



The Croatian property buying process

1. Property selection

Choose a property / apartment according to your expectations, preferences and selected budget. We will check with our local broker to see if the offer is still available. We will answer all your questions. If you have decided to continue, a property inspection will follow.

2. Viewing of the selected property

We offer a tour of the property in two ways.

The first way is to personally visit the selected property, see the location, facilities and services that the area offers. This method is not necessary, as most stores are currently closed online "remotely" via videotour.

The second method is a video tour. It is currently the most commonly used form, as there is no need to travel, the pandemic situation is not always inclined to travel, we should definitely not miss a good offer.

There is no need to worry about this method. The whole process of video inspection is set for maximum security, with the fact that we represent our client and check the property several times..

The videotour process is set up as follows:

- First of all, we will jointly agree on the date of the video inspection, so that it suits all parties in the form of Skype, Zoom, ...
- Our colleague real estate agent in Croatia will show you the whole property and its surroundings
- Checks the condition, complete functionality (water, electricity, furniture, windows ...) and thoroughly checks it as if "through your eyes".
- If any, point out potential issues
- He will make a video recording from the video tour, which we will share with you, so that you can watch it again in your home at any time
- If you liked the property and everything is fine, the next part of the deal follows and that is the price negotiation

3. Price Negotiation

Everyone wants to buy at the best prices and be happy about the business. We will check the prices of real estate in a similar location and quality, if there is room to negotiate a price, we try to negotiate the price always in your favor. The commission of the real estate company is already included in the price of the mentioned real estate.

The entire purchase process takes place through a lawyer who represents you and is the guarantor of the entire business. We agreed on a price together, so we move on to the financing process. We always check the ownership rights of the property itself before the financing itself.

4. Financing

If you need advice on the financing process, feel free to contact us. We will help you find the best solution. We work with financial experts who approach each client individually. This service is free of charge and sometimes it is better to consult before buying and choose the right solution.

5. The process of booking and buying real estate

If you have found a property according to your selected criteria, a property reservation follows. The reservation will ensure that the property will no longer be offered and will be withdrawn from the offer.

There are several steps that need to be taken before the property reservation:

5.1. Signing of a cooperation agreement with our real estate agency, payment of real estate commission. The listed property price on our website already includes a real estate commission. The commission includes fees for the services provided below.

Services included in real estate commission:

- ✓ Legal control and verification of documents of ownership and approval / building permit
- ✓ Property check and its possible burden related to any mortgages and debts
- ✓ Providing translations into Slovak / Czech language for all documents and contracts related to the purchase of real estate, which are related to the transfer of ownership to your name. It serves for your control and knowledge of exactly what you are signing.
- ✓ Client's representation before the Tax Office if necessary (Real estate transfer tax)
- ✓ Obtaining all approval decisions for real estate (New projects / New buildings)
- ✓ Energy transcripts in your name (water and electricity meter transcript)
- ✓ Registration of the new property owner for Local taxes, waste
- ✓ Obtaining an up-to-date list of Ownership Lists from the relevant Real Estate Cadastre
- ✓ Property insurance for one year

5.2. Signing a Reservation Agreement with a Croatian partner (Developer / Owner)

5.3. Payment of the Booking Deposit, which is 3% of the sale price, this amount will be returned to your account after signing the PreContract / Sales contract between the Seller and the Buyer. The fee is used to book a property in your name.

5.4. Signing Precontract, does not apply to all transactions (10% deposit).

5.5. Signing of the final purchase and sale contract and additional payment of the balance of the purchase price of the property

6. Legal services in Slovakia

All prepared contracts that you sign will be prepared in Slovak / Czech and Croatian.

7. Legal services in Croatia

We only work with a certified lawyer who specializes in real estate, buying and selling law for foreign nationals or investors. Choosing the right lawyer is important for both you and us. For you, because he represents you and runs your entire business on your behalf, manages your finances.

It is important for us to make the right choice in terms of possible damage to the good name of our company. We expressly manage the entire business process only with a lawyer. The local lawyer knows the local law and guarantees that the whole business process will go smoothly and cleanly. For this reason, we strongly recommend having a lawyer to represent the entire purchase process.

However, there is a charge for this service.

8. Property purchase fees

When buying property in Croatia, it is necessary to take into account two types of fees.

The first is for legal services, the second is for real estate transfer tax, which includes local taxes.

Legal fees of 1% of the property price + 25% VAT include:

- ✓ Preparation of all contracts according to requirements of local legislation
- ✓ Proposal for the IRS (Tax Office), which is used to evaluate real estate transfer tax
- ✓ Registration on OIB (Personal Identification Number)Notárske poplatky
- ✓ Representation before Croatian authorities
- ✓ Registration of ownership in the Real Estate Cadastre in the amount of 250, - Kn (approx. 33, - €)

Property transfer tax:

- ✓ Property transfer tax in Croatia is 3% of the property price. The taxpayer is obliged to pay the specified amount of tax within 15 days to the Tax Office from the date of a formal decision delivery about the property transfer tax determination

9. You know the price of the property, all the fees in the process of buying real estate, you have gone through the whole process of buying - **you became the owner of the property in Croatia**

Now let's talk about what other fees as a property owner you need to count with during the year:

- Real estate tax is paid every year. The fee is approximately 15 Kn / M2 (depending on the location of the property)
- Other charges to be taken into account are water and electricity, which are paid monthly
- Annual waste collection fee
- Charges may also come from Internet and TV connections

We will be happy to specify all fees associated with the purchase of real estate to you in detail before the purchase process itself.