



USEFUL INFORMATION FOR FOREIGNERS WHO WOULD LIKE TO ACQUIRE REAL ESTATES IN TURKEY

- In Turkey, contracts ensuring transfer of real estate ownership are only valid after registration by the land registry directorates only.
- Matters such as whether the real estate has any encumbrances thereon such as mortgages, liens etc., or whether there is anything preventing the real estate from being sold or not, should be checked before the respective land registry directorate.
- At <http://parselorgu.tkgm.gov.tr>, it is possible to inquire about the real estate by entering information on city, district, quarter/ village, map section and plot. Thus, basic information on real estate, including status on ground, can be accessed from anywhere in the world online, except for personal information.
- The foreigner does not have to have a residence permit in order to be able to acquire real estate in Turkey. In addition, foreigners, who have real estates in Turkey, are issued short-term residence permits for maximum one year under the Foreigners and International Protection Code numbered 6458.
- In case of any dispute between the parties regarding acquisition of real estates, then the matter is to be referred to the judicial authorities and a case should be filed at the courts of the location of the real estate.
- General Directorate of Land Registry and Cadastre creates representation offices abroad in order to allow the Turkish citizens and foreigners living abroad perform their land registry and cadastre procedures in the respective countries. Within this scope, land registry and cadastre procedures are performed at the Land Registry and Cadastre Representation Office of the Consulate General in Berlin, and the real estates located in Turkey can be purchased and sold through our representation office in Berlin.

- A natural or legal person intending to acquire real estate in Turkey is to apply to the land registry directorate together with the owner of the real estate. In addition, it is possible to call Alo 181 Call Center offering service around the clock or visit <http://randevu.tkgm.gov.tr> to make an appointment without visiting the directorates.
- Turkish companies with foreign capital, on the other hand, should first apply to the provincial planning and coordination directorate of the governorship of the place, where the real estate is located, and should apply to the land registry directorate together with the positive response that they receive thereafter. These companies may apply in person and through mail or electronic mail.
- For any matter of hesitation, it is possible to receive information from the Embassies / Consulates of the Republic of Turkey and General Directorate of Land Registry and Cadastre.



Natural And Legal Persons Of Foreign Origin → **Land Registry Directorates**

Companies With Foreign Capital → **Governorship Of The Place, Where Real Estate Is Located**




REPUBLIC OF TURKEY
MINISTRY OF ENVIRONMENT AND URBAN PLANNING
GENERAL DIRECTORATE OF LAND REGISTRY AND CADASTRE
DIRECTORATE OF FOREIGN AFFAIRS DEPARTMENT



Land Registry and Cadastre
General Directorate

ACQUISITION OF REAL ESTATE BY FOREIGNERS IN TURKEY



DETAILED INFORMATION



For Foreign Natural and Legal Persons

Ministry of Environment and Urban Planning General Directorate of Land Registry and Cadastre Directorate of Foreign Affairs Department
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E-mail: bilgiedinme@tkgm.gov.tr / yabanciisler@tkgm.gov.tr
Web: www.tkgm.gov.tr
Address: Dikmen Cad. No: 14 06100 Bakanlıklar/Ankara/Turkey

For Turkish Companies with International Capital

Ministry of Economy General Directorate of Incentive Implementation and Foreign Capital Directorate of Legislation Department
Tel: +90 312 204 75 00 Fax: +90 312 212 88 83
E-mail: tesvik@ekonomi.gov.tr Web: www.ekonomi.gov.tr
Address: İnönü Bulvarı No: 36 06510 Emek/Ankara/Turkey





GENERAL INFORMATION

In Turkey, there are 3 different concepts of foreigner with respect to acquisition of real estates:

- Foreign natural persons,
- Foreign legal persons, and
- Turkish Companies with Foreign Capital.

Article 35 of the Land Registry Code numbered 2644 contains provisions on acquisition of real estates by foreign natural and legal persons, while article 36 contains provisions on the companies with foreign capital.

The countries, whose citizens are allowed to acquire real estates in Turkey, are determined by the Cabinet of Ministers. The Cabinet of Ministers may also stipulate special conditions for acquisitions, if deemed necessary.

