

How to Buy Property in Krakow Legally and Safely

A Complete Guide for Foreign Investors

Thinking about investing in Krakow real estate? Poland welcomes foreign investors – but make one legal mistake, and your dream apartment could turn into a legal nightmare.

Here`s a simple, step-by-step guide to buying property in Krakow safely and efficiently.

1. Can Foreigners Buy Property in Poland?

Yes – and in most cases, it`s surprisingly simple.

Foreigners from the **EU, EEA, or Switzerland** can buy apartments and commercial spaces in Poland without any permits.

If you`re from **outside the EU**, you can still buy residential property (like a flat in Krakow), but buying land may require a special permit from the Ministry of Interior – unless you do it through a Polish company.

Pro Tip: Flats in apartment buildings usually **do not require a permit** – even for non-EU buyers.

2. The Legal Steps - How the Process Works

Here`s a simplified version of what your purchase process will look like:

Step 1: Find the Right Property

Work with a local agent who speaks English (or your language) and knows how to work with foreign buyers.
Ask about:

- Legal status of the property
- Ownership history
- Potential risks (shared ownership, debts, etc.)

Step 2: Sign a Reservation or Preliminary Agreement

You pay a small deposit (e.g. 1-2%) to take the property off the market while legal checks are done.

Step 3: Legal Due Diligence

A good agent or lawyer checks:

- Land and Mortgage Register (Księga Wieczysta)
- Zoning plans (for land)
- Any debts, court cases, inheritance issues
- Legal status of the building or development

Step 4: Final Purchase at the Notary

- A public notary (required by Polish law) drafts the sale agreement.
- You pay the remaining price.
- You receive a notarized copy and apply for ownership registration.

3. Can I Buy Remotely Without Coming to Poland?

Yes – you can buy fully remotely **with a power of attorney** (POA).
A lawyer or trusted agent in Poland can act on your behalf in front of the notary.

4. What Are the Costs and Taxes?

Cost Type	Approx. Amount
Property Price	As negotiated
Notary Fee	0.5–1% of property price (regulated max)
PCC (Tax) – resale	2% of property price
VAT – new property	8% or 23% (included in price)
Agent Fee (if buyer pays)	1–3% (depends on deal)
Land Registry Fee	~200–300 PLN

No income tax if you're only buying, not selling (yet).

VAT (Value-Added Tax) in Real Estate – 8% or 23%? It depends.

In Poland, VAT applies **only to new properties** sold by a developer or a company. But the **rate** depends on the type and size of the property:

When is VAT 8%?

- Applies to **residential units (apartments or houses)**
- Total area is **up to 150 m²** for apartments or **300 m²** for houses
- The property is bought **directly from a developer or a business**
- The building has a **residential function**

When is VAT 23%?

- Applies to:
 - Any **residential unit exceeding 150 m²**
 - **Commercial properties** (offices, retail, etc.)
 - **Land plots** (in most cases, unless exempt)
 - Some **renovated properties** treated as new in VAT terms

Important: VAT is usually **included in the price** shown by the developer. But it's always good to confirm.

Example:

You buy a brand new 60 m² apartment from a developer – the price includes **8% VAT**.

You buy a 170 m² penthouse – you'll pay **8% VAT for the first 150 m²**, and **23% VAT for the remaining 20 m²**.

5. Biggest Legal Risks to Avoid

- Buying property without checking ownership (yes, it happens!)
- Trusting only the seller's documents
- Not verifying debts or claims in the Land Register
- Buying from a developer without proper guarantees
- Not using a bilingual or international notary

6. Is It Safe to Invest in Krakow?

Very. Krakow is one of Poland's most dynamic real estate markets – with stable prices, high rental demand (students, expats, companies), and strong capital appreciation over the last 10 years.

Conclusion: Buy Smart, Buy Safe

Buying property in Krakow as a foreigner is absolutely possible – and often a great investment. But don't go in blind. Work with a local expert, do your legal checks, and don't cut corners.

Need help with your first property in Krakow?

Contact *Ekspert Nieruchomości Dariusz Winiarski* – we help foreign investors navigate the Polish market safely and profitably.



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