

Consumer market study on the functioning of the real estate services for consumers in the European Union

Country fiche – Czech Republic

General information

Country	Czech Republic
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Main Sources Used	See list at point 1.2

1. Regulatory background

1.1 Level of regulation in the country

Table 1: Level of regulation			
	Level of regulation	Source of relevant legislation	Ongoing discussion on regulation/deregulation (if applicable): current state of affairs and main arguments in the debate
Real estate transactions ¹	Framework regulation Formality (written form of a contract, sale - registration by a Land Registry, identity checks)	Civil Code (Act no. 89/2012 Coll.) ² Cadastral Act (Act no. 256/2013 Coll.) ³	Reintroduction of pre-emption right from January 2018 (sale of a share of a real estate owned by co-owners)
Notary system (or lawyer/conveyancer system) ⁴	Lawyers/notaries –especially the area of deposit of money, the authentication of signatures, the ethical issues – strictly regulated	Advocacy Act (Act no. 85/1996 Coll.) ⁵ Notary Code (Act no. 358/1992 Coll.) ⁶ Internal regulation issued by professional organizations (Czech Bar Association, Notary Association) ⁷	Amendment to the Advocacy Act (limiting the number of lawyer´s clerks working at one lawyer, changes to the concept of lawyer's examinations, detention and withdrawal of the book of statements of authenticity of the signature, provisional and temporary ban on money deposit).
Profession of estate agents	Qualification requirements – not regulated Dealing with clients – prohibition of discrimination, protection of the consumer	Anti-Discrimination Act (Act no. 198/2009 Coll.) ⁸ Consumer protection Act (Act no. 634/1992 Coll.) ⁹	The Ministry of Regional Development drew up the material intention of the Law, which regulates the provision of services by real estate agents (due to the absence of relevant legal regulation) ¹⁰ .

¹ E.g. limitations or prohibitions of certain transactions; specific formality requirements etc.

² See <<http://obcanskyzakonik.justice.cz/images/pdf/Civil-Code.pdf>>.

³ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=80383&nr=256~2F2013&rpp=15#local-content>>.

⁴ Only in countries where notaries do not exist or do not have a monopoly on conveyancing.

⁵ See <https://www.cak.cz/assets/act-on-legal-profession_219_2009_1_.pdf>.

⁶ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=40082&nr=358~2F1992&rpp=15#local-content>>.

⁷ See <<https://www.cak.cz/en/>>; <<https://www.nkcr.cz/predpisy>>.

⁸ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=68893&nr=198~2F2009&rpp=15#local-content>>.

⁹ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=40431&nr=634~2F1992&rpp=15#local-content>>.

¹⁰ Proposed material intention of the Law can be found on: <https://www.mmr.cz/getmedia/c8c04144-11ce-4990-aebe-2314d03bfc85/Vecny_zamer_zakona_o_poskytovani_sluzeb_realitnich_zprostredkovatelu.pdf>.

1.2 National legislation

Table 2: List of national legislation

List of national legislation	Classification of national legislation	Content of the national legislation
Civil Code (Act no. 89/2012 Coll.) ¹¹	Transactions (buyers, sellers, landlords, tenants) Consumers (provisions on obligations arising from contracts concluded with consumers)	General regulation of private law – regulation of relative (contractual law, purchase, tenancy) and absolute property rights (ownership, co-ownership and residential co-ownership) Definition of the parties (undertaker, consumer, buyer, seller), definition of legal personality and legal capacity, general regulation of legal entities, regulation of unfair competition, timeshare and other holiday services (consumers).
Business Corporation Act (Act no. 90/2012 Coll.) ¹²	Transactions, consumers (the emergence of membership in the housing cooperatives)	Legal regulation of commercial companies and cooperatives (especially the regulation of Housing cooperatives).
The Act governing private international law (Act no. 91/2012 Coll.) ¹³	Transactions with international element	This Act shall be applied within the boundaries of the provisions of certain published international treaties, which are binding on the Czech Republic, and of any directly applicable provisions of European Union law.
Anti-Discrimination Act (Act no. 198/2009 Coll.) ¹⁴	Transactions, consumers	This Act incorporates the relevant European Community legislation and, following the Charter of Fundamental Rights and Freedoms and International Treaties which are part of the legal order further defines the right to equal treatment and non-discrimination in matters of access to goods and services, including housing, when offered to the public or when providing them. Definition of basic terms (direct, indirect discrimination, etc.), means of protection against discrimination.
Consumer protection Act (Act no. 634/1992 Coll.) ¹⁵	Consumers	Obligations by the sale of products and providing services, unfair terms regime.
Advocacy Act (Act no. 85/1996 Coll.) ¹⁶	Regulation of providers of legal services (lawyers)	Sets up regulation for lawyers, regulation of relationship between the lawyer and the client, ethical issues (Ethical Code).

¹¹ See <<http://obcanskyzakonik.justice.cz/images/pdf/Civil-Code.pdf>>.¹² See <<http://obcanskyzakonik.justice.cz/images/pdf/Business-Corporations-Act.pdf>>.¹³ See <<http://obcanskyzakonik.justice.cz/images/pdf/Act-Governing-Private-International-Law.pdf>>.¹⁴ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=68893&nr=198~2F2009&rpp=15#local-content>>.¹⁵ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=40431&nr=634~2F1992&rpp=15#local-content>>.¹⁶ See <https://www.cak.cz/assets/act-on-legal-profession_219_2009_1_.pdf>.

Table 2: List of national legislation

Notary Code (Act no. 358/1992 Coll.) ¹⁷	Regulation of providers of legal services (notaries)	Sets up regulation for notaries, regulation of relationship between the notary and the client.
Cadastral Act (Act no. 256/2013 Coll.) ¹⁸	Transactions	Registration
Consumer loan (Act no. 257/2016 Coll.) ¹⁹	Regulated lending industry/consumer information	Implements the EU regulation (Mortgage Credit Directive, 2014/17/EC).
Energy Performance (Act no. 406/2000 Coll.) ²⁰ Energy Performance of Buildings (Order no. 78/2013 Coll.) ²¹	Sales/lettings	Requires energy performance certificates.

1.3 Implementation of relevant EU legislation

Table 3: Implementation of relevant EU legislation

EU legislation	Implementation achieved?	Implementation of EU legislation at the national level	Source of the national implementation legislation	Content of the national legislation in keywords	Which parts of the EU legislation have been transposed?
Directive 2005/29/EC on unfair commercial practices (UCPD) ²²	Yes	Consumer protection Act ²³	Act no. 634/1992 Coll. amended by the Act no. 36/2008 Coll.	Obligations by the sale of products and provision of services, unfair terms regime	All ²⁴

¹⁷ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=40082&nr=358~2F1992&rpp=15#local-content>>.

¹⁸ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=80383&nr=256~2F2013&rpp=15#local-content>>.

¹⁹ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=86883&nr=257~2F2016&rpp=15#local-content>>.

²⁰ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=49857&nr=406~2F2000&rpp=15#local-content>>.

²¹ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=79679&nr=78~2F2013&rpp=15#local-content>>.

²² A thorough analysis of the transposition of this Directive is given in: VÍTOVÁ, B. *Transpozice směrnice o nekalých obchodních praktikách do českého a slovenského právního řádu*. Olomouc: Iuridicum Olomucense, o.p.s., 2016, 150 s. ISBN 978-80-87382-88-2.

²³ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=40431&nr=634~2F1992&rpp=15#local-content>>.

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Table 3: Implementation of relevant EU legislation

Directive 93/13/EEC on unfair terms in consumer contracts	Yes	Civil Code ²⁵	Act no. 89/2012 Coll.	Provisions on obligations arising from contracts concluded with consumers	All
Directive 2008/122/EC on the protection of consumers, in respect of certain aspects of timeshare, long-term holiday product, resale and exchange contracts	Yes	Civil Code ²⁶	Act no. 89/2012 Coll.	Timeshare and other holiday services	All
Directive 2010/31/EU of Energy Performance of Buildings Directive	Yes	Energy Performance Act ^{27,28}	Act no. 406/2000 Coll. enforced by the Order no. 78/2013 Coll., Energy Performance of Buildings	Implements the EU Directive	All
Directive 2005/36/EC on Recognition of Professional Qualifications, as last amended by Directive 2013/55/EU	Yes	Act on Recognition of Professional Qualifications ²⁹	Act no. 18/2004 Coll.	Implements the EU Directive	All
Mortgage Credit Directive, 2014/17/EC	Yes	Consumer loan ³⁰	Act no. 257/2016 Coll.	Implements the EU Directive	All

²⁵ See <<http://obcanskyzakonik.justice.cz/images/pdf/Civil-Code.pdf>>.

²⁶ See <<http://obcanskyzakonik.justice.cz/images/pdf/Civil-Code.pdf>>.

²⁷ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=49857&nr=406~2F2000&rpp=15#local-content>>.

²⁸ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=79679&nr=78~2F2013&rpp=15#local-content>>.

²⁹ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=57025&nr=18~2F2004&rpp=15#local-content>>.

³⁰ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=86883&nr=257~2F2016&rpp=15#local-content>>.

1.4 Communications and strategy papers

Table 4: Communications and strategy papers

Communication or strategy paper	Have the following communications and strategy papers been referred to in national documents?	Name of document	Source	Content	Differences with respect to communications and strategy papers listed in the first column
COM(2015) 550 final Communication of the Commission Upgrading the Single Market: more opportunities for people and business	Yes	Resolution of the Committee on European Affairs (Assembly of Deputies) Resolution of the Committee on European Union Matters (Senate)	Resolution no. 201 from the 39th meeting held on 12th November 2015 ³¹ . Resolution no. 119 from the 19th meeting held on the 10th November 2015 ³² .	Both Chambers of the Parliament took cognizance of the Communication.	None
COM(2013)676 Communication from the Commission on evaluating national regulations on access to professions	Yes	Resolution of the Committee on European Affairs (Assembly of Deputies) Regulated professions in the Czech Republic and in the EU: Qualitative analysis and quantitative evaluation of nominal regulation ³³ .	Resolution no. 12 from the 4th meeting held on 23rd January 2014 ³⁴ Department of EU Strategies and Trends of the EU - Section for European Affairs of the Office of the Government of the Czech Republic.	The study strives to unravel the complex environment of regulated professions in the Czech Republic according to the EU context.	None

³¹ See <<https://www.psp.cz/sqw/text/text2.sqw?idd=74515>>.

³² See <<http://www.senat.cz/xqw/xervlet/pssenat/htmlhled?action=doc&value=77670>>.

