

Corporate Real Estate: Greece

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A Q&A guide to corporate real estate law in Greece.

The Q&A gives a high level overview of the corporate real estate market trends; real estate investment structures, including REITs; legislation; title and public registers of title; confidential information; state guarantee of title; tenure; sale of real estate; seller's liability; due diligence; warranties; cost; taxes and mitigation, including VAT and stamp duty/transfer tax; climate change targets; third party outsourcing; restrictions on foreign ownership or occupation; finance; leases; planning law and consents; and proposals for reform.

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To compare answers across multiple jurisdictions, visit the [Corporate Real Estate Country Q&A tool](#).

This Q&A is part of the PLC multi-jurisdictional guide to corporate real estate law. For a full list of jurisdictional Q&As visit www.practicallaw.com/realestate-mjg.

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- National Cadastre System
- Ministry for the Environment, Energy and Climate Change
- Ministry of Development
- Hellenic Association of Realtors
- Association of Landlords in Thessaloniki
- Euro-info.gr
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The corporate real estate market

1. What have been the main trends in the real estate market in your jurisdiction over the last 12 months? What have been the most significant deals?

The main trends in the real estate market over the previous year involved the development of state-owned real estate including:

- Tourist resorts.
- Athletic facilities.
- Commercial parks.
- Shopping malls.
- Entertainment parks.
- Logistics.
- Transport.
- Technical, social and environmental infrastructure.
- Infrastructure including ports, railway stations and airports.

The most significant real estate deals over the past 12 months include projects for the development and exploitation of state property assigned, following invitations to tender, to parties acting mostly as joint ventures. Such projects included the:

- Privatisation of Greek ports.
- Development of certain parts of state property (for example the Greek State has been exploring possible alternative ways of enhancing/optimising its participation in companies that own rights on state property and in state owned property in general).

Real estate investment

2. How is real estate investment carried out in your jurisdiction and what structures do investors use?

The majority of real estate investment in rural areas is in tourism infrastructure. Urban areas offer opportunities for real estate investment in commercial and cultural activities.

Common structures

The structures used usually depend on the type of investors undertaking the project and include:

- Real Estate Investment Companies, which are regulated vehicles (it is mandatory to apply to be listed on a stock exchange within one year from formation) with the exclusive purpose of acquisition and management of:
 - real estate;
 - rights to purchase an estate through a pre-contract and to purchase shares of a *societe anonyme* (SA) company;
 - money market instruments.
- Special purpose vehicles.
- Private companies with substantial capital, which are usually engaged in the development of real estate for:
 - tourist resorts;
 - business activities;
 - shopping malls.

REITs

Real estate investment trusts (REITs) are not available in Greece and there are no provisions for tax advantages applicable.

Institutional investors

Institutional investors are not the driving force in the real estate market. While there have been some important development projects undertaken by foreign funds, bank owned companies and Greek institutions, the main capital invested in real estate comes from private investors.

Private investors

Private investors are engaged in all types of real estate development. Small residential projects are usually undertaken in urban areas by small companies often owned by engineers. This is the main structure for residential development in urban areas.

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Real estate legislation

3. What is the main real estate legislation that applies in your jurisdiction?

The main sources of real estate law in force are the following:

- Greek Constitution (*Articles 17 and 24*).
- Provisions of the Civil Code concerning property law (*Articles 947-1345*).
- Law on ownership by flat (*Law 3741/1929*).
- Law on vertical ownership (*Law 1024/1971*).
- Legal provisions on commercial leases codified by the Presidential Decree 34/1995.
- Provisions of the Civil Code concerning the lease of objects (*Articles 574-618*).
- Code of compulsory expropriation of real estate (*Law 2882/2001*).
- Law on National Cadastre (*Law 2664/1998*).
- City-planning (zoning) Code (*Presidential Decree dated 27 July 1999*).
- Law concerning the seashore and beaches (*Law 2971/2001*).
- Law on the protection of forests (*Law 998/1979*).
- Law on the protection of forests of Attica (*Law 3818/2010*).
- Law on urgent measures for the implementation of the Medium Term Framework on Financial Strategy Development of the State's Private Property (*Law 3986/2011*).
- Law on the environmental licensing of projects and activities, regulation of unauthorised constructions and other provisions (*Law 4014/2011*).
- Law and Regulation on the reduction of energy consumption and other provisions (*Law 3661/2008, ministerial Decision D6/2010*).
- Law on identity of buildings, excess of building figures and change of use, metropolitan redevelopment and other provisions (*Law 3843/2010*).
- Law on new methods of issuance of building permits, inspection of constructions and other provisions (*Law 4030/2011*).

