

INFORMATION NOTE

Argyris Benteniotis, PhD c., LL.M., M.Sc., Ba, LL.B.
Partner

Subject: Residence Permit in Greece (Greek Golden Visa Program)

A. Introduction

Greece due to its geographical position has specific sectors that qualify as appropriate and profitable for investments, such as tourism and real estate, food and agriculture, renewable energy sources, technology and ICT, environmental management, export-oriented manufacturing and life sciences. In these sectors, Greece obtains competitive advantages under international standards.

In an effort to reinforce the national economy and to stimulate the domestic land market, the national legislator provokes the investment interest of natural and legal persons who reside in third countries, by facilitating and enabling the issuance of a residence permit aim at the creation of a friendly climate for investments in Greece by third-country nationals.

The government of Greece introduced a procedure to obtain residence permits, which can be renewed every five (5) years, for owners of real estate by third-country citizens, the value of which exceeds €250.000, adopting a friendlier stance towards those who wish to own real estate property in Greece.

A residence permit is any documentation issued by the Greek authorities, according to which a third country citizen is given the right to reside legally within Greek territory, in accordance with the provisions of the European Union.

The third country nationals, holders of a residence permit, and their families enjoy almost the same freedoms and rights as nationals, namely the freedom of movement and installation within the Greek territory, the right to insurance and social care, the right to education etc.

In comparison to other countries the Greek Golden Visa Program appears to be one of the most competitive programs. Its financial requirements are the lowest as well as appear to be more convenient and flexible for the investors from third countries since there is no requirement for physical presence.

Benteniotis & Associates Law Firm can offer high quality services to investors seeking for real estate transactions, as there are of increased complexity and legal assistance requires a diversified and often highly complex of activities, that our Firm can offer.

Moreover, except the legal representation, Benteniotis & Associates Law Firm has a stable cooperation with reliable and long-standing Development Companies leading private real estate market and development in Greece with very important network.

Benteniotis & Associates Law Firm is a specialized law firm for investments, it has developed a selection of services that help investors with every aspect of investing in Greece and acquiring a permanent residence permit through real estate investment. We have options to suit every investor's vision since we cover all aspects of investing in Greece including real estate and after sales legal and management advice.

B. Permanent Residence permit to third-country nationals

Residence permit is granted to a third country national that:

1. Have legally entered the country with any type of visa or legally reside in the country, even if the type of residence permit that they possess does not permit change of purpose.
2. Have the full ownership, possession and peaceful enjoyment of real estate property in Greece. In the case of jointly owned property worth € 250,000, the right of residence is granted only if the owners of the property are spouses with indivisible shares in the property. In all other cases of joint ownership, the right of residence is granted only if the joint ownership rate of each joint owner is worth € 250,000.
3. Have the full ownership, possession and peaceful enjoyment of real estate property (worth € 250,000) in Greece via a legal entity headquartered in Greece or in another EU country, whose shares are fully owned by them.
4. Have concluded a long-term contract for a complex tourist accommodation (worth € 250,000) , according to the provisions or a timeshare contract of a tourist accommodation, according to the provisions of Greek Laws, as applicable.
5. Have acquired full ownership as inheritors (either by will or by law due to death) or due to parental grant, of immovable property of an objective value of two hundred and fifty thousand (250,000) euros and is an adult.
6. Family members of the third country citizens described above.

C. Conditions

The following conditions must be fulfilled:

1. The real estate property must be owned by and be in possession of its owners.

2. In cases of joint ownership, where the value of the property is €250.000, the residence permit is only granted if the owners are spouses or partners with a cohabitation agreement in Greece, with undivided ownership of the property. In all other cases of joint ownership, the residence permit is only granted if the amount invested by each of the joint owners is at least €250.000.
3. If the owner has acquired the property through a legal entity, the applicant must own 100% of the company shares.
4. The residence permit is also granted in cases where the third country citizen is the owner, either directly or through a legal entity, of more than one real estate property with a combined value of at least €250.000.
5. In cases where the applicant wants to enter the country with a type D visa, the documented intention to own property should be supported by documentation which prove the financial capacity (e.g., certificate of an A-class certified bank, or other recognised financial institution), which certify the existence of bank accounts or other mobile assets, such as bonds or shares, which can cover the cost of the investment of at least €250.000, and which certify the intention of the applicant to purchase the property (contract with a law firm or with a real estate office).
6. In the case of third country citizens who have signed a lease of at least 10 years for hotel accommodations or furnished tourist residences in integrated tourist resorts, provided the minimum value of the lease is €250.000, the contract must require a single payment of the lease for the equivalent of the ten year leasing of the property.

In all cases outlined above, the value of the real estate property will be determined based on the value of the property, or the lease, indicated in the contract of purchase. The value of the property, according to Greek Laws, is the amount stated explicitly

D. Duration of residence permit

This residence permit is permanent. The holder of the residence permit is however required to renew it every five (5) years, as required for Greeks in many official documents such as passport. To renew the residence permit, the real estate property must remain in the full ownership of the applicant and the relevant leases/contracts must be ongoing.