³³ See <<https://www.vlada.cz/assets/evropske-zalezitosti/analyzy-EU/Analyza-regulovanych-profesi-v-CR-a-EU.pdf>>.

³⁴ See <<https://www.psp.cz/sqw/text/text2.sqw?idd=91588>>.

Table 4: Communications and strategy papers

COM(2016)820 Communication from the Commission on reform recommendations for regulation in professional services	Yes	Resolution of the Committee on European Affairs (Assembly of Deputies)	Resolution no. 364 from the 62nd meeting held on 21st March 2017 ³⁵	Captured the request to regulate access to the profession of real estate agent Comments on individual professional services	Tax adviser – filling of a tax return cannot be considered as formal or administrative act.
European Consumer Agenda	Yes	Report on the implementation of the European Consumer Agenda - 2014 ³⁶	The Ministry of Industry and Trade	The report informs of the implementation of the measures set out in the European Consumer Agenda (out of 62 measures 52 have been completed and the remaining 10 are underway — 2014).	-
Consumer Programme 2014-2020	Yes	Consumer Policy Priorities for 2015- 2020 ³⁷ Resolution of the Government of the Czech Republic	The Ministry of Industry and Trade Resolution no. 5 from the 7th January 2015 ³⁸	The material sets out the basic attributes of consumer 's policy for the period of 2015–2020 in accordance with the Consumer Programme 2014-2020.	None

³⁵ See <<https://www.psp.cz/sqw/text/text2.sqw?idd=109038>>.

³⁶ See <<https://www.mpo.cz/cz/ochrana-spotrebitele/eu-a-spotrebitel/aktuality-z-eu/zprava-o-plneni-evropske-spotrebitelske-agendy--149823/>>.

³⁷ See <<https://www.mpo.cz/cz/ochrana-spotrebitele/informace-pro-spotrebitele/priority-spotrebitelske-politiky-2015---2020---155395/>>.

³⁸ See <<https://apps.odok.cz/attachment/-/down/VPRA9SPH3X0N>>.

2. General market information

2.1 Key market data

Table 5 : Key market data

<p>General market situation (e.g. trends in the market, recent developments in the market, price fluctuations, etc.)</p>	<p>The regulation of rent in the field of tenancy housing was eliminated. The number of real estate agents is not limited. Real estate activity can practically be performed by everyone. Business in this area is not bound to meet special prerequisites. Real estate activity falls into free trade. The Czech Republic is considered to be the state with the most real estate agents per capita from the EU. The Ministry of Regional Development drew up the material intention of Law, which regulates the provision of services by real estate agents. This intention of Law will be presented and discussed probably in 2018 (due to the parliamentary elections).</p> <p>Low mortgage rates and low property prices have inspired many people to buy apartments as an investment in recent years. However, prices have now climbed to a record high, so the profitability of a new investment in current market conditions is already quite controversial. Prices of flats, lands and houses are nowadays constantly growing. In this context, the real estate bubble is discussed. The level of rent is also growing.</p>
<p>Total value of residential transactions for buying and renting for the year 2015 (2014 or 2013 depending on the latest available data) expressed in EUR</p>	<p>There is no credible source of up-to-date information about the total value of residential transactions for buying and renting in Czech Republic. The estimated sum of total real estate transactions in 2010 was approx. 9,6 billion eur.³⁹ This sum was calculated according to the real estate transfer tax.</p> <p>No available data of total value of residential transaction for renting.</p>
<p>Ratio house owners – tenants (i.e. the percentage of households that are owners resp.</p>	<p>According to census held in 2011 the housing stock included 4.756.572 flats (of which the inhabited units were 4.104.635). 43,7% of the inhabited flats were placed in private (family) houses, 55% in apartment buildings (dwelling houses). 55,9% of the inhabited flats (2.294.250) were used by their owners or by the owners of the buildings (private of apartment buildings), 22,4% (920.405) were used by the tenants. Cooperative flats represented 9,4% of the inhabited flats.</p> <p>The average age of inhabited dwelling houses was 52,4 years, of family houses 49,3 years. The average living area per 1 inhabited flat was 65,3m² (52,6m² in dwelling houses, 80,9m² in family houses). The number of completed (constructed) flats in 2014 was 23.881.</p>

³⁹ Available at: <<http://byznys.ihned.cz/c1-46944520-v-cesku-chybi-data-o-trhu-za-250-miliard>>.

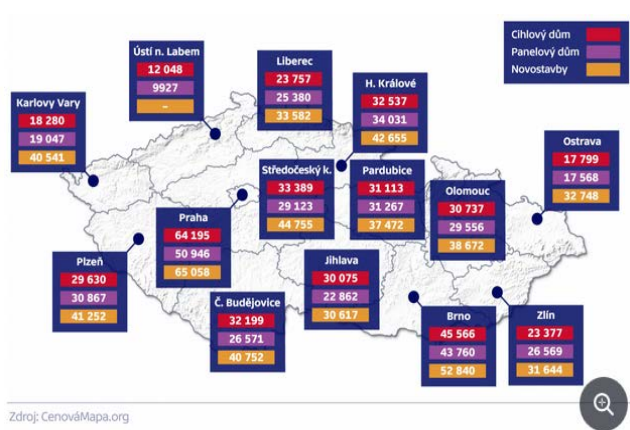
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tenants of dwelling units)	<p>Total number of households in the Czech Republic in 2011: 4.375.122. Households operating in flats: 4.320.691, other than flats: 54.431.40</p> <p>Inhabited flats according to legal reason of use: ⁴¹</p> <div data-bbox="1232 287 1612 670" style="text-align: center;"> <p>Detailed description: A pie chart illustrating the distribution of inhabited flats in the Czech Republic in 2011, categorized by their legal reason of use. The largest segment is 'in own house' at 35.8% (yellow), followed by 'tenancy flats' at 22.4% (red), 'personal property' at 20.1% (dark blue), 'cooperative flats' at 9.4% (green), 'other free use of flat' at 3.4% (light blue), 'another reason' at 1.1% (purple), and 'not identified' at 7.8% (grey).</p> <table border="1" style="display: none;"> <thead> <tr> <th>Legal Reason of Use</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>in own house</td> <td>35,8 %</td> </tr> <tr> <td>tenancy flats</td> <td>22,4 %</td> </tr> <tr> <td>personal property</td> <td>20,1 %</td> </tr> <tr> <td>cooperative flats</td> <td>9,4 %</td> </tr> <tr> <td>other free use of flat</td> <td>3,4 %</td> </tr> <tr> <td>another reason</td> <td>1,1 %</td> </tr> <tr> <td>not identified</td> <td>7,8 %</td> </tr> </tbody> </table> </div> <p>35,8 - in own house; 22,4 – tenancy flats; 20,1 – personal property; 9,4 – cooperative flats; 3,4 - other free use of flat; 1,1 – another reason; 7,8 - not identified</p>			Legal Reason of Use	Percentage	in own house	35,8 %	tenancy flats	22,4 %	personal property	20,1 %	cooperative flats	9,4 %	other free use of flat	3,4 %	another reason	1,1 %	not identified	7,8 %																							
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⁴¹ Available at: <[https://www.mmr.cz/getmedia/3fda1c6e-643f-45f3-9b1a-032d5dae9b7d/Bydleni-v-CR-v-cislech-\(zari-2015\).pdf](https://www.mmr.cz/getmedia/3fda1c6e-643f-45f3-9b1a-032d5dae9b7d/Bydleni-v-CR-v-cislech-(zari-2015).pdf)>.

Table 5 : Key market data

<p>Average prices of residential property</p>	<p><i>According to the type of property</i> Average flat of ca. 70 sqm Terrace house of ca. 100 sqm Detached (one family house) of ca. 150 sqm</p>	<p>1) Average prices of flats in the Czech Republic per sqm in Czech crowns⁴² (red – brick house; violet - prefabricated house; brown – new building):⁴³</p>  <table border="1"> <caption>Average prices of flats in the Czech Republic per sqm (Czech crowns)</caption> <thead> <tr> <th>City</th> <th>Brick house (red)</th> <th>Prefabricated house (violet)</th> <th>New building (brown)</th> </tr> </thead> <tbody> <tr><td>Karlovy Vary</td><td>18 280</td><td>19 047</td><td>40 541</td></tr> <tr><td>Ústí n. Labem</td><td>12 048</td><td>9927</td><td>-</td></tr> <tr><td>Liberec</td><td>23 757</td><td>25 380</td><td>33 582</td></tr> <tr><td>H. Králové</td><td>32 537</td><td>34 031</td><td>42 655</td></tr> <tr><td>Č. Budějovice</td><td>32 199</td><td>26 571</td><td>40 752</td></tr> <tr><td>Praha</td><td>64 195</td><td>50 946</td><td>65 058</td></tr> <tr><td>Středočeský k.</td><td>33 389</td><td>29 123</td><td>44 755</td></tr> <tr><td>Pardubice</td><td>31 113</td><td>31 267</td><td>37 472</td></tr> <tr><td>Olomouc</td><td>30 737</td><td>29 556</td><td>38 672</td></tr> <tr><td>Jihlava</td><td>30 075</td><td>22 862</td><td>30 617</td></tr> <tr><td>Brno</td><td>45 566</td><td>43 760</td><td>52 840</td></tr> <tr><td>Zlín</td><td>23 377</td><td>26 569</td><td>31 644</td></tr> <tr><td>Ostrava</td><td>17 799</td><td>17 568</td><td>32 748</td></tr> <tr><td>Čihlový dům</td><td>-</td><td>-</td><td>-</td></tr> <tr><td>Panelový dům</td><td>-</td><td>-</td><td>-</td></tr> <tr><td>Novostavby</td><td>-</td><td>-</td><td>-</td></tr> </tbody> </table> <p>Zdroj: CenováMapa.org</p> <p>2) Average prices of houses: information Available at: https://www.cenovamapa.org/Default.aspx?menu=Home&culture=en&s=134843B91164567908B7E3024792EF9444241FC9 http://www.cenovamapa.eu/; http://www.cenovamapa.eu/</p> <p>There are no existing relevant data to answer the question based on the listed property typologies. It is also possible to have a look into the TOTAL PRICE INDICES of REAL ESTATES: https://www.czso.cz/documents/10180/33107899/0140061627e.pdf/ecc5e777-d738-4b30-9561-714d4bbd7bca?version=1.0 or https://www.czso.cz/csu/czso/ceny-sledovanych-druhu-nemovitosti-2013-az-2015</p> <p><i>According to the type of location</i> See above</p>	City	Brick house (red)	Prefabricated house (violet)	New building (brown)	Karlovy Vary	18 280	19 047	40 541	Ústí n. Labem	12 048	9927	-	Liberec	23 757	25 380	33 582	H. Králové	32 537	34 031	42 655	Č. Budějovice	32 199	26 571	40 752	Praha	64 195	50 946	65 058	Středočeský k.	33 389	29 123	44 755	Pardubice	31 113	31 267	37 472	Olomouc	30 737	29 556	38 672	Jihlava	30 075	22 862	30 617	Brno	45 566	43 760	52 840	Zlín	23 377	26 569	31 644	Ostrava	17 799	17 568	32 748	Čihlový dům	-	-	-	Panelový dům	-	-	-	Novostavby	-	-	-
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⁴² 1 euro = approx. 26 Czech crowns