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Title to real estate

Title and registers

4. What constitutes real estate in your jurisdiction? Is land and any buildings on it (owned by the same entity) registered together in the same title, or do they have separate titles set out in different registers?

Real estate covers all types of immovable assets, that is, both land and buildings.

Land is not treated separately from the buildings located on it, although an exception exists for state property. Ownership or any other real right on any building or any part of it entails the same rights over the land it is located on. These rights are registered together in the same title, except for buildings located on state property, where the surface rights can be registered separately.

Evidencing title

5. How is title to real estate evidenced?

Title to real estate is evidenced by registration in public registers. In principle, real estate rights cannot be acquired unless this registration takes place.

Title registration is in transition from the Land Registry system to the National Cadastre System and currently there are two title registration systems:

- **The Land Registry.** In most areas titles are registered in the local Land Registry where the property is located. The Land Registry records are person specific, so the entries of present and past owners of a property must be checked to keep track of the property's legal status.
- **The National Cadastre.** In the National Cadastre system the entries are property-based. Each property has a unique identification number and all relevant information regarding the particular property is registered.

The National Cadastre system is used in many but not all regions. It is currently being implemented in most regions where it is not yet being used and some regions are still using the Land Registry system only.

Information in the public register

6. What are the main information and documents registered in the public register of title?

A document that creates any real right on real estate property must be registered and can only be either a:

- Notarised contract.
- Court judgment.
- State authority (administrative) act.

The title contains all necessary information on the:

- Real estate property (such as description).
- Nature of the real right to which the title refers (for example, ownership, easement and mortgage).
- Holder of the particular right.

All information in these titles is available in the registry. The documents registered in the public register include:

- Sales of real estate.
- Donations of real estate.
- Easements.
- Mortgages.
- Acceptance of inheritance of real estate.
- Real estate lease agreements of more than nine years.
- Claims of ownership and seizures of real estate.
- Court decisions about claims of ownership, land division and recognising real rights over land.
- Decisions about compulsory purchase or transfer of real estate (expropriation).

Protection from disclosure

7. Can confidential information or documents be protected from disclosure in the public register of title?

All information contained in any real estate title registered in the public register is not confidential and is not protected from disclosure.

State guarantee of title

8. Is there a state guarantee of title? Is title insurance available? If so, is it commonly used?

There is no state guarantee of title or title insurance available.

Tenure

9. How can real estate be held (that is, what types of tenure exist)?

Real estate can be held in either of the following ways:

- A certain and limited number of real rights, that give the beneficiary an *erga omnes* authority (that is, enforceable against all persons). These real rights over real estate are:
 - ownership;
 - easement;
 - mortgage;
 - surface right (on state property).
- A type of easement that is usufruct, which gives the beneficiary the right to use and exploit the land, making the ownership bare (that is, without the right of use and exploitation).
- An agreement with the owner of the real estate, which gives the beneficiary the right merely to possess and use the real estate for a certain period, with or without fees (for example, a lease or a loan for use).

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Sale of real estate

Main stages and documents

10. What are the main stages and documents in the sale of real estate?

Marketing

Real estate property is usually marketed by a real estate agent who advertises the property in newspapers and newsletters. There are also less systematic marketing methods such as advertising signs on buildings or marketing through the property owner's acquaintances.

Commercial negotiation

Commercial negotiation begins with the first communication between the seller and the buyer. The price of the property and the payment terms are the main negotiation subjects that are initially addressed.

Pre-contractual arrangements

The first engagements between the seller and the buyer can be done by private contract, especially in cases where an advance payment is required before the final sale contract's execution. The preliminary agreement is usually used to contractually bind the seller from selling the property to a third party.

Sale contract

Sale contracts are notarised agreements, which are read and signed by the seller and the buyer in front of a notary public and the lawyers of both parties.

When legally binding

Preliminary agreements and notarised contracts are both legally binding on parties, but not to the same extent. Under civil law notarised contracts are the only documents that lead to the obligation of the seller to transfer the property and the buyer to pay the price.

