



Buying Process

Property purchase process in Romania is simple & secure. In Romanian law, non-Romanian citizens may directly own buildings, property etc, but are not entitled to own land until the either apply for citizenship, or more commonly, open a paper-company, a legal entity incorporated in Romania.

One of the main aspects of property purchase is to establish that the property has a clean title, meaning that the seller has legal authority to sell the property and there are no pending claims on the property before the courts and all land titles should be checked in detail by more than one independent party to ensure legality of ownership. This is a simple process & any good Notary (there are thousands in Romania!) can do this.

Once a price has been agreed on the property and the preliminary searches have been conducted (property inspections, land registry), a deposit, usually 10 per cent, is paid to secure the property and a pre-contract signed between buyer & seller.

You then have typically 4 weeks, to raise the rest of the funds. When all final searches are complete, buyer and seller sign the final contract of sale and the required legal documents are notarised and forwarded to the local Land Registry where the property is listed in buyer's name in the Land Book.

If a buyer is purchasing the property & the land through a legal entity (company) incorporated in Romania, creating a limited company through a solicitor is straightforward, taking around 2-3 weeks.

Taxes are paid on completion of the sale as well as the fees to the notaries and lawyers, which are usually around five to eight percent of the total purchase cost. However, due to recent tax changes, it is no longer more efficient to put property in the company name, as you have to pay VAT & profit taxes on selling. As a physical person, selling is much more cost effective & you only pay the standard taxes.