



With record numbers of people wanting to buy property abroad, it pays to know the right way to go about it. Each country has different rules and regulations and knowing the pitfalls can save you time and money. Each month we feature questions and answers on purchasing a home in a different country. This time we focus on Bulgaria.

#### How do I buy a property in Bulgaria?

Buying property abroad isn't a new concept and many people have been successfully doing so for years. Do as you would in the UK and be careful. Use a reputable agent or developer, do your research and take independent advice.

#### Do I need a solicitor?

Taking independent legal advice is always recommended, especially in a country such as Bulgaria. You need someone looking after your interest. Checking title, planning permissions and contracts are a must. Don't be persuaded to use the developer's lawyers. The likelihood is that they will be looking after the developer's interests. If purchasing land, you may also need to buy through a limited company so a lawyer will be needed to set up the company.

#### Can I get a mortgage?

Yes you can, although Bulgaria is slightly behind the times when it comes to mortgages. There are UK-based companies specialising in Bulgarian mortgages and you might find it better to use their services. Interest rates can be quite high so you need to look at all your options. You may also find one or two developers refusing to sell properties if you have a Bulgarian mortgage in place, my advice is to be weary of these developers!

#### Should I get a mortgage in Bulgaria or the UK?

You need to look at all your options. In some countries the interest rate is very low and so it would make financial sense to take a Euro mortgage. However, interest rates will vary and the better option for you may be to remortgage your UK property. The best thing to do is obtain independent financial advice from UK based experts specialising in the country you are purchasing in.

#### Do I need to make a new will in Bulgaria?

Again, you don't have to but we would highly recommend this. You need to be sure that both your UK assets and foreign assets will be taken care of. If you employ the services of a lawyer to complete the purchase ask them about a will. Some jurisdictions will not take a UK will into account so your foreign property may not be protected.

#### What charges are there on top of my purchase price?

You should always allow for up to five per cent of the purchase price to cover all costs. This will cover legal fees, stamp duty, notary fees and local tax.

#### What is the process of buying the property?

There are certain stages in any purchase transaction

# Buying in Bulgaria



as is the case in most countries. There will be three main parts to this, a reservation contract, private contract and completion. Completion will need to take place in front of a notary but your lawyer can do this on your behalf by power of attorney.

#### Do I need a bank account in Bulgaria?

Yes, you do.

#### What is the difference between an off-plan property and a resale property?

When buying off-plan you are buying something which has yet to be completed. You will have seen the building plans and will be buying directly from the developer. The developer may not have building permission, so check that out. When you are buying a resale property you will be buying a completed property which will be sold by an individual. People may have owned and lived there before.

#### Can I sell my off-plan property before completion?

Yes, you can, but it will depend on the conditions set out in the contract. You may need to obtain authorisation from the seller. Buying and selling this way is common and many people successfully do it – just be careful.

#### Do I pay the agent a fee for finding me the property?

This can vary so much but it is usual to have to pay the agent. Find out before you agree to anything.

#### Can I rent out the property?

Yes, you can. Please don't be blinded by promises of guaranteed rental returns though. Do your own research.

#### What costs can I expect to pay a rental agency for renting out my property for me?

As above, this can vary a great deal. My advice would be to check this out in the early stages of purchasing.

#### Can I get a property with a rental guarantee so I know what my income will be?

I am always weary of guaranteed rental returns in

Bulgaria, but yes, you can. Ensure you have an independent lawyer check this out for you. It could be that in the small print you are only guaranteed the rental return for two years – just be careful.

#### How do I arrange residency in Bulgaria should I decide to go and live there?

As from January 1 this year, after arrival in Bulgaria you should register in the Migratory Office of the Ministry of Internal Affairs. State the reason for wishing to live in Bulgaria. Upon receipt of the registration every foreign national should be able to live in the country.

#### If I am buying a property for an investment, what should I look for?

I would always advise that you take independent advice on this but as a general guide, always look for up and coming areas, new builds are always high on investors' lists, coastal areas are always popular and never forget location, location, location. If you were a holidaymaker where would attract you?

#### I am considering buying a property off plan what can I do to make sure I do not lose my money should the builder go bust?

The best way to protect your assets is to instruct a lawyer. They will carry out all checks on the developer to ensure that they have a solid financial background. This is one of the reasons why I stress it is important to use an independent lawyer and not the developer's lawyer.

#### Can I take my dog or cat abroad?

There is no problem with taking pets in the country on condition that a passport is issued for the pet.

#### Where can I find information on the hospitals, schools, etc...?

To find out where the hospitals are log on to [www.need.bg](http://www.need.bg) In regards to schools, unfortunately the English schools will only be found in the big cities and the best will be in Sofia. You can find more information about schools from the Informative agencies of the Ministry of Education or from the local councils.