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## Legal Advice

Since the introduction of the currency board in 1997 Bulgaria has been politically stable country with a developing economy and the preferential conditions and guarantees for foreign investors have generated excellent business opportunities and investment growth potential. Bulgaria real estate prices are by far lower than other destinations in Europe but the estimated acceptance of Bulgaria in the European Union provides unprecedented growth potential that will certainly boost the prices of the Bulgaria real estate in the near future. Bulgarian market or real estate is still unexplored and undeveloped to a certain extent, which makes it very attractive and profitable.

It will probably be shocking for you how many strategic real estate properties are still waiting for their proprietor to appear and earn a fortune from their charm or natural beauty around.

Bulgaria has one of the most liberal foreign investment laws in the region regarding Bulgaria real estate, as well as the foreign investors. According to the Bulgarian Constitution and legislation foreign persons and companies can invest in real estate in Bulgaria either personally or through a local legal entity. Generally speaking, foreigners as persons can acquire only buildings but not land. Only Bulgarian citizens and legal persons (including such with foreign owner) can obtain the ownership of Bulgarian land.

Therefore, the most popular and preferred by non-residents ways to become the real estate owners are:

\* As far as houses, villas, flats and limited ownership rights (the right of use, the right to build a house, etc.) are concerned, you can directly purchase them as a person.

\* When talking about Bulgaria real estate with land, you set up a company that will be the owner of the property. Setting up a company in Bulgaria is very easy. All you need is a good solicitor or barrister at law. Of course, there are other ways to do it, like:

\* Establishing a joint venture with existing local companies;      \* Setting up a new venture;      \* Acquiring a company through privatisation;      \* Making a portfolio investment;

Foreign organizations have the right to open bank accounts denominated in a Bulgarian or foreign currency. There is also no limit to the company stake they possess. Moreover, there is a special regime of respect towards the foreign investors on the part of the Bulgarian legislative system, which is a gesture of tolerance to those, who are interested in Bulgaria and are willing to benefit from its future. Last 2 Bulgarian governments are doing their best to attract foreign investors to our economy, inclusive such that want to buy Bulgaria real estate.

We are here to help and organize the whole process of acquisition for you from the start to the very end. The service will be undertaken by a Bulgarian lawyer, expert in Bulgaria real estate and specialists who will provide you with a professional help in the field you need, including:

\* Registrations of mixed and foreign companies;      \* The best relation between price and quality of real estate achieved by professional negotiations;      \* Property management and real estate maintenance;      \* Travel arrangements when arranging viewings of Bulgaria real estate;      \* Own cars for visits to real estates in the country;      \* Advice on any topic that intrigues your attention

### IMPORTANT INFORMATION TO CONSIDER WHEN BUYING PROPERTY IN BULGARIA

\* The usual term for the old owners of the property to move out of it after completion of the sale is one month. This could be negotiated if the buyers require a shorter term. For this purpose, they should ask the assistance of our agents. in due term and not expect the property to be empty right after signing of the final contract.

\* All foreign buyers purchasing real estate property must be aware that in Bulgaria there are such terms as "tax estimation price" and "purchase price". The "tax estimation price" is for the purposes of real estate taxation and is much lower than the actual selling (purchase) price.

Most of the Bulgarian property owners (vendors) wish that the "tax estimation price" is written in the title deed, and not the selling (asking) price which the buyers are paying, so due to this practice there might be discrepancies between the price you are paying and the price written in the title deed. This is because of various reasons and Bulgarian Properties Ltd. can not be responsible for it. If the respected property buyer wishes that the purchasing price is written in the property title deed they must notify us in advance and we will negotiate on this with the vendor of the property.