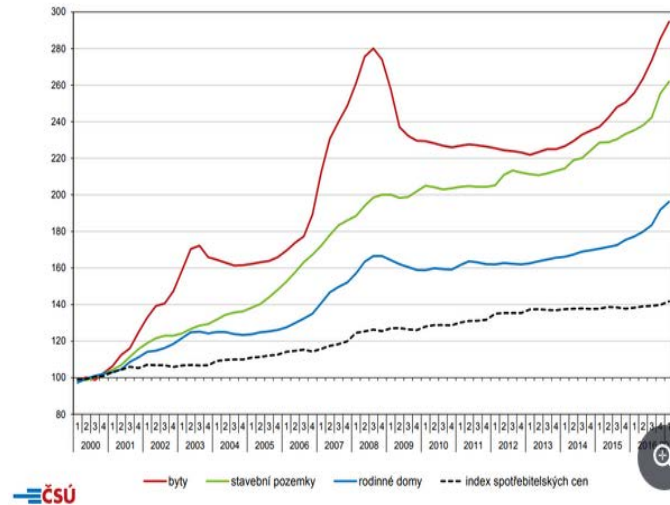
⁴³ Statistical data and system of Real Estate Prices can be found on: <https://www.czso.cz/documents/10180/33107899/01400616u_e.pdf/fab3640a-986a-481d-88f1-5be7eaf1a643?version=1.0>; <https://www.czso.cz/documents/10180/33107899/0140061627e.pdf/ecc5e777-d738-4b30-9561-714d4bbd7bca?version=1.0> <http://www.cenovamapa.eu/>

Table 5 : Key market data

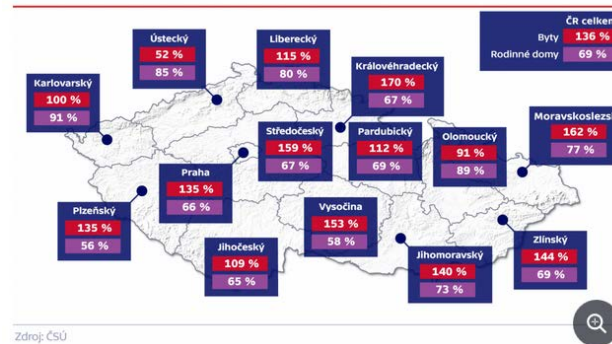
Price development of residential property

According to the type of property
 Average flat of ca. 70 sqm
 Terrace house of ca. 100 sqm
 Detached (one family house) of ca. 150 sqm

1) Price development of residential property (red – flats, green – buildings lands, blue – family houses, black – housing price index) ⁴⁴:



2) The rise of house and apartment prices between 2000 and 2015 (red – flats; violet– family houses):



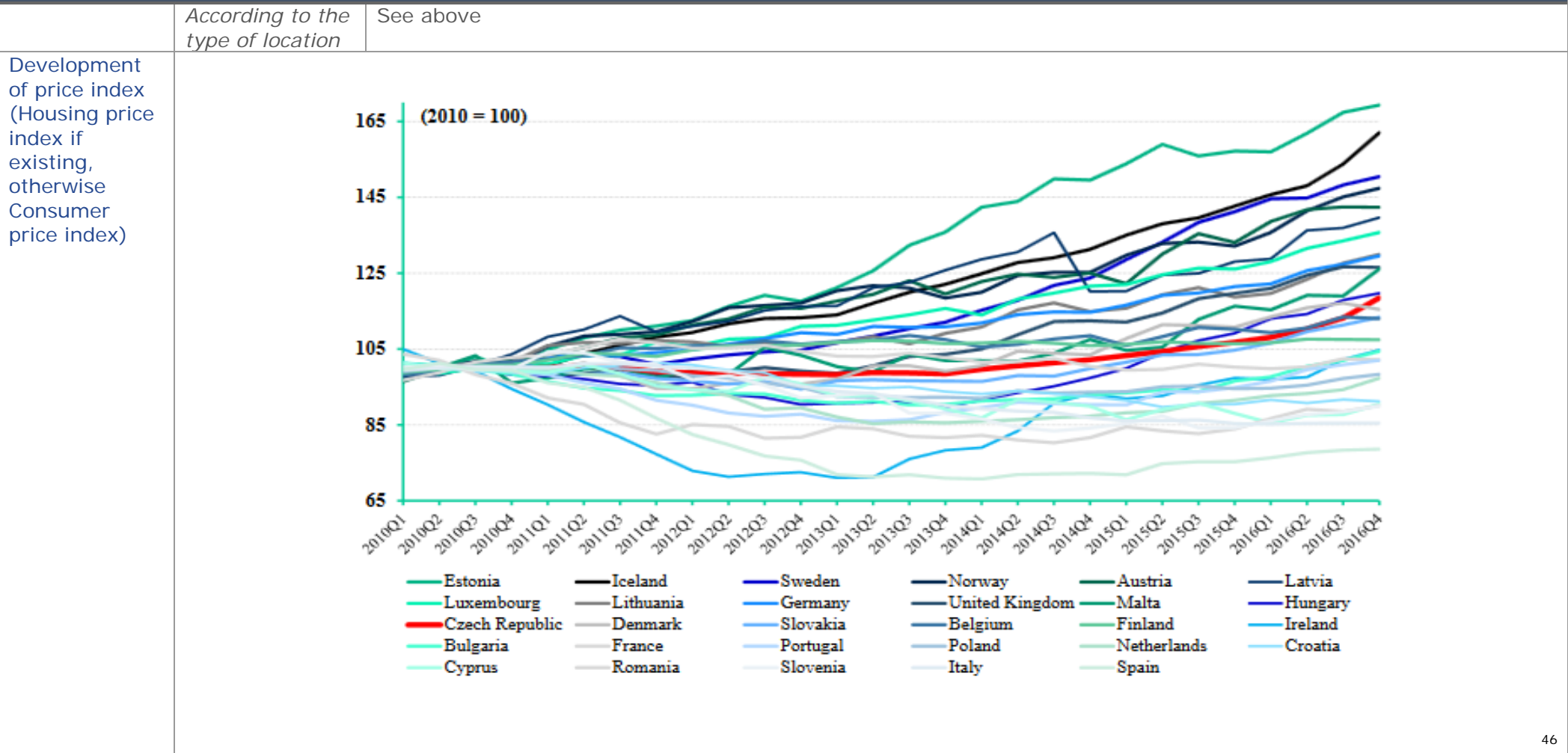
45

Zdroj: ČSÚ

⁴⁴ Available at: <<https://www.czso.cz/>>; <<http://www.ceskatelevize.cz/ct24/ekonomika/2193376-ceny-nemovitosti-na-historickych-maximech-podle-csu-ale-vyvoj-neni-v-ramci-evropy>>.

⁴⁵ Available at: <<https://www.czso.cz/>>; <<http://www.ceskatelevize.cz/ct24/ekonomika/2193376-ceny-nemovitosti-na-historickych-maximech-podle-csu-ale-vyvoj-neni-v-ramci-evropy>>.

Table 5 : Key market data



46

⁴⁶ Available at: <http://www.cnb.cz/cs/verejnost/pro_media/konference_projevy/vystoupeni_projevy/download/hampI_20170529_kpmg.pdf>. Further information concerning the development of House Price Index and the explanation of key findings for the Czech Republic can be found on: <https://www.cnb.cz/en/monetary_policy/inflation_reports/2016/2016_II/boxes_and_annexes/zoi_2016_II_box_2.html>, <https://www.cnb.cz/miranda2/export/sites/www.cnb.cz/en/monetary_policy/inflation_reports/2016/2016_II/download/ir_II_2016.pdf>.

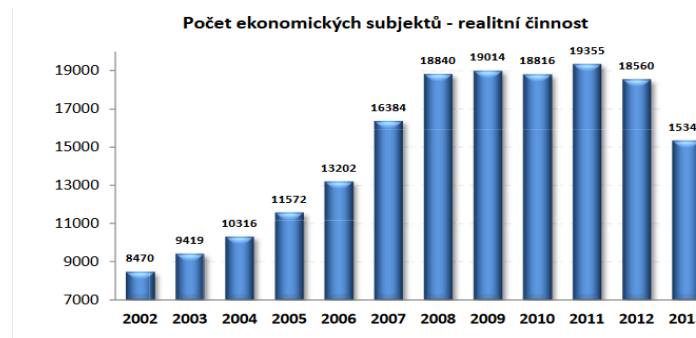
2.2 Service providers

Table 6: Service providers						
	Total number of firms	Total number of professionals	Total number of employees	Branch offices per firm	Market concentration in % of turnover	Average turnover per firm (expressed in EUR)
Estate agents	Approx. 3.000 ⁴⁷ - see graph below	15.300 – see graph below	Unavailable data	Unavailable data	Small	Unavailable data
Lawyer/Advocates/Solicitor	10.757 (advocates)	11.011 (advocates)	243 (advocates) 2.900 (advocates' clerk)	Unavailable data	Small	Unavailable data
Notary	450	450 (numerus clausus)	223 (notarial candidates) 227 (notarial clerks)	Unavailable data	Small	Unavailable data
Licenced conveyancers ⁴⁸	The profession does not exist in Czech Republic. This work is carried out by notaries or lawyers.					
Architects	N/A	3.946	N/A	N/A	Small	Unavailable data
Surveyor	Unavailable data	Unavailable data	Unavailable data	Unavailable data	Unavailable data	Unavailable data
Engineers	Unavailable data	Unavailable data	Unavailable data	Unavailable data	Unavailable data	Unavailable data

⁴⁷ It is not possible to determine the exact number - real estate activity can practically be performed by everyone. Business in this area is not bound to meet special prerequisites. Real estate activity falls into free trade. The Czech Republic is considered to be the state with the most real estate agents *per capita* from the EU. Data available from 2013.