The resale of the real estate property, during the period when the residence permit is valid, to another third country citizen provides to the new owner the right to a residence permit along with a simultaneous revocation of the seller's residence permit.

E. Advantages of Greek Golden Visa Program

1. Set up in Greece a branch of the existing business of the investor or establishment of an entirely new one.
2. A source of income: Fast Return on Investment: The Golden Visa Program is primarily an investment opportunity; therefore, the fast return on investment is high on the performance indicators' list. The favorable terms of the scheme combined with the fast-growing Greek economy indexes, provide a promising context for a quick and reliable return on investment as well as lucrative options to re-sell at a higher price in the future.
3. An additional home country: As soon as the permanent residence permit is issued, investors and their families have the option to reside in Greece and travel freely to any other European Schengen country. This freedom of choice and movement makes the Golden Visa program an exceptionally powerful and useful tool.
4. Freedom to travel in Europe without a Visa: Enjoy visa-free traveling without entry visas or further justification at the airport, since Golden Visa holders are granted unlimited, unrestricted travel throughout Europe's Schengen Zone.
5. No requirement to reside in Greece
6. Unlimited expiry date of residence permit
7. Opportunity to rent out the investment property
8. Residence applies to the whole family :married spouse, children under 21 years old .and parents of the main applicant and spouse
9. Eligibility to apply for citizenship after seven years of residence
10. Permit holders may hold shares and receive income from the dividends of a company registered in Greece.

F. Process for the issuing of a residence permit for real estate property owners.

1. Issuing an entry Visa for Greek Territory.

The interested party must apply for an entry visa to the Greek consulate authority in their country of origin.

2. Collecting the documentation for the issuing of the residence permit

Applicants for a residence permit for real estate owners, valued at €250.000, must provide the required documents (The documents that are required for the application for a residence permit must be submitted in Greek, except for the documents issued by foreign authorities, which need to be certified.) as follows:

- i. Two copies of the application document.
- ii. Four recent colored photo2 (passport type, printed as well as in C.D. form)
- iii. Certified copy of a valid passport or travel documents with the relevant valid entry visa, where required.
- iv. A fee paid, which amounts to €2000 for residence permits. For family members the fee amounts to €150. Minor children (under 18 years old) are exempted from this fee.
- v. A fee paid, which amounts to €16 concerning the printing of the separate document (electronic residence permit).
- vi. Certification by an insurance agency for the cost of hospitalization and medical care. To certify that this condition is fulfilled, the following are accepted:
 - a. Insurance contracts which have been signed outside Greece, provided that they explicitly mention that they cover the interested party for the duration of their stay in Greece.
 - b. Insurance contracts which have been signed in Greece.
- vii. In case the seller is a third country citizen, he must submit a certificate from Aliens and Immigration Department of the competent Decentralised Authority, whether this property has been used for issuing a residence permit for real estate owners. The above, applies also to the sale of the property by legal entity.
- viii. Depending on the specific case, the following documentation may need to be submitted in addition to the above:
 - a. Residence permits for third country citizens who own and possess, either wholly or jointly, property in Greece a contract of purchase stating that “the contract of sell and purchase of the property is not subject to conditions or exemptions, the total price amounts to [...] which has been paid in full with a crossed bank cheque to a bank account of the beneficiary, held in a credit institution operating in Greece or with a credit transfer, to a beneficiary’s bank account held in a payment service provider, as operating in Greece and proof of transfer of the contract by the competent Land Registry and a certificate issued by the Land Registry or national cadaster agency attesting to the non-existence of any encumbrance.
 - b. Residence permits for third country citizens who own property in Greece through a legal entity, where the applicant owns all shares a contract of purchase stating that “the contract of sell and purchase of the property is not subject to conditions or exemptions, the total price amounts to [.....] which has been paid in full with a crossed bank cheque to a bank account of the beneficiary, held in a credit institution operating in Greece or with a credit transfer, to a beneficiary’s bank

account held in a payment service provider and proof of transcription of the contract by the competent Land Registry and a certificate issued by the Land Registry or national cadaster agency attesting to the non-existence of any encumbrance.