Registration

Notarised contracts must be registered in the Land Registry or in the National Cadastre office (depending on where the property is located), otherwise the transfer of the real estate property is incomplete.

When title transfers

Real estate property is transferred on registration of title in the Land Registry or in the National Cadastre office (depending on where the property is located).

Seller's liability to the buyer

11. Does a seller have any statutory or other liability to the buyer in a disposal of real estate?

Sellers must inform buyers of the legal status of the property, under Article 519 of the Civil Code, including (but not limited to) the:

- Boundaries.

- Rights.
- Encumbrances on the property.

Sellers must deliver to buyers all documentation evidencing the seller's rights over the property.

Sellers are contractually liable to the buyer for any:

- Property defects that have not been notified to the buyer.
- Breach of warranty by the seller, on the basis of the contract executed (see [Question 13](#)).

Due diligence

12. What real estate due diligence is typically carried out before an acquisition?

Real estate legal due diligence typically involves:

- Legal investigation into the successive ownership titles of the property, going back at least 20 years. Ownership can be acquired by extraordinary usucaption (a process similar to adverse possession in common law jurisdictions), if the current owner proves that he or his predecessors has had the real estate in his uninterrupted possession as owner for at least 20 years, even if there is no registered title to real estate.
- A structural survey.
- Certification that the construction is made in accordance with the approved:
 - urban planning law provisions and drawings;
 - building permit.
- Certification that no unauthorised construction has been made affecting the property's surface and/or height.
- Identification of any encumbrances that exist on the property (mortgages, easements, seizures and claims).
- Identification of other issues affecting the property including zoning, forest issues, permitted land uses, shore and coast zone.

Sellers' warranties

13. What real estate warranties are typically given by a seller to a buyer in the sale of corporate real estate and what areas do they cover?

Generally, sellers warrant that the property is free from any actual and legal defects (that is, the owner has full and marketable title free from any rights of third parties and encumbrances).

However, buyers usually conduct due diligence on the property (see [Question 12](#)).

Any defect the buyer is aware of is not covered by warranty, unless the parties agree otherwise.

The seller and a competent engineer must provide a sworn statement that unauthorised constructions have not been executed on the property. If there have been unauthorised constructions the buyer and engineer can face penal and pecuniary sanctions.

Sales of companies that own property, or the acquisition of a portfolio of properties, typically have more extended warranties, depending on the allocation of risks between the parties and the extent of due diligence. Banks usually insist on detailed due diligence if they provide the buyer with finance.

Inheriting liability

14. Can an owner or occupier inherit liability for matters relating to the real estate even if they occurred before it bought or occupied it?

Generally, new owners or occupiers bear any liabilities due when acquiring the property, unless the parties agree otherwise, including:

- Environmental liabilities.
- Taxes.
- Municipal duties.

New owners are bound by existing leases unless the lease agreement states otherwise.

Encumbrances of any nature (for example, mortgages and claims of ownership) remain as burdens of the property, even if they date before the transfer of the real estate to the new owner.

Joint liability for taxes. All subsequent acquirers, within five years from each sale contract, are jointly liable for payment of the following taxes due on conclusion of the sale contract:

- Real estate transfer tax (RETT).
- Real estate transfer duty (RETD).
- Capital gains tax (CGT).

Joint annual property tax/inheritance tax liability. Current owner(s) are (jointly) liable for Annual Property Tax (APT) or Inheritance Tax (IT) related to the property and assessed against a former owner of the property if the new owners acquired the property by contract.

Joint real estate tax/special real estate tax liability. Current owner(s) are (jointly) liable for Real Estate Tax (RET) or Special Real Estate Tax (SRET) liabilities of a former owner of the

property where the liabilities specifically relate to the property and the property has been acquired by contract.

RETD and CGT were abolished as of 23 April 2010. APT was abolished as of 1 January 2010 and annual RET was introduced.

Retention of liability after disposal

15. Does a seller or occupier retain any liabilities relating to the real estate after it has disposed of it?

Sellers must transfer property free from any third party rights (legal defects). Sellers remain liable for existing legal defects after the property is sold.