⁴⁸ Their work is carried out by notaries.

1) Number of economic subjects – real estate activity:⁴⁹



Graf 4 - Počet ekonomických subjektů – realitní činnost, zdroj dat: Český statistický úřad

2) Comparison of the number of real estate agents / number of inhabitants per real estate agents / existence of legal regulation (Czech Rep., Hungary, Ireland, Italy, Finland, Spain, Slovenia, Sweden, Belgium, Denmark, Latvia, France, Portugal, Switzerland, the Netherlands, Austria, Norway, Slovakia, Poland, Romania, Lithuania, Germany, UK):⁵⁰

Země	Počet realitních zprostředkovatelů v zemi	Počet obyvatel na jednoho realitního zprostředkovatele	Činnost (i částečně) upravena zákonem
Česká republika	15 300	688	✗
Maďarsko	10 000	991	✓
Irsko	4 200	1 088	✓
Itálie	50 000	1 189	✓
Finsko	4 500	1 189	✓
Španělsko	35 000	1 334	✗
Slovensko	1 450	1 355	✓
Švédsko	6 300	1 517	✓
Belgie	6 500	1 716	✓
Dánsko	3 000	1 870	✓
Lotyšsko	900	2 498	✗
Francie	25 000	2 617	✓
Portugalsko	4 000	2 677	✓
Švýcarsko	3 000	2 680	✓
Nizozemsko	6 000	2 796	✗
Rakousko	3 000	2 801	✓
Norsko	1 600	2 932	✓
Slovensko	1 500	3 607	✓
Polsko	10 150	3 792	✓
Rumunsko	5 000	3 920	✗
Litva	695	4 598	✓
Německo	12 000	6 694	✓
Spojené království	-	-	✓

3) Average earnings of a lawyer (in Czech crowns):

Legal	MIN	MAX	TYPICAL
Legal Support (law firm)	18 000	35 000	25 000
Legal Assistant (corporate)	25 000	35 000	30 000
Legal Trainee (law firm)	25 000	35 000	30 000
Junior Lawyer (corporate)	35 000	60 000	40 000
Senior Lawyer (corporate)	60 000	150 000	90 000

⁴⁹ Available at: <https://www.mmr.cz/getmedia/c8c04144-11ce-4990-aebe-2314d03bfc85/Vecny_zamer_zakona_o_poskytovani_sluzeb_realitnich_zprostredkovatelu.pdf>

⁵⁰ Available at: <https://www.mmr.cz/getmedia/c8c04144-11ce-4990-aebe-2314d03bfc85/Vecny_zamer_zakona_o_poskytovani_sluzeb_realitnich_zprostredkovatelu.pdf>

3. Roles of professionals and services in the real estate market

Table 7: Role of professionals in the real estate market

	Estate agent	Property valuator⁵¹	Advocate	Notary	Bank	Technical expert (architect, engineer, surveyor)
Main function: does the professional typically work independently or as part of a firm or another organisation?	Usually works for a larger real estate company.	Necessary to determine between the judicial valuation of real estate (made by authorized experts named by Minister of Justice) and market valuation. Authorized experts act independently.	Depends on the area – in larger cities usually as a part of firm, smaller cities or rural areas – independently.	Independently	N/A	Independently.
Extent of engagement (at which point(s) does each professional intervene in the process?)	Placing an ad on the web. First point for contact.	Judicial valuation is usually made due to tax paying after the transaction is done. Market valuation is usually carried out by banks before lending money.	When instructions received from client.	As Advocates	Before the transaction is realized.	Before the transaction is realized.
Mandatory involvement	No	There is no need for expert advice when selling a property. Mandatory involvement when the real estate is donated.	No	No	N/A	No

⁵¹ In some EU countries, the real estate property valuers are regulated as a profession that is separate from estate agents (e.g. Hungary, Lithuania, Latvia); their services might be obligatory, especially when taking mortgage loans.

Table 7: Role of professionals in the real estate market

How are their fees/charges structured	Buying: Usually 5-8% from the real estate price Renting: Usually one monthly rent (flat). Fee usually includes basic legal documents: preliminary contract, reservation agreement, cost related to the deposit of money by lawyer or notary, certification of signatures, registration fee	The cost of an expert's opinion is not set by law. The price is built as a negotiated price oscillating between €134,- -€210,- per apartment or house.	€580 for creating the contract and for deposit of money.	Contractual arrangement or arrangement stated by the Order no. 196/2001 Coll., Notarial Tariff. ⁵²	Fees cited on bank websites.	Usually by time.
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4. Land registration

Table 8: Land registration

Responsible authority(ies) dealing with land registration	Cadastré of Real Estate
Actors involved in the registration procedure and their main functions	Contractual parties. A participant in a deposit procedure is one whose right arises, changes or expands, and one whose right extinguishes, changes or limits.
Intermediate steps of the registration procedure, if applicable	Submitting a proposal for a registration, sealing, protective 20-day period ⁵³ (protection of the owner), registration.

⁵² See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=51382&name=not-C3-A1-C5-99sk-C3-BD-20tarif&rpp=15#local-content>>.

⁵³ The cadastral office (land register office) is bound by the statutory period of 20 days, which starts to run from sending the information about the executed seal (indication of planned change of legal status) to the owner and other persons affected by the legal change. During this period the office cannot issue the decision. This period intends to ensure anyone who becomes an object of fraudulent behavior. This period is a protection period in which the authorized person can defend his/her rights.

5. The process to buy or sell a property

5.1 Main steps in the transaction process to buy or sell a property

Table 9: Main steps of the process to buy or sell a property			
Main steps	Main function	Applicable	National specificities/additional functions/main actors
Estate agent services	Matching the parties	Yes	Determination of the real selling price based on the statistical outputs of the trade realized in the previous period. Securing financing for interested parties. Procurement of the sales contract, deposit of money. File a proposal to the Cadastre of Real Estates.
Alternative matching devices	Matching the parties	Unusual	Newspaper advertising.
Preliminary contract	Securing the transaction before the final contract is concluded	Usual	Contract for a future purchase contract, closing of a reservation agreement with a real estate agency.
Preliminary checks (land register, administrative permits)	Ensuring that the buyer knows all legal obligations and relevant features related to the property	Yes	Insight into the Cadastre of Real Estates whether the real estate is free of legal defects.
Drafting the sales contract and/or deed of conveyance	Summarising the agreement of the parties	Yes	The purchase contract must be concluded in writing. The contract is usually drafted by advocates or notaries.
Legal advice or counselling	Ensuring that the transaction is valid and that the parties know about their rights and duties	Yes	Usually carried out by advocates.
Certification of signatures	Ensuring the validity of the agreement	Yes	Usually carried out by advocates, notaries or by public administration contact points.
Contract execution (transfer of payment)	Executing the contract (and securing that both parties perform their obligations)	Yes	Deposit of money – by advocates, notaries or banks.
Contract execution (transfer of property)	Executing the contract (and securing that both parties perform their obligations)	Yes	Advocates, notaries.
Registration	Making the transaction visible to third parties and the public	Yes	Cadastre of Real Estate.
Taxation (esp. transfer tax)	Creating revenue for the state	Yes	4% tax rate paid by the purchaser, tax return must be filed within 3 months after the conveyance is registered

Table 9: Main steps of the process to buy or sell a property

Post-transaction controls (if applicable)	Securing that the contract is duly executed	Usual	Advocates, notaries.
Other steps	Money laundering checks	Yes	Money laundering checks at the outset. Money laundering checks at the outset (advocates, notaries).

5.2 Sale contract and transfer of ownership

Table 10: Contract of sale and transfer of ownership

Main steps	Actors involved per intermediate step	Payment details ⁵⁴		Typical risks associated to these steps, if relevant
		Payments expressed : • In EUR as % of total purchase price <u>and</u> • As a fixed amount if available (add if VAT applies)	When is the payment made	
Estate agent services or alternative matching devices	Not mandatory but usual – estate agents	Usually 5-8% from the real estate price (VAT – 21% is usually included)	Commission is usually paid as a part of the reservation deposit before the purchase contract is concluded.	Conclusion of an exclusive broker agreement – inactivity of real agents - payment of contractual penalty when vendor sells the real estate him/herself.
Preliminary contract (usual)	Advocates - usual	Approx. €390 per contract (+ VAT 21% – depends on the agreement)	When the preliminary contract is concluded.	N/A
Preliminary checks (land register, administrative permits)	Real estate agents - usual	Usually included in commission.	Commission is usually paid as a part of the reservation deposit before the purchase contract is concluded.	Threat of double conveyance – risk that the property may be sold to two distinct buyers.

⁵⁴ Payment shall be considered as the 'discharge of an obligation by its settlement equal to the monetary value of the debtor's obligation' while fees can be defined as 'a charge for services rendered' (Retrieved from: <http://www.investorwords.com/3634/payment.html>, <http://www.investorwords.com/1922/fee.html>). Payment, therefore, includes both the cost of the service and the fees for the service in question.

Table 10: Contract of sale and transfer of ownership

Drafting the sales contract and/or deed of conveyance	Advocates, notaries - the contract must be concluded in written form	Approx. €390 per contract (+ VAT 21% depends on the agreement)	When the preliminary contract is concluded.	N/A
Legal advice or counselling	Advocates, notaries	Approx. €390 per contract (+ VAT 21% depends on the agreement)	When the advice is given.	N/A
Certification of signatures	Advocates, notaries, public administration contact points – usual	1) Usually included in the price of legal services (lawyers, notaries). 2) Certification of signatures by the public administration contact points - €1.	When the signature is certified.	N/A
Contract execution (transfer of payment and registration; transfer of property)	Advocates, notaries, banks – deposit of money - usual	According to the amount of deposit money – e.g. 1) €140 to the amount of €19.500 of the deposit money 2) €140 + 0,4% of the surplus over €19.500 up to the €39.000 of the deposit money 3) €218 + 0,2% of the surplus over €39.000 up to the €390.777 of the deposit money 4) €922+ 0,1 of the surplus over €390.777 up to the €1.953.888 of the deposit money (VAT of 21% is not included)	After the registration in the land register	N/A
Registration in land register or similar device	Parties, real estate agents, advocates - mandatory	Included in the price of legal services or commission.	After the agreement is concluded.	N/A
Taxation (esp. transfer tax)	Paid by the purchaser - mandatory	4% tax rate from the price of the real estate	Tax return (usually filed by purchaser) must be filed within 3 months after the conveyance is registered in the land register.	N/A

▲ **Information on the legal position of a tenant occupying the dwelling to be sold. In particular: Does the rule *emptio non tollit locatum* apply?**

This rule will apply according to the provision 2221 para. 1 of the Civil Code: If the owner of a thing changes, the rights and duties arising from the lease pass to the new owner.