- c. Residence permits for third country citizens who have a lease – for a minimum of 10 years – for hotel accommodations or furnished tourist residences in integrated tourist resorts a notarized copy of the lease for the hotel accommodations or furnished tourist residences in integrated tourist resorts, which demonstrates a single payment of €250.000 and includes a mention of the granting of the relevant operation license by GNTO (Greek National Tourism Organization) and a proof of title transfer from the land registry where the relevant lease contract has been transferred.
- d. Residence permits for third country citizens who purchase plots of land or acreage and erect a building a contract for the purchase of the plot of land or acreage, a contract with the construction company for the erection/restoration of the residence, which has been submitted to the tax office according to the law and a building permit in the name of the applicant iv. invoices by the contractors and the corresponding proofs of payment.
- e. Residence permits for third country citizens who have signed a timeshare agreement (lease) for hotel units and generally tourist facilities operating under the permission of the Hellenic Tourism Organization (EOT) a timeshare contract for a minimum period of five years which should state the corresponding price per year a proof of transfer registration issued by the competent Land Registry and a certificate issued by the National Tourism Organization (EOT) that it has been informed of the conclusion of the particular timeshare contract.
- f. Residence permits for family members of the third country citizen a recent family status certificate from foreign authorities which certifies the family relationship

G. Time framework

Through the removal of all bureaucratic obstacles and the initiation of a rapid licensing procedure for the implementation of investments, accompanied by a minimized time limit for the issuance (*2 months according to relevant Greek laws*) the contribution of the Immigration becomes essential to the promotion of the national economy. Therefore, the Code has adopted a rapid licensing procedure (fast track) for the entry and residence of third-country nationals who fall within the abovementioned categories.

The owner of the real estate property is not affected by the duration of the processing of their application, from the moment the application is submitted to the relevant authorities until the issuing of a decision by the Secretary General of the Decentralized Authority regarding their residence permit. After the application has

been submitted, the applicant receives a receipt confirming the submission of the application, which is valid for one year. The time required to process the application depends on the authority where it has been submitted yet it may not exceed two months after all the necessary documents have reached the competent authority.

The third country citizen, who has submitted an application and received the confirmation receipt described above, can reside legally in the country for the duration of the confirmation receipt (one year). The holder of the confirmation receipt is entitled to the benefits of the residence permit that they have applied for. Hence, they can proceed with any legal transaction regarding their investment and can transact with all the relevant authorities.

H. Statistics

As far as investment by real estate is concerned, it is worth noting that on the basis of the latest available statistics kept by the Ministry of Immigration Policy (30 April 2017), the Greek Golden Visa program is showing an increasing trend with residence permits for property owners being set at 1,684, and of family members (spouses, ascendants, descendants) at 4.095. China ranks first followed by Russia, while Egypt ranks third and there is an increased stream from Turkey. The Agency that welcomes investments and promotes export has published some facts and figures according to which in 2018 more than 1.395 residence permits have been issued for investors coming from China. If someone adds this number of permits with the permits issued the past years, then it amounts to a total of 3.644 residence permits only for Chinese citizens.

I. New types of mixed investments – securities for resident permit in Greece

Moreover, except the abovementioned Greek Golden Visa program under the explicit provision of the law, a third-country national who has invested in one of the following *new investment categories, subject to the specific conditions stipulated therein*, is allowed to enter and reside in Greece:

1. a capital contribution of at least EUR 400,000 to a company which has its registered office or establishment in Greece, with the exception of Portfolio Investment Companies, and Real Estate Investment Companies subject to (b), for the acquisition of shares or bonds.
2. a capital contribution of at least EUR 400,000 to a Real Estate Investment Company (REIC), which aims to invest exclusively in Greece, for the acquisition of shares in a share capital increase.

3. a capital contribution of at least € 400,000 to a Closed-end Investment Company (CIC) or to a Closed-end Mutual Fund (CMF), provided that the above Alternative Investment Institutions (AIF) are intended to exclusively invest in companies headquarters or establishment in Greece.
4. Purchase of Greek Government bonds, with a minimum acquisition cost of 400,000€ and a residual maturity of at least three (3) years at the time of purchase, via a Credit Institution established in Greece, which will also be the custodian of these bonds.
5. Term-deposit of a minimum amount of 400.000€ at a domestic Credit Institution, of at least one-year duration, with a standing order for renewal.
6. Purchase of shares, corporate bonds and / or Greek Government bonds, which are admitted for trading or are traded on regulated markets or multilateral trading mechanisms, that are operating in Greece, with an acquisition value of at least 800,000€.
7. Purchase of units of a minimum value of 400,000€ of a mutual fund incorporated in Greece or another country and with scope to invest exclusively in shares, corporate bonds and or Greek Government bonds that are admitted for trading or are traded on regulated markets or multilateral trading mechanisms, operating in Greece and provided that the fund's assets amount to at least 3,000,000€ and the mutual fund and its manager are licensed by the authority overseeing the capital market of the country in which it is established, which for countries outside the European Union is required to be a member of the International Organization of Securities Commissions (IOSCO) and have a bilateral information exchange agreement with the Hellenic Capital Market Commission.
8. Purchase of units or shares with a minimum purchase value of 400,000€ of an Alternative Investments Fund (AIF) established in Greece or another country of the European Union and intended to exclusively invest in immovable property in Greece, provided aa) the assets of the AIF amount to at least 3,000,000€ and bb) the AIF and its manager are licensed by the authority that supervises the capital market of the country in which it is located.

It should be noted that a regulatory framework is provided for the realization and holding of the investment for each of the above investment categories.