

PURCHASE OF REAL PROPERTY IN HUNGARY – GENERAL PROCESS STEP-BY-STEP AND COSTS

(5 MINUTE READ)

GENERAL INFORMATION – COSTS AND TIMELINE

Estimated costs that shall be expected with a property transaction are as follows:

- land registry fees (~**16-40 EUR**, depending on you file with priority or not)
- legal fees (at our firm usually **in the range of ~800-1200 EUR**, but largely dependant on the transaction details – price, banks/mortgage registration or deletion involved)
- fees for government permission if you are non-EU (**~125 EUR state fee and ~125 EUR legal fee**)
- state fee for purchasing property (to be paid later to the state – **4% of purchase price** – can be reduced though if specific conditions apply)

Timeline:

Ideally with a one-time payment transaction, you can be **registered in about 2 weeks** from signing the contract. In case you need government permission, or you obtain bankloan within Hungary, **this can be up to 2-3 months.**

If needed everything can be done online. We are fast and flexible. We suggest to involve an attorney from the start.

Do not hesitate to contact us if you have questions, we are here to help:
benedek@sblegal.hu / [+36307221021](tel:+36307221021) / available also on Whatsapp and Viber

DO YOU WANT TO KNOW MORE?

The process can be simplified into **3 steps (+ 1 if you are a non-EU citizen).**

STEP 1 – FINDING THE PROPERTY, AND BASIC DUE DILIGENCE

You have found a property that you like? Great! Now it is time for due diligence. What you need to ask the seller to provide to you:

- 1) Most important: fresh title deed of the property** – if there is none available, let us know and we acquire one for you. What we need is the exact address or plot number.

The title deed shows the owner and any mortgages or other encumbrances of the property. A mortgage right is not a problem, but a court or tax enforcement, etc on the title deed might be.



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- 2) **if it is a condominium: charter document** – we need this to check if there is any right of first refusal incorporated in the charter– meaning, someone from within the condominium might buy the property if they pay the same price as you do.
- 3) **Energy certificate of the property** – Most sellers have it ready, but some only prepare it when it is time for sale. No problem if they give it to you before signing the contract, only if it is of material importance to you to know the energetic specifics of the property (heating system specifics, etc.)

STEP 2 – SUBMITTING AN OFFER

If all this is checked out beforehand (energy certificate is an option), and everything is in order, you can submit a written offer to the seller. **Property deals are only valid in writing. Your offer should include payment terms, handover deadline, and everything that is important for you (eg. will furniture/fixtures be also sold or not, etc.).**

If your offer is accepted by the seller, time to contact your attorney to prepare the documents for the sale and purchase.

Let us know in case you need a free fee quote, by sending us the property data and the main terms of the contract. We work with fixed fees – as shown by our estimation above.

STEP 3 – SIGNING THE CONTRACT AND OWNERSHIP REGISTRATION

If everything is sorted out, you can agree for a date to sign the purchase contract. Important notes:

- **no Hungarian bank account is needed** for the purchase
- your **home country tax ID, and personal data** will be sufficient for the contract (if you have a Hungarian tax ID already, great)
- **your contract will be bilingual** (Hungarian – for the land registry and English – for you to understand every step)
- **your ownership will be registered upon full payment** – but if you do not pay in one instalment, do not worry – Seller will sign everything needed in advance, and we will make sure you will be duly registered.
- if you need a bank loan to purchase, the contract shall comply with **bank requirements**.

OPTIONAL STEP – GOVERNMENT PERMISSION TO PURCHASE PROPERTY IF YOU ARE NON-EU

Kindly note prior government permission is required for a purchase for a **legal or natural person** who is **NOT a national of an EU member state**, a state party to the EEA agreement or shall be considered alike by virtue of an international treaty.

This is handled by your chosen attorney, after signing the contract. Usually - if you are not a risk to public safety - permissions are given.

The above are not to be interpreted as legal advice unless the law firm receives a mandate from the client involved.



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