5.3 Professional services performed in the real estate market related to buying and selling a property

Table 11: Professional services performed in the real estate market related to buying and selling a property

Services in the real estate market	Minimum standards for information provided by law, if applicable	Service providers involved	Quality of involvement	Fees expressed: <ul style="list-style-type: none"> • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)
Estate agent services or alternative matching devices	<p>§ 2446 para. 1 of the Civil Code: A broker shall, without undue delay, inform the client of everything that is relevant for him/her to make the decision on the conclusion of the contract being arranged.</p> <p>§ 2452 of the Civil Code: A broker may not propose that the client conclude a contract with a person about whom he has or, given the circumstances, should have reasonable doubt as to whether such person will fulfil the duties under the arranged contract properly and in due time. If so requested by the client, the broker shall provide him/her with the information necessary to assess the credibility of the person with whom the broker proposes to conclude the contract.</p>	Estate agents	Optional but usual	Usually 5-8% from the real estate price (VAT – 21% is usually included). The purchase price is usually increased by the commission and paid by the purchaser.

Table 11: Professional services performed in the real estate market related to buying and selling a property

Provision of mandatory information before the start of the transaction, if applicable	§ 1728 para 2. of the Civil Code: When negotiating a contract, the contracting parties shall notify each other of all the factual and legal circumstances of which they know or must know, so that each of the parties can verify the possibility to conclude a valid contract and the interest of each party in concluding the contract is evident to the other party.	Advocates/notaries	Optional but usual	Average legal fees depend on the territory (where the law office is situated). The usual lawyer's fee is around €77 per hour (according to the location of the office – capital city – approx. €192 per hour). Approx. €390 per contract (+VAT 21% – depends on the agreement)
Preliminary contract (usual)				
Preliminary checks (land register, administrative permits)				
Drafting the sales contract and/or deed of conveyance				
Legal advice or counselling				
Certification of signatures	§ 7 para 2 of the Cadastral Act (Act no. 256/2013 Coll.) ⁵⁵ : If the signatures on a private document are not officially authenticated, the person proposing the registration must prove their authenticity.	Advocates, notaries, public administration contact points – usual	Optional but usual	1) Usually included in the price of legal services (lawyers, notaries). 2) Certification of signatures by the public administration contact points - €1.

⁵⁵ See <<https://portal.gov.cz/app/zakony/zakonPar.jsp?idBiblio=80383&nr=256~2F2013&rpp=15#local-content>>.

Table 11: Professional services performed in the real estate market related to buying and selling a property

Contract execution (transfer of payment; transfer of property)		Advocates, notaries, banks – deposit of money	Optional but usual	According to the amount of deposit money – e.g. 1) €140 to the amount of €19.500 of the deposit money 2) €140 + 0,4% of the surplus over €19.500 up to the €39.000 of the deposit money 3) €218 + 0,2% of the surplus over €39.000 up to the €390.777 of the deposit money 4) €922+ 0,1 of the surplus over €390.777 up to the €1.953.888 of the deposit money (VAT of 21% is not included).
Registration in land register or similar device		Advocates, notaries, estate agents	Mandatory registration, optional but usual participation of mentioned providers.	€40 – registration fee
Taxation (esp. transfer tax)		Purchaser	Tax return is filled by the purchaser	4% tax rate from the price of the real estate

5.4 Creating a Mortgage

Table 12: Mortgage requirements

Main steps to create a mortgage	Actors/institutions involved	Minimum standards for information	Additional requirements for consumer mortgages, if relevant	Fees expressed: • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)	Typical risks associated to these steps, if relevant
Conclusion of credit and mortgage agreement with lender (bank)	Bank, employee, buyer (if necessary the buyer's spouse may be involved, it is possible to enforce the obligation against the buyer by selling his/her commune property with his/her husband (so-called joint property of spouses) if the husband of the buyer did not express his/her refusal to the mortgage ahead.	Minimum standards for information are regulated by Act no. 257/2016. The regulation is rather complicated and complex. The information duty is regulated above all in articles no 94 – 100 of this Act. In these articles there are pieces of information regulated, which have to be given to the consumer before the contract is entered into force.	The additional requirements are regulated by Act no 257/2016 Coll. The regulation is rather complicated and complex. The information duty is regulated above all in articles no 94 – 100 of this Act. In these articles there are pieces of information regulated, which has to be given to the consumer before the contract is entered into force.	At this moment, the fees vary, respectively depending on the bank's decision. There exists a fee, which has to be paid when the mortgage is granted. There exist banks, which offer the mortgage "for free"; it means they do not require any fees for the contract conclusion. However, there can be additional cost, such as getting documents for the life insurance, which is generally required. E.g. a consumer has to get medical documentation from the doctor, what is generally subject to fees. The amount is approximately 10 EURO. There can be additional fee for the expert's opinion on the immovable property, which shall be used as the object of the lien, but not all the banks require its payment. The sum then varies and is generally around 100 EURO.	The banks check the information about the buyer seeking for mortgage available in the so-called debtor's register. If the debtor is registered, the mortgage cannot be granted. There is a risk that not the debtor, but his/her husband or wife is registered. Then also the mortgage can possibly not be granted. The bank can deny the mortgage after the expert gives the immovable property which shall be object to the lien a lower value than expected

Table 12: Mortgage requirements

Insertion of mortgage in the land register, usually at first rank	Seller and land register. The lien has to be registered before the money transfer, therefore it is the seller who has to register the lien.			The administrative fee paid to the land register is 1000 Czech crowns, i. e. approximately 39 EURO	The insertion of the lien into the land register can be denied due to administrative reasons. It leads to prolongation of the sale and can create risk of change of the mind of the parties.
Credit sum paid to mortgagor (buyer) or seller	Buyer, seller, bank, and very often attorney at law, because it is very common to transfer the money via attorney´s escrow.	N/A	The information which has to be provided to the consumer after the contract was concluded are regulated in the article 101 and ff.	If the escrow is required, there are fees of the attorney according to the legal regulation of the fees of an attorney. The sum may be also be agreed upon by the parties. The amount therefore varies: e.g. 1) €140 to the amount of €19.500 of the deposit money 2) €140 + 0,4% of the surplus over €19.500 up to the €39.000 of the deposit money 3) €218 + 0,2% of the surplus over €39.000 up to the €390.777 of the deposit money 4) €922+ 0,1 of the surplus over €390.777 up to the €1.953.888 of the deposit money (VAT of 21% is not included).	Very low risk, but it happened in the praxis – the attorney breaches the contract and uses the money in the escrow for his/her own needs ⁵⁶ . Otherwise, the escrow minimalizes the risk. If the escrow is not used, there is a huge risk for the seller if the sum shall be paid after the ownership of the buyer was already registered in the land register. Then, if the money is not paid the seller can withdraw from the contract, but the buyer can in the meantime transfer the ownership to a third person. The buyer, if the escrow is not involved has on the other hand the risk, that if the money is paid, the seller does not give to consent to the land register. However, the risk is more hypothetical than real, because the property is usually burdened by the lien, so for the seller such behaviour shall have no use. The property would have been then sold for the benefit of the buyer´s bank.

⁵⁶ See the Collection of disciplinary decisions of the Czech Bar Association: <https://www.cak.cz/assets/komora/bulletin-advokacie/sbirka_2014-2015.pdf>.

The most common mortgage fees⁵⁷:

Bank	Charge for settlement	Property valuation fee	Monthly management fee
Česká spořitelna	Free	500 - 3900 Kč	Free
ČSOB, Hypoteční banka a Poštovní spořitelna	3900 Kč (not applicable for refinancing)	0 - 3700 Kč	150 Kč
Equabank	For fixation of 3 and 5 years free of charge, at one year fixation 2800 Kč	3800 Kč	Free
Expobank	0,25% of the loan amount, minimum 2900 Kč (not applicable for refinancing)	3000 - 4000 Kč	0 - 150 Kč
Fio banka	Free	According to an external appraiser's price list = about 3000 Kč	Free
Komerční banka	2900 Kč (not applicable for refinancing)	1000 - 3500 Kč	Free
mBank	Free	1900 Kč	Free
Moneta Money Bank	Free	Zdarma	Free
Oberbank	0,7 % of the loan amount, minimum 8000 Kč	According to an external appraiser's price list = about 3000 Kč	150 Kč
Raiffeisenbank	Free	2000 Kč	Free
Sberbank	Free	According to an external appraiser's price list = about 3000 Kč	Free
UniCredit Bank	2500 Kč (not applicable for refinancing)	0 - 3700 Kč	Free
Wüstenrot hypoteční banka	2400 Kč (not applicable for refinancing)	3500 Kč	Free

⁵⁷ Available at: <<https://zpravy.aktualne.cz/finance/chcete-nejlevnejsi-hypoteku-udelejte-si-cas-smlouvejte-a-vol/r-1ba44d80b25f11e6bcb60025900fea04/?redirected=1510072449>>.

6. The process to rent or let a property

6.1 Main steps in the transaction process to rent and let a property

Table 13: Main steps of the process to rent and let a property	
Main steps	Process involved
Finding and matching landlords and tenants	Ordinarily via internet, street advertising, newspaper advertising.
Information search by landlords or tenants (e.g. about salary, outstanding debts)	By landlords: information about the employment of the tenant and existence about his/her permanent income, insight into the debtors' register. Information about the number of children and pets, whether the renter is a smoker. By tenants: the rate of the rent and its composition.
Inspection of the property by tenants (in some cases with the help of professionals)	Realizing of the inspection may affect the tenant's rights: § 2244 of the Civil Code: (1) If an apartment is not fit for moving in and occupancy at the stipulated time or if it is in a condition that does not correspond to the information provided by the lessor, the lessee has the right to refuse to move in. If he moves in, he has the right to require that the lessor execute the contract; if the lessee fails to do so without undue delay, his/her right is extinguished. (2) If the lessee was already aware of the condition of the apartment at the conclusion of the contract, the provision of Subsection (1) does not apply. This also applies where the lessee was not aware of the condition of the apartment at the conclusion of the contract due to his/her failure to inspect the apartment despite having been properly invited to do so by the lessor in due time.
Delivery of mandatory information to tenants prior to the conclusion of the contract (if relevant)	Information about defects occurring in the flat. The rate of the rent and its composition (rent v. service charges associated with the use of the flat – energies).
Delivery of energy performance certificate to tenant	By real estate agent. Compulsory.
Provision of additional guarantees to landlord, if relevant	§ 2254 of the Civil Code (security): If the parties stipulate that the lessee will give the lessor a pecuniary security guaranteeing his/her payment of the rent, and that he will fulfil other duties arising from the lease, the security may not be more than six times the monthly rent. (2) When a lease ends, the lessor shall return the security to the lessee; in doing so, he sets off the amount of the lessee's debt arising from the lease, where applicable.
Conclusion of the contract in the usual form (e.g. oral, written, preformulated)	Compulsory in writing.
Rent payment and deposit (e.g. bank account)	The rate of the rent is not limited. The composition of the rent must be clear (see above). Rent is usually paid monthly in advance. Security – see above.

