

With the thought of buying property in the Czech Republic high on many people's minds, three BCC member companies, all ideally suited to speak on such subjects, organized

Real Estate Seminar

a seminar to discuss the various issues that a prospective purchaser of real estate has to be aware of.

Held on 7 November, 2003 at the Novotel Hotel, nearly 100 members attended the seminar and they were not disappointed.



The seminar covered the following topics:

- How to find the ideal property, what should you expect to pay, and how to find the right real estate agent?
- What are the legal aspects of making a property acquisition?
- What do you do with your property once you have bought it? Knock it down? Reconstruct it? How do you do that?

First to speak was Frank Hanenčák, managing director of HANEX GROUP, one of the leading residential agencies in the country. Frank has been working in real estate for nearly 30 years, both in Canada and his native Czech Republic, and what he had to say made for some interesting listening. To summarise:

- How do you find an agent?
 - Choose with care
 - Check their track record
 - Make sure that they are service-oriented
 - Look for a long-term approach
 - Check that they have good business ethics
- How does the land registry work?
 - Slowly but surely
- Some tax changes next year
 - Property transfer tax – possibly lower
 - Increase in VAT on all services and some materials

- What is the required documentation when purchasing a property and what are the processes involved?
- The variation in prices from district to district and the effect of the floods
- The average price and price changes
- What are the future changes?
 - Banks are becoming more flexible
 - Agents are realizing that they need to give a long-term commitment to service
 - Agents are starting to co-operate with each other
- Is real estate a good investment?
 - The last thirteen years show that it is an excellent investment

- chitects, and he had many interesting and sometimes surprising points to raise. Robert is also Czech, and has extensive experience working overseas. His presentation covered:
 - Wider choices for the consumer in the Czech market
 - New constructions, as well as old dwellings in *Panelaks* still constitute an opportunity for the consumer to get on the property market if the buyer solicits assistance from an architect
 - An architect can be involved at any point in the buying process
 - Utilising the services of an architect increases the value of your property, so treat this

- Where to buy?
 - Location, location, location!
- Following Frank was Jan Grozdanovič, a partner at Seddons who specialises in commercial and property in both Prague and London. Jan's seminar covered many important and complex points of wide interest to attendees. Topics covered were:
- As a foreigner, how can you acquire a property now?
 - limited liability company
 - share in a co-operative
 - inheritance
 - marriage to a Czech citizen
 - How will this differ after entry into the EU?
 - restrictions will still apply
 - transitional period of 5 years for secondary residential properties
 - transitional period of 7 years for agricultural land and forests
 - What are the potential problems?
 - issues of ownership
 - land registry registration
 - safeguarding money through a notary/escrow account
 - co-habitation and investment protection
 - consequences of a divorce or separation
 - Tax issues

The final speaker was Robert Votický, Managing Director of Lewis + Hickey Praha ar-

- as an investment
 - Foreign architects are good for communicating your ideas, but they still need to work to local conditions and standards
 - An architect must authorize any document submissions for planning approval
 - Where do you find an architect?
 - Talk to an architect – they will maximise the potential of your investment

Slides of all the presentations are available from the BCC office and the speakers would be happy to provide detailed advice on request.

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