If legal defects exist, buyers can demand compensation or rescind contracts, unless the buyers were aware of the legal defects at the time of acquisition (except for a mortgage, prenotation of mortgage or seizure, as the seller's liability for these is not waived by the buyer's knowledge). The parties can expand or limit the seller's liability through contractual provisions.

Sellers are also liable for actual defects of the property and must legally deliver the property to buyers free from any actual defects and with the agreed qualities.

If there are any actual defects buyers have the right to either:

- Ask for repair or a reduction of the price.
- Rescind the contract (*see also Question 14*).

Seller and buyer costs

16. What costs are usually paid by the buyer? What costs are usually paid by the seller?

Buyer's costs

Buyers must pay legal fees, covering their lawyers' presence before the notary public during the signing of the contract and the legal due diligence carried out. Buyers must also pay the:

- Notary public's fees.
- Broker's fees, if the property was found using a land broker.
- Costs of registering the transaction at the relevant Land Registry or National Cadastre office.
- Expenses of a topographic diagram of the property, if applicable.

- Relevant taxes (see [Question 18](#)).

Seller's costs

Sellers usually pay only:

- Their legal fees, including the costs for the issuance of the building's energy efficiency certificate (see [Question 20 \(www.practicallaw.com/5-502-5494\)](#)).
- The cost of the engineer who provides certification on the non-existence of unauthorised constructions.

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Real estate taxes and mitigation

17. Is value added tax (VAT) (or equivalent) payable on the sale or purchase of real estate?

Sales of new buildings, or parts of them, and corresponding land with construction permits issued as of 1 January 2006 (certain exceptions apply) are subject to VAT at 23%. VAT is paid by the buyer.

18. Is stamp duty/transfer tax (or equivalent) payable on the sale or purchase and who pays?

Sale of property that is not subject to VAT is subject to RETT. Buyers pay RETT and must file a special tax return before the execution of the notarial deed. The rates are as follows:

- 8% on the first EUR20,000 (as at 1 September 2011, US\$1 was about EUR0.7).
- 10% on the excess.

A municipal duty of 3% of the RETT is also levied.

Exemptions from RETT may be applicable to:

- Mergers.
- Finance lease agreements (including sale and leaseback).
- Real estate investment mutual funds.
- Real estate investment companies (for these special vehicles it is mandatory to apply to be listed on a stock exchange within one year from formation).

19. Are any methods commonly used to mitigate real estate tax liability on acquisitions of large real estate portfolios?

The most common method used is the transfer of asset-owning companies (share deal) instead of the transfer of real estate property (asset deal).

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Holding business premises

Climate change targets

20. Are there targets to reduce greenhouse gas emissions from buildings in your jurisdiction? Is there legislation requiring buildings to meet certain minimum energy efficiency criteria?

Targets to minimise the consumption of conventional forms of energy for heating, cooling, lighting and production of hot water are set through:

- An energy efficient form of designing building shells.
- The use of energy efficient structural materials and electromechanical equipment and renewable sources of energy.
- Co-production of electricity and heat.

Energy efficiency studies must be submitted before building permits are issued. In addition, any buildings under construction or radical renovation must meet certain minimum energy efficient requirements to ensure receipt of energy efficiency certificates, which are necessary for the transfer or lease of property.

Third party outsourcing

21. Is it common for companies to manage their real estate portfolios and their accommodation needs by using third parties through outsourcing transactions?

Greek companies tend to manage their real estate portfolios on their own and use real estate agencies or consultants only when deciding to sell or buy property. However, companies with big real estate portfolios often use management companies.

Companies usually own their business premises so accommodation needs are minimal if at all.

There is also a tendency to own apartments, instead of renting them, for company foreign employees.

Restrictions on foreign ownership or occupation

22. Are there restrictions on foreign ownership or occupation of real estate, or on foreign guarantees or security for ownership or occupation?

Acquisition of ownership of real estate in designated areas close to the Greek border is subject to prior approval by state authorities. The procedure to be followed depends on the country of origin of the buyer (Greek and EU-member states nationals or non-EU nationals). The restriction also applies to the occupation of real estate.

Issues on change of control

23. Does change of control of a company affect its holdings of real estate?

A company's change of control does not affect its holding of real estate. However, real estate lease agreements may contain provisions that regulate the performance of the lease in the event of change of control of the landlord or the tenant.

