

Regulations on Acquisition of Real Property by Foreign Nationals (1948)

Article One – Foreign nationals who want to acquire real property for residence, business or industrial purposes must submit a declaration to the Real Property Registry Office of the district where the property is located. Then the declaration in which the following specifications of the foreign nationals are to be included shall be forwarded to the Central Registry Office to obtain the required permission:

- A) Name and family name;
- B) Present nationality and, in case of any change in nationality, the original nationality;
- C) Marriage status - if the applicant is a man, the nationality of his wife before marriage, and if they have any children, the sex, age and number of children;
- D) Date of entry into Iran, duration of residence, different places where he has resided, his previous and present profession (s);
- E) Permanent place of residence;
- F) Purpose of ownership by determining whether it is for residence, business or for industrial activities;
- G) Type, specifications, dimensional measures, registration number of the real property and its location;
- H) The applicant shall undertake in his application that in case he wants to change his permanent place of residence to another place outside Iran, within a period of maximum six months after the date of leaving Iran, he shall transfer the real property to an Iranian or to a foreign national who has duly obtained an ownership permission. Otherwise the relevant District Registry Office, with the authorisation of the Central Registry Office, shall sell the property in an auction according to regulations relating to the auction sale of real properties acquired through conditional purchase. Then the proceeds of sale shall be paid to the owner, after having deducted expenditures and legal duties. If there is no buyer in the auction, the Central Registry Office shall announce the bidding once in the Gazette of the country and after expiry of sixty days from the date of announcement, the real property shall be sold at any price for which there is a buyer. Proceeds of the sale shall be paid to the owner, as mentioned above.

Note - The registration of real property in the name of inheritors of the applicant in the Registry of Real Property depends upon observance of the provisions of the current Regulations and also on depositing of the undertaken

amount.

I) It must be determined whether the applicant or any member of his family including his children, wife and parents, who are under his responsibility and who live together with him and/or have a share in his business or industrial activities, own any other real property in Iran other than the one mentioned in his application. If they own any other real property, the type, specifications and locality of the property must be determined.

J) A certificate issued by the relevant department indicating that the person concerned does not have a previous criminal record that deprives him of all or some of the social rights he is entitled to.

K) A copy of the applicant's permanent residence permit on which his photo is affixed and certified.

Article Two – If the application is submitted by qualified foreign companies or institutions, the declaration must contain the following information:

1. Nationality, the type of company or institute, the date of its establishment, the amount of capital, the kind of operations to be performed by the company or the institute in Iran and the purpose of acquiring the real property.

2. The company or the institution must have juridical personality according to the laws of its nationality, and must also be registered in Iran.

3. It must be established whether the company or the institution owns any other real property in Iran, other than the realty applied for.

4. Dimensional measures of the real property and its specifications, type, registration number and location.

5. The authorised foreign company or institution must deposit a certain amount as an undertaking according to the provisions of paragraph H of Article one above.

Article Three – Acceptance of an application for acquisition of property, which meets the above conditions, depends on the observance of the following provisions:

A) The application must not be contrary to the conventional commitments of the State of Iran.

B) The application must not be in contradiction with the laws and the public order of the country.

C) In the national country of the applicant, individuals, companies and institutes of Iranian nationality must also have the right to acquire real property at least to the same extent as in Iran.

D) The dimensional measures of the real property in demand must be appropriate with the number of family members of the applicant and also appropriate with his social and financial status and/or the type of business or industry, and the purpose for which the acquisition of the real property has been demanded.

E) The real property shall not be situated in the border regions or in areas where the acquisition of real property, according to regulations, is restricted or prohibited for foreigners.

F) In cases when the acquisition of property is for business activities, it should be permissible to engage in that occupation in accordance with the laws and regulations of the country. If necessary, the work permit for such an occupation must have already been obtained.

Article Four – The Central Registry Office, after considering the application for acquisition of a real property sends a copy of the application form and its annexes, together with its own comments on the application to the Ministry of Foreign Affairs. Then the Ministry states its opinion regarding the acceptance or rejection of the demand, and if necessary obtains permission from the Bureau of the Presidency of the country, and subsequently notifies the result to the Central Registry Office.

Article Five – A request for acquisition of real property for the premises of the Embassies and consulate offices or other entities affiliated to the Embassies must be submitted through political channels. The acceptance of such a demand on the basis of reciprocity depends on acceptance of a similar demand of the Islamic Republic of Iran by the respective national country of the applicant. In all cases, it is within the competence of the Council of Ministers to make a decision about the case. If the Council accepts the application, this decision shall be notified to the Ministry of Foreign Affairs and also to the Central Registry Office.

Article Six – A special Register shall be arranged in the Central Registry Office so that a record of real properties transferred to qualified foreign persons or companies and institutes in accordance with the current laws after obtaining the required permission may be maintained. The name and family name of the applicant and the specifications of the real property shall be entered into the Register. The issue shall then be notified to the Ministry of Foreign Affairs, so that the information can be entered into the Special Register prepared for this purpose in the Ministry.