

# Frequently Asked Questions

## Buying Immoveable Property in Malta by Non-Residents

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### Buying Immoveable Property in Malta by Non-Residents

#### 1. *What is the procedure for non-residence to purchases immovable property in Malta?*

When the prospective buyer identifies the immovable property to be acquired, such buyer enters into a written agreement – promise of sale. Thereafter, the buyer needs to identify whether an acquisition of immovable property permit is required.

#### 2. *When is an Acquisition of Immovable Property (AIP) permit required?*

- EU citizens who have resided in Malta continuously for a minimum period of five years preceding the date of acquisition of immovable property in Malta may freely acquire such property without an AIP permit.
- EU citizens who have not resided in Malta previously may acquire immovable property in Malta without an AIP permit if such residence is considered to be primary residence. In this regard, if such property is considered to be a secondary residence, an AIP permit is required.
- Non- EU citizens require an AIP permit when acquiring property in Malta
- Property situated in special designated areas or inherited property can be acquired without having an AIP permit.
- Companies operating within the EU may be acquired immovable property in Malta freely as long as this property is acquired for the purpose for which the company has been set up and is directly controlled by EU citizens.
- Commercial partnerships established and operating within the EU may acquire such property if such is acquired for the purpose for which the partnership has been set up and at least 75% of its share capital is held by EU citizens.

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### *3. What attachments are to be included with the AIP application?*

The following must be enclosed to the AIP application:

- Individual applicants:
  - Copy of the promise of sale;
  - 2 passport size photos;
  - Photocopy of passport showing the applicant's particulars;
  - Applicants who already owned immovable property need to produce a copy of the deed of sale of the previous immovable property.
- Limited liability companies:
  - A. Memorandum and Articles of Association;
  - B. Details of shareholding directors;
  - C. Evidence showing that the purpose of the company is for the development of the Maltese economy.

### *4. When is the permit issued?*

The AIP permit is issued within 35 days from submission of such application provided that such application is correct.

### *5. What are the fees with respect to the AIP permit?*

A permit is issued against a fee of EUR 233. When the permit fee is issued and paid, the applicant may enter into a contractual agreement to buy the immovable property.

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6. *Conditions for non-residence when buying immovable property in Malta under an AIP permit?*
- The non-resident person must be of good conduct.
  - Minimum purchase price for a flat/ maisonette is EUR 103,906 and EUR 173,129 for any other immovable property.
  - The immovable property is to be used for residential purposes by the applicant and his family. Thereby the property acquired cannot be rented out (applicable to individual applicants).
  - The acquisition of such property is to be effected within 6 months from the date of issue of the AIP permit.
  - A copy of the notarial deed is to be submitted to the AIP section within 3 months after its publication.
  - The acquired immovable property may not be sold in part or otherwise into more than one dwelling house.
  - As a non-resident, only one immovable property can be purchased in Malta unless one of the properties is situated in a Designated Special Area where no permit is required.
  - Property acquired cannot be of a historical interest or situated in a historical area.
  - In case where the acquisition of property is an plot of land, the development of the plot of land must be completed in a single residence within 2 years from the date of issue of the AIP permit.

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### 7. What information is required by the AIP permit form?

The following information is required:

- Particulars for individual applicants:
  - Name and surname
  - Place and date of birth
  - Parents name (including mother's maiden surname)
  - Profession
  - Citizenship
  - Place of residence address
  
- Particulars for body of persons applicants:
  - Name, association, authority
  - Where is it registered – a certified copy of the M&A and incorporation certificate are to be attached.
  - Principle place of residence or business
  - Shareholders list stating the number of shares held by each shareholder, citizenship and place of residence.
  - Whether it is directly/ indirectly controlled by one or more non-resident persons.
  
- Particulars of immovable property:
  - Detailed description of immovable property:
    - Type of property
    - The address
    - Size of property in square meters
    - Whether the property is of historical importance or situated in a historical area.
  - Consideration paid for such property
  - If property requires development, the details of cost of works and estimated time for completion are required.
  - Purpose for which the immovable property is to be acquired.
  - Sources of funds for acquisition of such property.

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- Name, address and citizenship/ residence of persons/ body of persons from whom the immovable property is being acquired.
  
- Particulars of immovable property already owned:
  - Details of such property in Malta already owned by the applicant
  - Details of such property in Malta already owned by the applicant's family
  - (applicable only for individual applicants).
  - Details of such immovable property in Malta disposed by the applicant/ his family during the last 10 years (applicable only for individual applicants).

### 8. *What are special designated areas?*

Special designated areas include property situated in:

- Fort Cambridge, Tigne
- Manoel Island and Tigne Point
- Madliena Village Complex
- Pender Place and Mercury House
- Metropolis Plaza, Gzira
- Portomaso, St Julian
- Cottonera Development
- Smartcity
- Ta' Monita Residence, Marsascula
- Tas-Sellum Residence
- Vista Point, Marsalforn, Gozo
- Fort Chambray, Ghajnsielem
- Kempinski Residences, San Lawrenz, Gozo

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