Compulsory purchases

24. In what circumstances can local or state authorities purchase business premises compulsorily? Is the purchase price market value?

State authorities have statutory powers to compulsorily purchase business premises, as defined in Article 17 of the Greek Constitution, for public interest purposes (compulsory expropriation), provided that:

- The public interest is defined by law.
- Compensation is paid to the property owner.

Compensation is typically determined by a court of law based on the evidence produced by the litigants in the relevant trial. Compensation is not necessarily equal to the market value of the property. The acquiring authority can only hold the premises after the compensation has been paid to the owner or if the owner is unknown after the compensation is deposited in the Deposits and Loans Fund.

If the aim of the compulsory purchase is the execution of public works of major importance for the national economy the acquiring authority can take possession of the premises after depositing part of the compensation and on condition that a guarantee for the outstanding amount is granted to the property owner.

Municipal taxes

25. Are municipal taxes paid on the occupation of business premises? Are there any exemptions?

A municipal property tax (real estate duty) at a rate of 0.025% to 0.035% is applicable on the occupation of business premises.

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Real estate finance

26. How are acquisitions of large real estate portfolios or companies holding real estate generally financed?

Acquisitions are mainly financed through mortgage loans. Loans are usually secured with a first ranking prenotation of mortgage over the property. This is a conditional security interest giving the holder preferential treatment over enforcement proceeds in relation to the mortgaged property, subject to the unappealable adjudication of the claim. The loan to value ratio for such loans usually varies from 65% to 90%.

27. How is real estate commonly used to raise finance?

Real estate is most commonly used to raise finance through loans or bond loans. Bond loans are usually preferred because:

- They benefit from a set of tax exemptions.
- The company can organise preferable repayment of the loan.

Sale and leasebacks are also commonly used, especially where long-term financing is needed.

28. What are the most common forms of security granted over real estate to raise finance? How are they created and perfected (that is, made valid and enforceable)?

The most common form of security granted over real estate is mortgage prenotation (see [Question 26](#)), which is security registered and transcribed in the Land Registry and in the National Cadastre through a court judgment or notary deed.

29. Is real estate securitisation common in your jurisdiction?

Real estate securitisation is provided for under law, although it is not commonly used in practice.

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Real estate leases

Negotiation and execution of leases

30. Are contractual lease provisions regulated or freely negotiable?

Lease terms are heavily regulated, mainly by the Law of Commercial Leases, which is supplemented by Articles 574-618 of the Civil Code concerning the Lease of Objects.

Apart from certain mandatory provisions of the Law of Commercial Leases, such as the length of lease term and the reasons for terminating the lease, other lease terms can be freely negotiated.

31. What are the formal legal requirements to execute a lease?

As a general rule, there are no formal legal requirements to execute lease agreements. In practice, such agreements take the form of written private contracts, concluded between the lessor and the lessee and serve as evidence of the terms agreed by both parties.

Leases can be executed by notarial deed and registered with the Land Registry and the National Cadastre if the lease is for more than nine years. A lease executed by notarial deed binds the new landlord if the old landlord, the initial lessor, transfers the ownership of the property. In this case, land registry fees apply, which are calculated at 4.75% on the total value of the future rents and if a Cadastre exists in the area where the property is located, those fees are calculated at 5.75% on the total value of the future rents. Stamp duty is also due at 1.2% on the total value of the future rents.

Rent levels and reviews

32. How are rent levels usually reviewed and are there restrictions on this? Is VAT (or equivalent) payable on rent?

Rent is freely negotiated and agreed between parties. Generally, parties agree to annually review rent after the first year of the lease, usually by the cost of living index plus two to five points.

Rents are subject to stamp duty at 3.6% payable by the landlord, which is almost always charged back to the tenant. Rents for premises used for residential purposes are exempt from stamp duty.

As of 1 January 2007, enterprises operating shopping malls can elect to account for VAT on leases instead of stamp duty.

Length of term and security of occupation

33. Is there a typical length of lease term and are there restrictions on it? Do tenants of business premises have security of occupation or rights to renew the lease at the end of the contractual lease term?

The lease term length must be 12 years, even if the lease is concluded for a shorter period. The lease can be terminated before the 12-year term expires, by a written agreement supplemental and subsequent to the lease.