Table 13: Main steps of the process to rent and let a property

Registration of the contract in the land register (e.g. excluded, optional or mandatory)	Optional. New option from the 1st January 2014: § 2203 of the Civil Code: If a leased thing is registered in a public register, the right of lease is also registered upon application of the owner of the thing or the lessee with the owner's consent.
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6.2 Rent contract

Table 14: Rent contract

Main steps	Actors involved per intermediate step	Payment details ⁵⁸		Typical risks associated to these steps, if relevant
		Payments expressed : • In EUR as % of total purchase price <u>and</u> • As a fixed amount if available (add if VAT applies)	When is the payment made	
Finding and matching the parties	Real estate agents	Usually one or two monthly rents. ⁵⁹ Exact rules do not exist and everyone determines their own conditions. Mostly paid by the tenant. Depends on conclusion.	Depends on conclusion – usually in advance.	Insolvent tenant, unsuitable tenant. It may not be clear whether the commission for real estate agency includes VAT.
Information search by landlord on tenant	Real estate agents			Optional data. Absence of relevant information systems.

⁵⁸ Payment shall be considered as the 'discharge of an obligation by its settlement equal to the monetary value of the debtor's obligation' while fees can be defined as 'a charge for services rendered' (Retrieved from: <http://www.investorwords.com/3634/payment.html>, <http://www.investorwords.com/1922/fee.html>). Payment, therefore, includes both the cost of the service and the fees for the service in question.

⁵⁹ Average rent: City/rent per m²/usual flat of 70 m². Available at <<https://www.nasepenize.cz/srovnani-jak-vysoke-jsou-najmy-bytu-v-cr-286009>>.

Table 14: Rent contract

Inspection of the property by tenant (in some cases with the help of professionals)	Real estate agents			The inspection (tour) usually takes a very short time. Very short period to make a decision.
Delivery of mandatory information to tenant prior to the conclusion of the contract (if relevant)	Real estate agents			Should be provided by real estate agents - usually fail to do so.
Delivery of energy performance certificate to tenant	Real estate agents			The tenant is not very interested. A factor that will not affect the tenant's decisions.
Conclusion of the contract in the usual form (e.g. oral, written; if written)	Advocates, notaries, real estate agents – always written form, preformulated contracts are usual.			Preformulated rent contracts created by real estate agents and not checked by the advocate.
Rent payment and deposit (e.g. bank account)	Rent usually paid to the bank account. Deposit – see above (security – 6.1)		According to § 2218 of the Civil Code: Rent is paid monthly in arrears, but parties usually stipulated that rent is paid monthly in advance. The rate of the rent is not limited. The composition of the rent must be clear (see above). Rent is usually paid monthly in advance. Security: § 2254 of the Civil Code (security): (1) If the parties stipulate that the lessee will give the lessor a pecuniary security guaranteeing his/her payment of the rent, and that s/he will fulfil other duties arising from the lease, the security may not be more than six times the monthly rent. (2) When a lease ends, the lessor shall return the security to the lessee; in	The composition of the rent must be clear.

Table 14: Rent contract

			doing so, s/he sets off the amount of the lessee's debt arising from the lease, where applicable.	
Registration of the contract in the land register or other device (excluded, optional or mandatory)	Optional. New option from the 1st January 2014: § 2203 of the Civil Code: If a leased thing is registered in a public register, the right of lease is also registered upon application of the owner of the thing or the lessee with the owner's consent.		Not usual	Not usual

Město	Nájemné	Nájemné průměrného bytu*
Praha	313 Kč/m ²	21 441 Kč
Brno	210 Kč/m ²	14 385 Kč
Zlín	186 Kč/m ²	12 741 Kč
Karlovy Vary	164 Kč/m ²	11 234 Kč
Plzeň	162 Kč/m ²	11 097 Kč
Pardubice	160 Kč/m ²	10 960 Kč
Ostrava	157 Kč/m ²	10 755 Kč
Liberec	154 Kč/m ²	10 549 Kč
Jihlava	150 Kč/m ²	10 275 Kč
Hradec Králové	149 Kč/m ²	10 207 Kč
České Budějovice	148 Kč/m ²	10 138 Kč
Ústí nad Labem	133 Kč/m ²	9 111 Kč

6.3 Professional services performed in the real estate market related to renting and letting a property

Table 15: Professional services performed in the real estate market related to renting and letting a property

Services in the real estate market	Minimum standards for information provided by law, if applicable	Service providers involved	Quality of involvement	Fees expressed: <ul style="list-style-type: none"> • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)
Finding and matching landlords and tenants	Prohibition of discrimination	Real estate agency	Agreement	Commission is usually composed of one or two monthly rents. Exact rules do not exist and everyone determines their own conditions according to the agreement of the parties. Mostly paid by the tenant. Depends on contract.
Information search by landlords or tenants (e.g. about salary, outstanding debts)	<p>§ 2446 para. 1 of the Civil Code: A broker shall, without undue delay, inform the client of everything that is relevant for him/her to make the decision on the conclusion of the contract being arranged.</p> <p>§ 2452 of the Civil Code: A broker may not propose that the client conclude a contract with a person about whom he has or, given the circumstances, should have reasonable doubt as to whether such person will fulfil the duties under the arranged contract properly and in due time. If so requested by the client, the broker shall provide him/her with the information necessary to assess the credibility of the person with whom the broker proposes to conclude the contract.</p>	Real estate agency		
Inspection of the property by tenants	Realizing of the inspection may affect the tenant's rights (Table 13 provision 2244 of the Civil Code)	Real estate agency	Agreement	
Delivery of mandatory information to tenants prior to the conclusion of the contract (if relevant)	Composition of the rent and its rate. Getting familiar with the rules of the home.	Real estate agency		
Conclusion of the contract in the usual form	Written form.	Advocates		

Table 15: Professional services performed in the real estate market related to renting and letting a property

Rent payment and deposit (e.g. bank account)	Security – see above.			
Registration of the contract in the land register (e.g. excluded, optional or mandatory)	See above.			€40 - the fee is paid by person who submitted the proposal

7. Professional services regulation: notaries

7.1 Market entry and structure regulation

Table 16: Market entry and structure regulation

	Regulation	
Subjective requirements	<i>Qualifications (diplomas, exams, concours) required to become a notary in your country:</i>	<p>Requirements specified in Notarial Code (Act no. 358/1992 Coll.) - (§ 7): Only a citizen of the Czech Republic can become a notary⁶⁰. A notary must fulfilled following conditions:</p> <ul style="list-style-type: none"> a) has full legal capacity, b) has obtained a university degree in law <ol style="list-style-type: none"> 1. in the Master's Degree Program Law and Legal Science by studying at a university in the Czech Republic, or 2. studying at a university abroad if such education in the Czech Republic is recognized as equivalent to the education referred to in point 1 on the basis of an international treaty binding on the Czech Republic or if such education has been recognized under a special legal regulation and at the same time such education corresponds to the content and the scope of general education that can be obtained in the Master's Degree Program Law and Legal Science at university in the Czech Republic, c) is irreproachable, d) has executed five years of notarial practice, and e) has passed notary exam. <p>Notary is a natural person fulfilling the prerequisites under the Notarial Code whose the state has authorized by a notary office.</p>
Objective requirements	<i>Do numerus clauses and other objective requirements exist?</i>	<p>§ 8 of the Notarial Code:</p> <ul style="list-style-type: none"> (1) Notary shall be appointed by the Minister of Justice at the proposal of the Notary Chamber. (2) The number of notarial offices in the district of each district court shall be established by the Minister after the Chamber has expressed its opinion. (3) The notary office shall be established and cancelled by the Minister after the Chamber has expressed its opinion. The notarial office is designated by the name and surname of a notary within the district court. (5) The notarial office may be cancelled only if the notary appointed to the notary office has been revoked or died.

⁶⁰ The European Commission has decided to take the Czech Republic before the Court of Justice of the EU due to the fact that this country only allows Czech nationals to take up and practice the profession of notary in the Czech Republic, thus excluding nationals from other Member States – for more information see: http://europa.eu/rapid/press-release_IP-16-322_en.htm

Table 16: Market entry and structure regulation

Citizenship requirements	<i>Are foreign candidates admitted de iure and also de facto under the same conditions as nationals?</i>	Only a citizen of the Czech Republic can become a notary.
Inter-professional cooperation	<i>Are forms of collaboration between notaries and other professionals allowed and usual?</i>	Usually cooperate with advocates.
Business structure	<i>Are notary associations/corporations allowed?</i>	Private corporations are not allowed. A notary office is a public office.
Geographical limitations	<i>Are there limitations with respect to the area in which the notary can exercise his/her activities (e.g. at the regional or municipal level)?</i>	A notary office is a set of powers for the performance of a notary public and other activities stipulated by law (hereinafter "notary's activity") permanently connected with the place of performance of the activity. The seat of the notary office corresponds with the seat of the district court for which the notary office was established.
	<i>Are these limitation restricted to specific tasks?</i>	

7.2 Market conduct regulation

Table 17: Market conduct regulation

	Regulation	
Exclusive rights	<i>Specify for which transactions or parts of them only notaries may act against payment.</i>	Notary can be involved in the whole process of transaction except representation in court proceedings in these matters.
Duty to provide services	<i>Are notaries allowed to refuse a request to act?</i>	<p>§ 53 of the Notarial Code: (1) A notary refuses to perform the required acts if:</p> <ul style="list-style-type: none"> a) this act is contrary to the laws or other generally binding regulations, (b) notary, its employee or a close person of a notary are involved in the matter, (c) notary has already provided legal assistance in a case to another client whose interests are contrary to the interests of the person seeking legal aid; or d) if the law so provides. <p>(2) A notary may refuse to provide requested act if the applicant does not, without proper cause, make a reasonable deposit for the notary's remuneration.</p> <p>(3) Except of the cases mentioned in paragraphs 1 and 2, the notary may not refuse to carry out a notarial activity.</p>

Table 17: Market conduct regulation

Professional standards	<i>How are professional standards regulated? What are the tasks of the professional representation (e.g. Chamber of Notaries) in this context?</i>	Professional standards are guarded by the Notary Chamber ⁶¹ and sets out in the Notarial Code (e.g. duty of confidentiality, impartiality).
Mandatory intervention	<i>Is the intervention of a notary required for the registration procedure</i>	No mandatory intervention.
Compulsory indemnity insurance	<i>Is indemnity insurance compulsory? If yes, what is the indicative amount of the insurance?</i>	One of the prerequisites for the commencement of the notary's activity is the indemnity insurance. The minimum amount of the insurance is not stipulated by law.
Continuing education	<i>Do forms of continuing education exist? If yes, is continuing education mandatory?</i>	Emphasis placed on further vocational training. Currently there is no special system of continuing education of notaries in the Czech Republic.
Advertising restrictions	<i>Are there limitations on advertising?</i>	Not regulated. The requirement of proportionality – the activity of a notary is considered to be the exercise of a state authority.
Fee regulation	<i>Notary fee system</i>	The notarial fees system is enshrined in Notarial Tariff (Order no. 196/2001 Coll.). The amount of the notary's remuneration shall be determined according to the rate of remuneration for the act or the sum of the acts of the notarial activity determined by a fixed amount or a percentage of the value of the object of the act. The remuneration is paid by the person for whom the notarial act is performed.

