

# Housing Purchase and Sale

## What you need to know

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### REQUIREMENT OF FORM – PUBLIC DEED

Being an immovable property, be aware that the acquisition of a house is subject to a special legal formalism, as it is required that the transaction be registered by a public deed, or an authenticated private documents certified by lawyer or solicitor.

In the public deed or in the authenticated private document, the buyer and the seller step in.

In special cases might step in other entities such as the bank agent, attorneys, partners, interpreters, among others.

### Highlights

*Housing is a necessity and many opt for the purchase option.*

*As an asset that requires a substantial investment, it is important to know the procedures, charges and formalities to be fulfilled in order to “buy a house”.*

### OBSERVATIONS BEFORE THE CLOSURE OF THE DEAL

- Consult and obtain the **property registration certificate**: by the Land Registry Office or online. **This certificate, issued on paper, proves the legal status of a property at the time it is issued.** It gathers and describes the records in force relating to that property and proves, for example, who owns the property and whether there are any liens or charges (for example, mortgages) or, at the very least,
- You must consult and request the “**Simplified Building Information**”, which has the elements contained in the permanent certificate, but which does not have the legal value of a “certificate”;
- If you want to know the patrimonial value of the property, you can ask the selling owner to consult the “Caderneta Predial” (issued by the Tax Authorities and which can only be requested by the owner).
- For more complete information, you can also obtain from the City Council where the property is located the “technical file” or the “housing license” for the property you wish to purchase.

## PROMISSORY PURCHASE AND SALE AGREEMENT

The parties (seller and buyer) may or may not decide to enter into a **promissory purchase and sale agreement**. This contract, as a rule concluded only by private document, at least identifies the buyer and seller, the property in question, the price, whether or not there is payment of down payment and the amount thereof, deadline for signing the public deed, who is responsible for obtaining all the necessary documentation and who proceeds to schedule the public deed, how, for what address and with what formality the other party of the business is notified of the date of the deed or other relevant notifications.



### VERY IMPORTANT

Do not forget that you must keep all proof of expenses incurred (certificates, cost of deed, records) including, if applicable, expenses with real estate mediation. These proofs are essential so that, in the event of a future sale, you can deduct the respective amounts from the calculation of capital gains, if they are due.

## PROCEDIMENTOS, DESPESAS E IMPOSTOS:

In addition to the expenses arising from obtaining certificates, booklets, energy certificates, the acquisition of property for housing entails a set of expenses for those who sell and those who buy:

- The cost of the public deed of purchase and sale (at the “Casa Pronta” counter or at the Notary's office (at the buyer's expense);
- Payment of Municipal Tax on Onerous Property Transactions (IMT) which must be paid before the signing of the public deed, which must expressly mention the respective proof of settlement (at the buyer's expense)
- Stamp duty (buyer's charge);
- If the purchase is made using bank credit, the expenses with the registration of the mortgage (buyer's charge);
- The energy certificate of the property that must be obtained before the public deed (at the seller's expense);
- Housing permit (at the seller's expense);
- The announcement for the possible exercise of the “legal right of preference” (seller's charge);
- If the purchase and sale was made using real estate mediation, the settlement of the respective commission and the value of VAT;
- The land registration of the acquisition.

The multidisciplinary team of N-Advogados is available to inform and provide all the necessary support.

For more information, contact us  
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