In principle, tenants do not have rights to renew leases. However, if the landlord requires occupation of the premises at the end of the 12-year term, he must pay the tenant an amount equal to 24 months' rent as goodwill compensation.

If the landlord does not start legal action against the tenant for the return of the premises within nine months after the end of the 12-year term, the lease is automatically extended by four years (under Article 61(d) of the Law of Commercial Leases). At the end of this the tenant must return the premises and the landlord is exempted from paying the 24 months' rent compensation.

Restrictions on disposal

34. What restrictions typically apply to the disposal of the lease by the tenant?

Disposal of leases by tenants (by subletting, assigning the lease or sharing occupation with third parties) is generally not allowed, unless otherwise agreed in the lease or if the landlord has given written consent.

Disposal is freely allowed if the:

- Tenant is a physical person and has a serious illness which makes him incapable of continuing his business.
- Tenant transfers the lease to a private company in which he holds 35% of the shares, provided it is after three years from the start of the lease. (It is not considered a prohibited disposal by the courts if the tenant is an SA (limited company) and merges with another company.)

If the landlord sells the premises, the new landlord replaces the previous landlord and is bound by the terms of the lease (see [Question 31](#)), unless otherwise agreed in the lease.

Use of premises within a corporate group

35. Can tenants usually share their business premises with companies in the same corporate group?

Tenants cannot share their business premises with group companies unless otherwise agreed by the parties, or the landlord has given its written consent (see [Question 34](#)).

Repair and insurance responsibilities

36. Who is usually responsible for keeping the leased premises in good repair?

The landlord bears the cost of repairing damage due to wear and tear of the premises, under the Civil Code.

However, the parties usually agree that the:

- Tenant bears all the repair costs during the lease.
- Landlord is exempt from any obligation for repairs.

In addition, the tenant, at the start of the lease, must usually pay a deposit of two months' rent as a guarantee for keeping the premises in a state of good repair.

37. Who is usually responsible for insuring the leased premises?

Insurance obligations are not imposed by law. However, parties can agree that either the:

- Tenant will insure the premises during the lease against risks.
- Landlord will insure and recover the cost from the tenant.

Grounds for termination

38. On what grounds can the landlord usually terminate the lease? Can the tenant terminate the lease in certain circumstances?

Landlord

Landlords can usually terminate leases by giving prior notice to this effect (either by lawsuit or by an extra-judicial letter) before their expiry dates for either:

- Breach of the lease's contractual terms by the tenant, such as bad use of the premises, under the law of obligations.
- Use in breach of the lease, non-payment of rent or non-compliance with other terms of the lease, also under the law of obligations.

Leases can also be terminated under the Law of Commercial Leases if the:

- Lessee subleases the premises, without the consent of the lessor, unless otherwise agreed by the parties.
- Landlord requires the premises for its own or his family's use for carrying out their profession or to be used as a residence.
- Premises are to be reconstructed.
- Premises are to be altered for renting out as a residence.

- Premises are to be demolished, if they are found to be dilapidated.
- Tenant becomes insolvent.
- Owner is a municipality and it wants to house its services in the premises or to create green spaces, squares or amusement parks.

Tenants are granted a period to remedy a breach if the breach is for non-payment of rent. For valid termination (apart from termination for breach of contract by the tenant), a certain number of preconditions must be met and/or a certain number of months' rent paid to the tenant as compensation.

Landlords can waive their right to terminate the lease either at the conclusion of the lease or at a later date. The law is very strict on any clauses (other than those listed above) agreed by the parties giving the landlord a right to terminate the lease, as it seeks to protect to tenant.

Tenant

Tenants can terminate leases for no reason, provided it is at least one year from the start of the lease. Termination must be by written notice and becomes effective three months after the date of the notice. The tenant must pay the owner compensation equivalent to one month's rent, calculated on the day of termination, on the day he surrenders possession of the premises.

Tenants can only waive the right to terminate the lease by agreement supplemental and subsequent to the lease. An exception exists for leases made before the enactment of provisional legislation (effective 17 June 2010) where termination is effective even if the tenant has legally waived his right. This exception exists until 31 December 2012.

Tenants can also terminate leases for breach of contract by the landlord, for example where the premises are not suitable for use or there are legal defects in the premises.

Tenant's insolvency

39. What is the effect of the tenant's insolvency under general contract terms and insolvency legislation?

Landlords can terminate leases if tenants become insolvent.