1-LEGAL RESTRICTIONS ON ACQUISITION OF REAL ESTATES BY FOREIGN LEGAL PERSONS

Natural persons of foreign origin, who are allowed to acquire, may acquire any real estate in areas where private property is allowed (residence, workplace, land, field etc.).

If the real estate acquired has no structures thereon, then the owner of the foreign origin is to apply to the relevant public administration within two years in order to develop a project and depending on the subject matter of the project.

A natural person of foreign origin may acquire real estates and limited rights in rem throughout the country up to 30 hectares. The Cabinet of Ministers may increase such quantity up to twofold if deemed desirable.

Natural persons of foreign origin may not acquire and lease real estates within military forbidden zones and military security zones. However, they can acquire and lease real estates within special security zones upon permission of the governorship.

Total acquisition by the natural persons of foreign origin may not exceed ten percent of the total area, where private property is allowed, in a district. The demands of the foreigners for acquisition shall not be met in places where ten percent limit is reached.

1.1. REAL ESTATES TO BE RECEIVED

- ✓ In case of: real estates acquired to the contrary of the foregoing,
- ✓ real estates without structures thereon found to be used in violation of the purpose of acquisition and for which an application is not filed before the Ministry in due time or for which the projects are not realized within due time
- ✓ real estates and limited rights in rem acquired through inheritance, which exceed the provisions restricting acquisition by foreigners,



the owner shall be granted a period of one year by the Ministry of Finance to transfer the real estate; failing which, it shall be received and an appropriate amount shall be assessed and paid to the owner.

2-ACQUISITION OF REAL ESTATES AND LIMITED RIGHTS IN REM BY NATURAL LEGAL PERSONS.

In Turkey, only trading companies, which are established according to the laws of their own countries and which have legal personality, may acquire real estates and limited rights in rem as foreign legal persons. Legal persons except such trading companies (foundations, associations etc.), on the other hand, may not acquire real estates and may not have rights in rem created to their favor.

Acquisition of real estates by trading companies established in foreign countries according to the laws of their own countries and having legal personality, on the other hand, is exceptional and is possible only when stipulated under the provisions of international conventions or special laws. Some of the special Codes containing provisions on this matter are Turkish Oil Code numbered 6491, Tourism Incentive Code numbered 2634, and Industrial Zones Code numbered 4737.

NOTE: With respect to mortgage, an exception is stipulated and there is no limitation as to the mortgages to be created over real estates to the favor of foreign natural and legal persons.

3- ACQUISITION OF REAL ESTATES AND LIMITED RIGHTS IN REM OF THE COMPANIES WITH FOREIGN CAPITAL ESTABLISHED IN TURKEY

Companies, in which foreign investors:

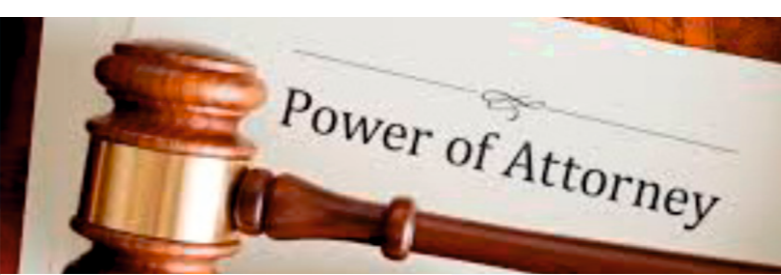
- hold fifty percent or more of the shares; or
- are empowered to appoint and dismiss majority of the persons entitled to manage, which are established in Turkey and which have legal personality, are considered as companies with foreign capital.

These companies may acquire property and limited rights in rem in order to engage in the activities as set forth in their articles of association.

For this purpose, they first need to apply to the Governorship of the place, where the real estate is located.

If the real estate intended for acquisition is in a military forbidden zone or a military security zone, on the other hand, then the real estate acquisition shall be subject to the permission of the General Staff; and if it is in the special security zone, it shall be subject to permission of the governorship of the respective place.

If the application to acquire a real estate yields a positive result, then the governorship informs the company/enterprise and the land registry office in writing so that registration can take place.



