



Buying property in Greece is a relatively straightforward and highly secure transaction. Greek legislation allows foreigners and especially EU residents to acquire real estate properties in most regions of Greece - Non EU residents require a special permit for buying properties located near national borders.

1. Appointing a Real Estate Advisory Firm

Selecting the right property that meets all your requirements is important. Hiring a real estate advisory firm to guide and support you, in identifying your property is highly recommended.

2. Due Diligence

a) Legal Due Diligence

You need to hire a lawyer for a property transaction and all real estate property deeds need to be notarised. A lawyer can appear on your behalf in front of the notary and will also verify the accuracy, validity and continuity of the ownership deeds and ensure that all transfer formalities related with the Land Registry Office and/or Cadastre Office are complied with.

b) Technical Diligence

An engineer needs to check that the property complies with all urban planning and building terms. A technical due diligence is imperative where the property or land in question is located outside the town planning zone or for older properties.

3. Preliminary Contract

It is common practice for the prospective buyer and the seller to sign a preliminary contract to reserve the property until the completion of the legal and technical due diligence. At this stage, a mutually agreed percentage of the purchase price is paid by the buyer to the seller as a down payment. Should the buyer fail to complete the transaction for reasons other than the legal and technical due diligence, this amount is usually forfeited. A recent softness in the market has seen exceptions from preliminary contracts but they are still the norm in most cases.

4. Deposit of Transfer Tax or VAT

Before signing the final contract, the buyer has to comply with certain tax formalities. These include the deposit of the Title Deed Transfer tax. New construction with a building license issued during the last five years are subject to Value Added Tax instead of Transfer Tax (24% vs. 3%), regardless of when building work was/is completed.

5. Final Contract and Registration of the Property Transfer

The execution of the final contract takes place before a notary, after collection of all necessary legal and appropriate supporting documents. Representation by a lawyer is optional. Following this, the property transfer is registered either at the Land Registry Office or the Cadastre Office of the region where the property is located. Only at this point does the transfer of the Title deed of ownership become valid.



Useful Information

- Prior to completion of the agreement the buyer must have obtained a Greek Tax Identification Number (AFM).
- Importation of funds used to acquire real estate needs to be documented and requires the permission of the Bank of Greece.
- The average transaction cost of purchasing property in Greece ranges between 7-12.5% of the property value. The transaction cost will be higher for new construction, which is subject to VAT.
- The minimum estimated time for the completion of any transaction varies from 1 to 3 months.
- According to the new legal framework, any non-EU investor who spends in excess of 250,000 on Greek real estate is granted a residence permit for himself and his family. This is renewable every five years.
- Major banks are willing to offer mortgages to foreign buyers that fulfill the bank's requirements.
- The steps for buying property in Greece are the same for individuals and for legal entities. For legal entities specifically, tax and legal advice is strongly recommended in order to identify the most efficient acquisition structure for each case. Algean Property undertakes the overall process and engages specialists where appropriate.

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