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Planning law

40. What authorities regulate planning control and which legislation applies?

Planning control in most regions is regulated at three levels:

- Central government.
- Region.
- Municipal authorities.

Planning control policies include:

- Nationally applicable government policies.
- Regionally applicable regional policies.
- Particular development plan policies, applicable locally.

The Ministry for the Environment, Energy and Climate Change produces a general development plan for each area, with the local planning authority controlling daily operations. General development plans comprise policies on:

- Environmental and economic regeneration.
- Design.
- Transport.
- Identifying cultural heritage.

Local planning authorities generally take initial steps to implement general development plans by enforcing measures on real estate owners for contributions in land and money (for example, for the implementation of city plans).

The main legislation regulating city planning (zoning) is the Code of Basic City-planning Legislation (codified by the Presidential Decree and effective 27 July 1999).

41. What planning consents are required and for which types of development?

A planning permission (building permit) is required in principle for:

- The construction or reconstruction of buildings.
- A development that will lead to a material change in the use of premises.
- The demolition of buildings.

If making minor alterations, it is advisable to obtain a certificate from the town planning authority stating that planning permission is not required.

Building works must comply with applicable building regulations and observe imposed safety standards and measures. Compliance with all applicable legislation is checked during the building permit issuance procedure and can be verified at any time by the relevant authorities during the construction process.

42. What are the main authorisation and consultation procedures in relation to planning consents?

Initial consents

Applications for planning permission (building permits) are generally filed with the area local planning authority where the real estate is located (that is, the building service of the relevant municipality).

Third party rights

Any interested third parties can file complaints with the local planning authority. They can also challenge the validity of a building permit before the Administrative Court of Appeals, within 60 days from the time the interested party becomes aware of the content of the permit.

Public inquiries

Public inquiries are not possible before a building permit is granted. However, public inquiries take place in the city planning process.

Initial decision

The statutory time limit for an initial decision is two days from receipt of the application for a building permit, if all the supporting documents are submitted at the same time.

Deadlines set for actions of the authorities are not restrictive. In practice, the time required for the grant of building permits depends on the particular projects.

Appeals

Applicants can appeal a refusal to grant planning permission before the Administrative Court of Appeals. The appeal must be made either:

- Within 60 days from the written refusal.
- Within 60 days of three months elapsing after the submission of the building permit application without a response from the authority.

In most cases, applicants comply with the recommendations of the local planning authority, which mainly concern modifying plans, and then receive the permit.

Third parties can challenge the validity of a building permit before the Administrative Court of Appeals, within 60 days from the time the interested party becomes aware of the permit's content.

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Reform

43. Are there any proposals to reform real estate law in your jurisdiction?

Legislation has recently been implemented on the issuance of building permits and inspection of constructions (*Law 4030/2011 on new methods of issuance of building permits, inspection of constructions and other provisions dated 21 November 2011*). The legislation aims to enhance urban planning services and deal more effectively with violations by:

- Speeding up and simplifying the procedure for the issuance and approval of building constructions.
- Establishing a separate inspection body that ensures the execution of works is made in accordance with building permits.

Special provisions are proposed to be introduced for the reduction of the public service annual energy expenditure and energy efficiency enhancement in general.

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Real estate organisations

National Cadastre System

Main activities. The National Cadastre System records property in certain areas of Greece.

W www.ktimatologio.gr

Ministry for the Environment, Energy and Climate Change

Main activities. The Ministry for the Environment, Energy and Climate Change provides information on environment and planning issues.

W www.ypeca.gr

Ministry of Development

Main activities. The Ministry of Development provides commercial information on investing in real estate in Greece.

W www.ypan.gr/index_uk_c cms.htm

Hellenic Association of Realtors

Main activities. The Hellenic Association of Realtors is the association of leading real estate agents and provides information on investing in real estate.

W www.sek.gr/main-eng.htm

Association of Landlords in Thessaloniki

Main activities. The Association of Landlords in Thessaloniki provides general information on real estate matters.

W www.eniath.gr

Euro-info.gr

Main activities. Euro-info.gr provides information on European grants relating to investments.

W www.euro-info.gr/default.asp

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- Acting for a UK-based real estate fund in relation to the termination of a EUR70 million pre-contract.
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