⁶¹ The Notary Chamber of the Czech Republic (Chamber) performs, within the limits of their competencies, the notarial self-government. In the delegated powers of the state administration the Chamber guarantees the performance of a notary profession in particular by overseeing the proper management of notary offices, the notary's activity and its ethical standards, and the training of notaries and their staff. The Chamber expresses its opinion on the number of notary offices and announces and organizes auditions for the free and newly established notarial offices. The Chamber also represents the interests of the notaries in relation to the state authorities.

8. Professional services regulation: lawyers or other licensed conveyancers (only relevant if legally admitted to perform real estate transactions and/or to assist the conclusion of tenancy agreements)

8.1 Market entry and structure regulation

Table 18: Market entry and structure regulation

Regulation	
Subjective requirements	<p><i>Conditions (diplomas, exams, concours) required to become a lawyer in your country.</i></p> <p>Subjective requirements specified in the § 5 of the Act on the Legal Profession (Act no. 85/1996 Coll.): (1) The Bar shall admit to the Bar by entering his/her name in the Register of Lawyers, upon a written application, any person who:</p> <ul style="list-style-type: none"> a) is fully legally competent, b) has obtained a university degree in law within a Master's programme* studied at a university in the Czech Republic, or at a foreign university, if such degree is recognized in the Czech Republic as equivalent to the degree under subparagraph 1, based on an international treaty the Czech Republic is bound by, or if such education was recognized pursuant to special legislation and, simultaneously, it corresponds, in its content and extent, to the general education which may be acquired within a Master's programme in law at a university in the Czech Republic, c) has participated in professional training as a legal trainee for a minimum of three years, d) has no record of criminal convictions, e) has not had imposed on him/her the disciplinary punishment of termination of his/her membership in the Bar, or who is deemed not to have had imposed on him/her such punishment, f) has not had his/her membership in the Bar terminated according to s. 7b (1) e) or f), or where five years have passed since the termination, and insolvency proceedings are closed at this time, g) is not in any employment or service relationship, with the exception of employment contract: for the Bar or similar legal professional organization in any home country, for a lawyer, legal entity pursuant to s. 15 (1) (hereinafter referred to as "Company"), or a foreign legal entity entitled to provide legal services pursuant to s. 35s (1) (hereinafter referred to as "Foreign Company"), subject matter of which is the performance of academic, pedagogical, literary, publicist or artistic activity, and who neither performs any other activity incompatible with practising the legal profession, h) has passed the Bar examination, i) paid the fee set by the professional rules in the amount of up to CZK 10,000 to the Bar, and

Table 18: Market entry and structure regulation		
		j) after fulfilling all the requirements under a) to i) has made a promise to the President of the Bar.
Objective requirements	<i>Do numerous clauses and other objective requirements exist?</i>	No. Considerations of introduction numerous clauses. Considerations on extending the length of traineeship practice (from 3 to 5 years).
Citizenship requirements	<i>Are foreign candidates admitted de iure and also de facto under the same conditions as nationals?</i>	Yes. See § 5b of the Act on the Legal Profession ⁶² .
Inter-professional cooperation	<i>Are forms of collaboration between lawyers and other professionals allowed and usual?</i>	Yes. However, lawyer's ethical rules must not be infringed.
Business structure	<i>Are lawyer associations/corporations allowed?</i>	Yes. See § 14 and following of the Act on the Legal Profession ⁶³ .
Geographical limitations	<i>Are there limitations with respect to the area in which the lawyer can exercise his/her activities (e.g. at the regional or municipal level)?</i>	No
	<i>Are these limitation restricted to specific tasks?</i>	A defender in criminal matters may be only a lawyer.

8.2 Market conduct regulation

Table 19: Market conduct regulation		
	Regulation	
Exclusive rights	<i>For which transactions or parts of them only lawyers may act against payment</i>	Law shall be practised regularly for a fee; the client may be requested to pay a reasonable fee in advance (§ 22 of the Act on the Legal Profession).
Neutrality	<i>Is the lawyer allowed to act on behalf of both parties involved in the transaction? In this case, what type of fees apply and which party has to bear them?</i>	It is necessary to monitor the conflict of interests. Following the decision of the Disciplinary Commission of the Czech Bar Association: If the lawyer elaborated a contract on behalf of both parties, and one of the parties thereafter asks him/her to bring an action against the other party, the lawyer is obliged to refuse to grant such legal assistance. Fee: depends on the agreement.

⁶² See: <https://www.cak.cz/assets/act-on-legal-profession_219_2009_1_.pdf>.

⁶³ See: <https://www.cak.cz/assets/act-on-legal-profession_219_2009_1_.pdf>.

Table 19: Market conduct regulation

Duty to provide services	<i>Are lawyers allowed to refuse a request to act?</i>	A lawyer shall be obliged to refuse to provide legal services in cases specified in the provision 19 of the Act on the Legal Profession.
Professional standards	<i>How are professional standards regulated? What are the tasks of the professional representation (e.g. Chamber of Lawyers/Advocates) in this context?</i>	Professional standards are regulated in the Act on the Legal Profession and in the executive Resolution of the Board of Directors of the Czech Bar Association No. 1/1997 that determines the Rules of Professional Conduct and the Rules of Competition of Lawyers of the Czech Republic (Code of Conduct). ⁶⁴
Compulsory indemnity insurance	<i>Is indemnity insurance compulsory? If yes, what is the indicative amount of the insurance?</i>	Yes. See § 24a of the Act on the Legal Profession. The Bar shall prescribe the minimum limit for the claim reimbursement from professional indemnity insurance by professional rules. ⁶⁵
Continuing education	<i>Do forms of continuing education exist? If yes, is continuing education mandatory?</i>	Yes. Regulated in the Resolution of the Board of Directors of the Czech Bar Association No. 1/1998 – voluntary seminars.
Advertising restrictions	<i>Are there limitations on advertising?</i>	Standards for advertising are enshrined in § 26 of the Resolution of the Board of Directors of the Czech Bar Association No. 1/1997 (Code of Conduct). ⁶⁶
Fee regulation	<i>Lawyer fee system</i>	According to the Regulation of the Ministry of Justice No. 177/1996 Coll. on fees and remuneration of lawyers for the provision of legal services (the lawyer´s tariff): A lawyer´s fee for his/her provision of legal services (“lawyer´s fee”) shall be regulated by the lawyer´s contract between the lawyer and his/her client (“contractual fee”); where a lawyer´s fee is not set by a contract, it shall be governed by provisions of the Regulation herein regarding non-contractual fees. ⁶⁷

⁶⁴ Available at: <<http://www.cak.cz/assets/code-of-conduct.pdf>>.

⁶⁵ 1) Liability insurance for lawyers practicing advocacy independently: €195 388, 2) liability insurance of lawyers practicing advocacy in the association: €117 233 - the amount is multiplied by the number of partners, 3) limited liability company: at least € 1.953.888 for each partner of the company.

⁶⁶ <http://www.cak.cz/assets/code-of-conduct.pdf>

⁶⁷ Available at: <<http://www.cak.cz/scripts/detail.php?id=2239>>.

9. Professional services regulation: estate agents

9.1 Market entry and structure regulation

Table 20: Market entry and structure regulation

	Regulation	
Subjective requirements	<i>Qualifications (level and duration of education and training, diplomas, exams, traineeships or professional experience requirements, concours) required to become an estate agent in your country.</i>	Business of real estate agents is not limited. Real estate activity can practically be performed by everyone. Business in this area is not bound to meet special prerequisites. Real estate activity falls into free trade. The Czech Republic is considered to be the state with the most real estate agents per capita from the EU. The Ministry of Regional Development drew up the material intention of Law, which regulates the provision of services by real estate agents. This intention of Law will be presented and discussed probably in the year 2018 (due to the parliamentary elections). ⁶⁸
Objective requirements	<i>Do numerous clauses and other objective requirements exist?</i>	Activity of a real estate agent is constituted on the free business (trade). Real estate agent is not obliged to satisfy special requirements. To start a business activity it is simply enough to report to the Trade Licensing Office.
Licence requirements	<i>Are estate agents licenced or do they work as employees?</i>	Real estate agent can work independently or as an employee.
Citizenship requirements	<i>Is unlimited access to the profession granted to foreign professionals de iure and de facto?</i>	Yes
Inter-professional cooperation	<i>Are estate agents allowed to exercise another profession or business activity? Is inter-professional cooperation regulated?</i>	Generally yes, incompatibility, for example, with advocacy.

⁶⁸ Proposed material intention of the Law can be found on: <https://www.mmr.cz/getmedia/c8c04144-11ce-4990-aebe-2314d03bfc85/Vecny_zamer_zakona_o_poskytovani_sluzeb_realitnich_zprostredkovatelu.pdf>.

