

## PROCEDURE OF REAL ESTATE ACQUISITION BY FOREIGNERS IN TURKEY

Nida Celik Simsek<sup>1,\*</sup>, Bayram Uzun<sup>1</sup>, Volkan Yildirim<sup>1</sup>

<sup>1</sup> KARADENIZ TECHNICAL UNIVERSITY

\* Corresponding Author nida\_36@hotmail.com

Since 2002, there has been renewed concern in Turkey about purchases of properties by foreign citizens, reflected in numerous amendments and cancellation decisions about such purchases by the Supreme Court and a number of state agencies. The frequent changes have created uncertainty and insecurity for purchasers, especially real estate investors. Despite the instability, foreign investment in single-family homes, residences, development parcels, and multifamily apartments has propped up the real estate market in Turkey for the past 12 years. Foreigners have presented demand for real estate, especially along the southern and western coasts of Turkey, and almost 60% of foreign sales countrywide have been in the Aegean and Mediterranean regions. In addition, home sales in the Black Sea region have increased recently. The largest increase in home sales, 424%, occurred in Trabzon. As well, the diversity of foreign nationals acquiring immovable property in Turkey has grown. Despite the confusion created by changes made almost every two years to Regulation no. 2644 in section 35 of the Land Registry Law, foreign demand in the Turkish real estate market continues to grow. The current law concerning real estate acquisitions by foreigners shows that Turkey, in the process of harmonization with the European Union, does not have an overly restrictive policy on this issue. The aims of this paper are to examine trends in the foreign real estate market; to analyze the type, quantity, and quality of property acquisitions; and, finally, to investigate the current situation of residential property investment by foreigners in Turkey. To achieve these aims, legal changes have been examined, existing procedures detailed, statistics about real estate purchases and sales collected and analyzed, and basic procedures regarding with foreign property acquisitions compiled. This research has demonstrated that recent legal changes have increased demand in the Turkish foreign real-estate sector and return expectation in the real estate and public corporation sectors.

**Keywords** Real estate acquisition, Foreigners, Foreign Residential property investment, Turkey