value) of the property during the chronological period of the transfer.

The transfer tax is a percentage of the objective value of the property and depends on the tax policy of the Greek state at the time of the transfer.

It is pointed out that since the revenue of the State from transfers constitutes an important parameter of the national budget, taxation on transfers is often subject to changes depending on political circumstances.

