

# Buyer's Guide



## Introduction.

If you have looked through my listings you will have noticed there are not so many, in fact there are very few if I were acting as regular real estate agent. However, as an independent agent I have a professional relationship with a number of other agents, currently, in Western Crete. This means that I don't have to have a huge number of listings as I can show you listings from these other sites. I can do all the searching across the numerous sites that exist and send you the ones which you're your criteria.

Having decide to buy a new place the next step can be daunting. Questions about where, how big, what views, do we buy ready built, a plot of land or a renovation project and of course what is the budget? When working with clients I found it much easier if I had a clear idea of what their priorities where and so I created a questionnaire which I could complete as I got to know them. I have created this form for you to complete at your leisure and from the information you provide I will search for you.

## The process.

Although it is no longer a legal requirement to appoint a lawyer for the purchase of a property, it is highly recommended as there are many steps to take which can easily be carried out by a lawyer so it is advisable to appoint a lawyer if you are serious about buying.

1. Anyone buying in Greece must have a Greek tax number (AFM) for which you will need a copy of your ID card or passport.
2. The second step is to open a Greek Bank Account.

Having found a property you want you will make an offer. Once the offer has been accepted the next steps will be carried out by the lawyer.

1. There will be searches carried out by the lawyer on the legal status of the property.
2. It may be necessary to employ the services of an engineer if there are no current documents.
3. Should you wish to buy property in certain areas on Crete non-Greeks will need to get permission from the local prefecture and in some cases the military. This is not a difficult process but can take some weeks.

## Residency and Visas

If you are planning to live in your new home EU citizens should apply for a Residence Permit within three months. The sooner the better as you will need this in order to buy a car.

It is possible for anyone to buy a property in Greece but non-European citizens have to take additional steps in order to reside. Non-European residents from certain countries are able to enter and stay in Greece for up to 90 days in any 180 days. ( A full list of which these is available at: <https://www.mfa.gr/en/visas/visas-for-foreigners-traveling-to-greece/countries-requiring-or-not-requiring-visa.html>) Non-European citizens wishing to reside in Greece will have to obtain a Resident's Permit for which they will have to initially obtain a National Visa, D Type and then apply for the permit. The purchase of a property over €250,000.00 enable the buyer to obtain a 'Golden Visa'. It is very important to consult a lawyer about the type of visa and what steps you need to take. Once you appoint a lawyer it is advisable to give the a Power of Attorney to undertake as many of the following steps as you feel you would wish them to undertake.

## **Fees.**

When purchasing a property you will need to pay the following fees

### **Transfer Tax :**

The amount of tax is calculated on the value of the property that is mentioned in the contract.

When it comes to buildings :

If the Building Licence was issued before 01/01/06, then the tax is charged at 3.09% of the property value mentioned in the contract .

If the Building Licence was issued on or after 01/01/06 and the seller is the developer-contractor, taxation of 24% of the purchase price will apply.

### **Municipality tax :**

An amount of 3 % of the Transfer Tax is to be paid to the local Municipality.

### **Notary fee :**

The notary fee is calculated in most cases at 1.6 %, including tax and VAT, of the property value mentioned in the contract. This fee percentage is decreased as the amount of the purchase price is increased.

### **Land Registry fee :**

Land registry fees include registrar's rights, certificates, and stamp duty. They are calculated at 0.475-0.575 % of the property value mentioned in the contract, plus 24 % Value Added Tax (V.A.T.).

### **Lawyer fee :**

The legal fee is a matter of agreement but it is usually in the region of 1.5% of the property price or a minimum of €1,500 Euro plus vat. The legal fee is also affected by the extent of the service provided by the lawyer and it is all upon agreement by mutual consent between the buyer and the lawyer.

### Real Estate Agent's Commission :

The buyer pays 2 % of the property price plus vat as a fee for the real estate agent.

In all the fees and taxes come to approximately 10% of the agreed purchase price if you are not buying a newer property from a developer.

Below is an example of the costs using medium point percentages on a re-sale property all fees have had the current level of vat added (24%);

### Cost and Taxes

<b>Asking Price</b>	<b>€ 200,000.00</b>
Real Estate transfer tax	€ 6,000.00
Value added tax	-
<b>Estimated total amount for taxes</b>	<b>€ 6,798.00</b>
Estimated Realtor's commission	€ 4,960.00
Estimated Notary 's Fees	€ 3,200.00
Estimated Attorney's Fees (optional)	€ 3,720.00
<b>Total amount for fees (VAT is included)</b>	<b>€ 218,678.00</b>
Land Registry	€ 1,165.60
Closing costs	-
<b>Total potential expenses</b>	<b>€ 1,165.60</b>
<b>Estimated Total Buying Cost</b>	<b>€ 219,843.60</b>

(All information is correct at the time of publishing.)