Procedures that can be performed without permission from the governorship

- For creation of mortgage,
- acquisition of property within the scope of cashing mortgage by the beneficiary of a mortgage,
- transfer of real estate ownership and limited rights in rem arising out of company mergers and demergers,
- acquisitions in organized industrial zones, industrial zones, technology development zones and free zones, and
- acquisitions realized due to the transactions considered as loan within the framework of the relevant banking legislation or for the purpose of collection of receivables, the Land Registry Office is applied directly, without seeking permission.

INHERITANCE

In our country, the inheritance right of the foreigners is protected. In case of death, the real estates owned by the foreigner shall pass upon to his/her inheritors. If the inheritor is eligible to acquire the real estate (if he/she is eligible in terms of nationality and if the total limitation conditions per person and throughout the country allow), then the inheritor may keep the inherited property. Otherwise, such person is to transfer the real estate immediately. Failing which, the Ministry of Finance sells the real estate and pays the price to the inheritor.

THE RIGHT TO ACQUIRE TURKISH CITIZENSHIP THROUGH REAL ESTATE ACQUISITION

Natural persons of foreign origin are granted the right to acquire Turkish citizenship through exceptional means upon purchase of real estate worth one million Dollars and more.

For this purpose, the foreigner:

- is to purchase real estate worth at least one million Dollars in one lot,
- is to state, in the application for acquisition, that he/she purchased the real estate for this purpose and the title deed should state this matter and the foreigner is to declare that he/she will not sell the real estate for three years in the box containing declarations.
- Once the land registry procedures are complete, it is possible to apply to the relevant administrations with the detailed land registry record to be issued to the owner for demands regarding residence or citizenship!

1 Instruction of the Foreign Affairs Department of the General Directorate of Land Registry and Cadastre dated 25/05/2017 and numbered 1172999

(https://www.tkgm.gov.tr/sites/default/files/icerik/ekleri/turk_v_atandasligi_kanununun_uygulanmasi_hk.pdf)

DOCUMENTS NECESSARY FOR LAND REGISTRY PROCEDURES

- a) Land registry of the real estate or information on the village/quarter, map section, plot, building and independent section,



b) Identity document or passport issued by the country, of which the foreigner is a citizen, (Notarized and certified translations should be submitted for ID cards and passports issued in alphabets other than the Latin alphabet.)

c) If the procedure involves representation, document regarding representation (order regarding guardianship, letter of authorization, power of attorney etc.),

d) Document on the "current market value of the real estate" issued by the relevant municipality,

e) Mandatory earthquake insurance policy for the buildings,

f) A photo of the seller and two photos of the purchaser (shot within the last six months, size 6X4)

g) Certified interpreter if a party does not speak Turkish,

POWER OF ATTORNEYS ISSUED ABROAD

If there is an intention to perform the procedure through a person authorized by means of a power of attorney issued abroad, then the power of attorney is to include authorization relating to the procedure to take place, and:

- is to be issued by the Turkish consulates according to the discretion over real estates,

Or:

- is to be issued by the authorities authorized to issue power of attorneys abroad

✓ In the language of the country, where it is issued,
✓ with photo (with seal and signature over the photo in an exceptional manner)^{2,3}

In addition, the power of attorney;

- ✓ should contain the apostille, if it is issued in a country that is a party to the Hague Convention,
- ✓ should have certification of the signature of the official signing the power of attorney by the relevant authority and the signature and seal of such authority should be certified by the Turkish Consulate if the power of attorney is issued in a country that is not a party to the Hague Convention.

The application should also provide notarized and certified Turkish translation of the power of attorney meeting the criteria sought.

2 Circular dated 11/08/2015 and numbered 1767 (2015/5) (https://www.tkgm.gov.tr/sites/default/files/mevzuat/2015-5_sayili_genelge_0.pdf)

3 Instruction of the Foreign Affairs Department of the General Directorate of land registry and Cadastre dated 02/05/2016 and numbered 1022012

(https://www.tkgm.gov.tr/sites/default/files/icerik/ekleri/yabanci_vekaletname.pdf)

