

Title:

Consider Buying a 2nd House in Bulgaria

Word Count:

345

Summary:

A brief information regarding Laws of property ownership in Bulgaria

Keywords:

bulgarian property, bulgarian property investment, bulgarian property investments, real estate Bulgaria, realtor in Bulgaria

Article Body:

Property for Foreigners

There are no obstacles for foreigners to get the title for buildings, as well as real rights (right of use, right of construction). Up to now there is only one restriction: it is not allowed by law for foreigners to become owners of the land under the buildings they have bought. They are not allowed to buy agricultural land as well (this is a Constitutional prohibition). This is true for physical persons. All restrictions become irrelevant if foreigners set up or join a company incorporated under the Bulgarian legislation, which can acquire full land ownership rights including ownership rights on agricultural land. Therefore one of the most common methods for foreigners to buy property in Bulgaria (houses with courtyards, land etc) is to set up a company which then owns the land and the buildings.

It is considered that in Bulgaria a real free market for land will be established some time after Bulgaria becomes part of EU. This historical restriction is one of the reasons why property in Bulgaria is so investors in Bulgaria

There are several guarantees competitively priced compared to Western and Central Europe.

Legal treatment of foreign for foreign investment in Bulgaria:

- National treatment
- Most favoured nation status
- Priority of International Treaties
- Legal Guarantees against Adverse Changes in the Law - the provisions of the Law that have been effective at the moment of making the investment, should be applied for any foreign investment executed before the changes of the legislation setting up legal normative restrictions for the foreign investment.
- Protection against Expropriation - real estate property owned by a foreign

person can be expropriated only on lawful grounds.

Preferred Types of Business Organizations

The obstacle for foreigners not able to own land in Bulgaria (a law that is liable to change soon) can be overcome by incorporating a company in Bulgaria and owning the land as an asset.

The most common form of organization is a Limited Liability Company. Other types are General Partnership, Limited Partnership, Joint Stock Company, Sole Proprietorship, Joint Venture, Holding, Cooperatives, Branches and Representative Office.