

New Regulation on the Performance of Land Registry Transactions Outside Authorized Jurisdiction and in Different Units



On December 3, 2024, the Turkish Official Gazette published Regulation No. 32741, titled Regulation on the Procedures and Principles for Performing Land Registry Transactions outside Authorized Jurisdiction and When the Parties Are Located in Different Units (the "Regulation"). This new regulation introduces significant changes to the process of land registry transactions, allowing for greater flexibility but also imposing certain financial implications. Below are the key changes introduced by the Regulation:

1. Transactions Across Different Land Registry Offices

The Regulation permits the completion of land registry transactions even if the parties (buyer and seller) are located in different regions. Previously, transactions could only be processed in the relevant jurisdiction where the property is located. With the new regulation, both parties can now perform their transactions remotely, in different land registry offices, facilitating a smoother process. For instance, a seller located in Istanbul can sell a property in Bolu, and the buyer and seller can sign the necessary documents in different registry offices.

2. Power of Attorney Requirements

For transactions to be processed outside the authorized jurisdiction, the Regulation specifies that power of attorney documents issued before November 21, 2023, will not be valid for such transactions. This stipulation emphasizes the need for updated and jurisdictionally specific powers of attorney when engaging in transactions that fall outside the jurisdiction of the respective land registry offices. A failure to comply with this requirement may result in the inability to complete the transaction.

3. Increased Transaction Costs and Fee Adjustments

In accordance with the Regulation, the transaction fee (known as the “döner sermaye” fee) will be doubled for transactions processed outside the authorized jurisdiction. Furthermore, for transactions performed in Turkish consulates or embassies abroad, this fee may increase up to four times the standard rate. These adjustments aim to account for the additional administrative costs incurred in processing land registry transactions outside of the authorized land registry offices.

4. Impact and Considerations

While the new Regulation seeks to streamline land registry transactions and offer more flexibility to the parties involved, it also introduces potential additional costs. It is essential for individuals and institutions to take these increased fees into account when planning transactions. Moreover, parties must ensure that their power of attorney documents are in compliance with the Regulation’s requirements.

Conclusion:

The introduction of the Regulation marks a significant shift in the way land registry transactions can be conducted, allowing for more efficient handling of property transfers when parties are located in different areas. However, the accompanying changes in fees and the need for updated documentation necessitate careful consideration before proceeding with such transactions. It is recommended that individuals and businesses involved in land transactions consult legal professionals to ensure full compliance with the new regulatory framework.