

# Real Estates in Slovakia

## 1. Acquisition of Ownership

Foreign legal entities are not limited in acquiring real estate in Slovakia, except for agricultural land, forests and certain other real estate the ownership of which is reserved to the state pursuant to special regulations (e.g. waters, mineral resources, etc.). Submission of a petition for registration of the ownership title is subject to administrative fee of SKK 2,000 (approx. EUR 60), or SKK 8,000 (approx. EUR 240) for faster registration within 15 days, if required by the applicant (recommended).

### A. Pre-Acquisition Steps

Provided the investor selected the land, satisfying the criteria for erection of a construction (plant), the following steps are necessary prior to the conclusion of steps directly linked to the acquisition of land:


- (i) Examination of land planning documents – i.e. concept of land development: the regional land plan, land plan of municipality and zone land plan concerning the area in which the selected site is situated in order to assure that the intended construction activities of investor conform to those land plans;
- (ii) Exclusion that the land (or any part thereof) is subject to a construction enclosure, i.e. exclusion that any construction activity is temporarily forbidden or restricted. (Such decisions forbidding or restricting certain activities (mainly constructing ones) may be issued by the construction office in the public interest);

- (iii) Verification of proper evidence and registration in the Land Register of selected plots of land (and constructions – if already any constructions are erected on the plots);
- (iv) Verification whether and what rights of third persons (other than owners) have been established or registered over the land (i.e. liens, easements, pre-emptive rights or rights of lease);
- (v) Provided that the agricultural or forest land is concerned, its nature must be changed in a special administrative proceeding on separation of agricultural/forest land from the Agricultural/Forest Land Fund held before respective state authorities.

### B. Acquisition Steps

Necessary steps towards the acquisition of land (building) under Slovak law are the following:

- (i) A written land (building) transfer agreement has to be concluded, with signatures of transferors on the agreement officially verified. The agreement must contain specification of parties to the agreement, specification of type of the respective legal title of transfer (e.g. purchase, gift), its subject, place and date of performance of such legal act; specification of the land (building) and the number of the ownership certificate on which the land (building) is registered;

- 
- (ii) A written petition for registration of transfer together with required enclosures (which include inter alia real estate transfer agreement, and the extract from the Commercial Register of transferor/transferee (if they are legal entities)) must be filed with the respective cadastral office within the time period of three years following the execution of the agreement on transfer of real estate ownership;
  - (iii) Provided that all the requirements for a valid transfer have been duly met, the respective cadastral office shall register the transfer in the Land Register. Upon registration of the title/transfer with the Land Register, the transferee effectively acquires the ownership of the respective real estate. The cadastral office is supposed to execute the registration within 15 days from the delivery of the petition for registration in case that the express administrative fee has been paid, otherwise within the time period of 30 days;
  - (iv) As soon as the registration of the ownership transfer has been completed, an ownership certificate will be issued by the respective cadastral office to the new owner of the real estate. The ownership certificate serves to the owner as a proof of its ownership title to the real estate.

## 2. Lease of Non-residential Premises

No limitations are applicable for the lease of non-residential premises by foreigners in the Slovak Republic. In general, residential premises may be leased for the purposes determined in the construction permit. The lease agreement must be executed in writing and contain a determination of the object and purpose of lease, amount and payment terms of rent and duration of lease (if not concluded for indefinite period of time).

The lease agreed for a definite period can be terminated, before the elapse of the agreed term, only upon the reasons expressly stipulated by law. The lease agreed for indefinite period of time can be terminated by either party with a three-month notice and upon any reason (or without stating a reason), unless otherwise agreed by the parties.

### 3. Construction

This Section contains general information on steps to be taken in the process of construction of a building (e.g. production plant) under Slovak law.

#### A. Pre-Construction Steps

- (i) Analysis and/or preparation of basic land planning materials, i.e. urban study, general land plan, land data analysis and technical land data (they have to be (and usually already are)) prepared by the respective land planning authorities, with the exception of an urban study that can be provided also by the investor;
- (ii) Analysis of land planning documents (i.e. the concept of land development of Slovakia, regional land plan, land plan of municipality and zone land plan documents). The land planning documents serve the determination of the functional usage and layout of land and have to be compiled and approved by the respective land planning authorities. They create the basis for issuance of permits listed below under B (i).

#### B. Construction Proceedings

- (i) Decision on Positioning of Construction – Land Resolution

A land resolution is a decision by which state construction authorities express their consent (in accordance with the land planning documents) with the positioning of a new building within the territory of the Slovak Republic. A written petition for the land resolution is filed to the respective construction office by the investor and comprises, in particular, the data on compliance of the petition with the above mentioned land planning documentation (if already approved), urban incorporation of the proposed constructions and the assessment of its environmental effects.

Decision on positioning of a construction is in general valid for a time period of two years, however, it does not lose its validity if during this time period an application for a building permit is filed.

- (ii) Construction Permit

A construction permit is the resolution of a respective construction office (vested to a municipal authority) authorizing a constructor to start construction activities in order to build a new construction that has been approved by the land resolution. A written petition for the construction permit is filed by a constructor to the respective construction office and must contain sufficient documentation for analysis of the proposed construction and conform to the above land resolution.

By issuance of a construction permit, a construction office authorizes the construction and sets binding conditions for the construction. Construction works may commence as of the day of effectiveness of the construction permit. If construction has not commenced within two years following the issuance of the permit, it will expire unless extended by the respective construction authority.

- (iii) Occupancy Permit

A construction built in accordance with terms set by the construction permit may be given into operation and may become occupied only upon the approval of operation of the building – the occupancy permit. Such permit is issued by the construction office which also issued the construction permit, after necessary inspection, by which the construction office reviews compliance of the construction with the construction permit and other applicable regulations.

In the occupancy permit proceedings the construction office shall examine, in particular, whether the building was built in accordance with the documentation approved by the construction office in the construction proceedings and whether the terms determined in the land resolution and the construction permit have been observed. It will also verify that the building or its use will not threaten the interests of the public, above all from the aspect of health and safety, environmental protection, safety in the workplace and safety of technical installations.

## **C. Environmental Impact Assessment**

Any constructions excessively detrimental to the environment are subject to the environmental assessment procedures prior to their construction (Environmental Impact Assessment, EIA). This applies mainly to large constructions or to a plant being by its nature highly damaging to the environment (e.g. coal mines, power plants, plants using or storing nuclear or toxic materials, etc.).

The final EIA statement describes and evaluates possible impact of a particular construction on the environment, objections and notes of the public and recommends or denies the recommendation for the construction. A confirmative EIA statement is a necessary condition for a later authorisation to implement a particular construction.

Slovak law also contains other environmentally focused regulations that are relevant in case of the construction of a new plant depending on the type of the plant concerned. These include inter alia specific rules connected to the construction in protected areas, e.g. forests, agricultural land or protected waters.