Table 20: Market entry and structure regulation

Business structure	<i>Share of estate agent acts acting as sole practitioners and as companies (if data are available)? Can the agent be employed by another agent or establish a partnership with other agents? Are there any restrictions on the corporate structure of a real estate enterprise (such as voting rights reserved to qualified members of a profession, shareholding requirements etc.)?</i>	See data at 2.2 (Service providers) Yes No
Geographical limitations	<i>Are there limitations with respect to the area in which the estate agent can exercise his/her activities (e.g. at the regional or municipal level)?</i>	No
	<i>Are these limitation restricted to specific tasks?</i>	No

9.2 Market conduct regulation

Table 21: Market conduct regulation

	Regulation	
Neutrality	<i>Is neutrality regulated? Is the agent allowed to act on behalf of both parties involved in the transaction? In this case, what type of fees applies and which party bears these?</i>	No limitations put on neutrality. The estate agents usually act on behalf of the vendor.
Professional standards	<i>How are professional standards regulated? Are entities or associations ensuring the professional representation and</i>	Professional standards are not legally regulated. Association of Real Estate Agencies - voluntary membership.

	<i>respect of rules of good practice (e.g. association of real estate professionals)?</i>	
Compulsory indemnity insurance	<i>Is indemnity insurance compulsory for estate agents? If yes, what is the indicative amount of the insurance?</i>	No. The Ministry of Regional Development drew up the material intention of Law, which regulates the provision of services by real estate agents – one of the requirements put on real estate services – compulsory insurance.
Continuing education	<i>Do forms of continuing education exist? If yes, is continuing education mandatory? What are the requirements related to the content and duration of continuing education? What are the consequences of non-compliance?</i>	No
Advertising restrictions	<i>Are there limitations on advertising?</i>	No
Fee regulation	<i>Estate agents' fee system</i>	No limitations by statute. Usually 5-8% from the real estate price (VAT – 21% is usually included). The purchase price is usually increased by the commission (fees) and paid by the purchaser.
Compulsory membership in professional bodies/compulsory registration	<i>Is membership in professional bodies compulsory? If so, what are the membership conditions and the membership fees? Does the professional body have a supervisory or another important regulatory role?</i>	No

10. The real estate market

10.1 Transaction costs for sample transactions

Table 22: Transaction costs VAT excluded

	Estate agent⁶⁹⁷⁰	Technical services (if usual)⁷¹	Legal services⁷²	Land register fee	Transfer tax/stamp duty	Total usual transfer costs (depends on exact agent costs)
€100,000 sales price (no mortgage)	5-8% of the transaction value	Elaboration of an expert opinion – usually not involved in the fee (commission) charged by real estate agencies. Differs according to the type of the property, duration, condition of the property. Average price – 200 - 400€.	390€	1000 Kč/39€	4% - paid by the purchaser	Cannot be exactly specified (depends on exact agent costs + legal services)
€100,000 sales price + 100.000€ mortgage	5-8% of the transaction value		390€	1000 Kč/39€	4% - paid by the purchaser	Cannot be exactly specified (depends on exact agent costs + legal services)
€250,000 sales price (no mortgage)	5-8% of the transaction value		390€	1000 Kč/39€	4% - paid by the purchaser	Cannot be exactly specified (depends on exact agent costs + legal services)
€250,000 sales price + 250,000€ mortgage	5-8% of the transaction value		390€	1000 Kč/39€	4% - paid by the purchaser	Cannot be exactly specified (depends on exact agent costs + legal services)
€500,000 sales price (no mortgage)	5-8% of the transaction value		390€	1000 Kč/39€	4% - paid by the purchaser	Cannot be exactly specified (depends on exact agent costs + legal services)
€500,000 sales price + €500,000 mortgage	5-8% of the transaction value		390€	1000 Kč/39€	4% - paid by the purchaser	Cannot be exactly specified (depends on exact agent costs + legal services)
%VAT applicable	21%		21%	21%	-	-

⁶⁹ An agent usually receives a percentage of the transaction value.

⁷⁰ Usual percentage – 5-8% of the transaction value. The rate is not regulated by law.

⁷¹ Elaboration of an expert opinion – usually not involved in the fee (commission) charged by real estate agencies. Differs according to the type of the property, duration, condition of the property. Average price – 200 - 400€.

⁷² Usually included in the fees (commission) charged by the estate agents. Depends on the agreement. If an agreement is not concluded than regulated by law. The fiche collects data according to the lawyer's tariff mentioned above.

10.2 Transaction features

Table 23: Transaction features			
Transaction / service	Party bearing the costs of intermediation service (buyers or sellers, landlords or tenants) Costs expressed: • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)	Fees as expressed in the contract: • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)	Possible hidden costs faced by buyers or tenants, if applicable
Estate agents	The purchase price is usually increased by the commission and paid by the purchaser. Renting/letting - tenant	5-8% of the transaction value	VAT, registration fee, fees for legal services
Technical services ⁷³	Purchaser Renting/letting – landlord, not usual	Usually by time, depends on the type of real estate and its value – e.g. land (115€), flat (192€), family house (307€)	VAT
Legal services	Depends on the agreement – both parties (also to renting/letting)	Average legal fees depend on the territory (where the law office is situated). The usual lawyer's fee is around €77 per hour (according to the location of the office – capital city – approx. €192 per hour). Approx. €390 per contract (+VAT 21% – depends on the agreement)	VAT
Land register fees	Depends on the agreement – the fee is paid by the person who filed the form Renting/letting – not usual, the party submitting the application for registration	39€ regardless of the transaction value	N/A
Taxes on conveyancing	Purchaser Renting/letting - income tax is paid by the landlord	4%	Tax return must be filed within 3 months after the conveyance is registered

⁷³ Evaluation of real estates.

10.3 Taxes during the process of buying and selling a property

Table 24: Taxes related to buying and selling a property

	Relevance of the tax	When to pay the tax as part of the process of buying or selling	Tax amount (expressed in EUR as % of total purchase price <u>and</u> as a fixed amount if available)
Registration tax ⁷⁴⁷⁵	No		
Mortgage tax	No		
Cadastral tax ⁷⁶	No		
Stamp tax	No		
Transfer tax (tax on the acquisition of property)	Yes	Purchaser	Purchase: 4% of the transaction value Donation – a) natural person – 15% of the the value of the gift, b) legal entity – 19%
Archives tax	No		

10.4 Taxes during the process of renting and letting a property

Table 25: Taxes related to renting or letting a property

	Relevance of the tax	When to pay the tax in the process of renting or letting	Tax amount (expressed in EUR as % of total purchase price <u>and</u> as a fixed amount if available)
Registration tax	No		
Stamp tax	No		
Other taxes concerning the use of the property, if applicable	Yes	Income tax. The rental income is taxed.	15% - natural person 19% - legal entity

Registration is not compulsory. Optional. New option from the 1st January 2014: § 2203 of the Civil Code: If a leased thing is registered in a public register, the right of lease is also registered upon application of the owner of the thing or the lessee with the owner's consent. Fee: 1000 Kč/39€.

⁷⁴ Registration taxes are public levies associated with the registration act. They are not to be confused with registration fees, i.e. the payment required by the registration office to carry out the registration. Registration fees are contained in Table 10.

⁷⁵ The re is no registration tax – only registartion fee – it means fee associated with submitting the proposal to the cadastre.

⁷⁶ The re is no registration tax – only registartion fee – it means fee associated with submitting the proposal to the cadastre.

11. Consumer situation in the market

11.1 Consumer rights

Table 26: Consumer rights

Are there specific consumer rights in the context of real estate transactions and residential tenancies in your country? In particular: are residential tenants treated as consumers?	<i>With respect to buyers</i>	There are no specific consumer rights in the context of real estate transactions and residential tenancies. Special rights are used only in the situation when one of the parties is a business and the other one is consumer. In this situation, the Consumer protection Act (Act no. 634/1992 Coll.) must be applied (with subsidiary use of the Civil Code).
	<i>With respect to sellers</i>	
	<i>With respect to tenants</i>	See above. The tenant is generally considered to be a weaker party. ⁷⁷ There is a so-called protected rent (specific provisions on the lease of an apartment and the lease of a building) in the Czech legal regulation – special regulation in the Civil Code taking into account the interests of the tenant. § 2235 of the Civil Code: If a lease contract obliges the lessor to relinquish to the lessee an apartment or building which constitutes the subject of the lease in order to provide for the housing needs of the lessee and, where appropriate, his/her household members, any provisions prejudicing the lessee's rights under this Subdivision are disregarded. E.g. – prohibited stipulation (§ 2239): A stipulation imposing on the lessee a duty to pay the lessor a penalty or a duty which, given the circumstances, is evidently excessive is disregarded.
	<i>With respect to landlords</i>	See above.
If relevant, which existing marketing practices are non-compliant with national consumer legislation?	Unfair commercial practices specified in the Annex no. 1 to the Consumer Protection Act. E.g., pretend to be a consumer. ⁷⁸	
If relevant, which existing marketing practices are non-compliant with EU consumer legislation?		
Are there existing marketing practices detrimental to consumers, even if not necessarily illegal, in both domestic and cross-border transactions?	Excessive arrangements (stipulations) - unclearly agreed amount of the reservation deposit, unjustifiable detention of deposit.	

⁷⁷ The legislation in the area of flat letting is designed to protect the tenant – e.g. the way of the termination of the lease by the lessor, the process of rent increase, dominance of mandatory provisions in the Civil Code.

⁷⁸ Real estate agents frequently mask their position of a businessman in contact with other customers and pretend to be also consumers.

11.2 Consumer complaints

Table 27: Consumer complaints	
How often do buyers and sellers complain due to arising legal issues (e.g. invalid contract, missing information, hidden defects, missing building permit, delay in payment)?	According to the Statistical Yearbook 2015 of the Ministry of Justice Czech district and county courts delivered final decisions in mentioned matters totally in 677 cases.
How often do tenants and landlords complain due to arising legal issues (e.g. invalid contract, missing information, increase of rent, termination of the contract without proper notice)?	According to the Statistical Yearbook 2015 of the Ministry of Justice ⁷⁹ Czech district and county courts delivered final decisions in mentioned matters totally in 23.165 cases: the creation and duration of the lease (87), rent and other payments (17.158), determination of rent (657), invalidity of the notice (481), eviction (4644), sublease (138), others (481).
Are consumer complaints against a professional service provider frequent, in particular as regards the fees and quality or service?	Disputes connected with the brokerage agreements: 1620.
To whom can consumers complain (e.g. local or national administration, consumer protection agencies)? And through which means (e.g. formal letter, online form)? Is the procedure effective (in particular: average time needed for reply, solutions available for redress)?	District courts - average length of court proceedings in mentioned matters: approx. 650 days. Discriminatory issues - The Public Defender of Rights (40 complaints in 2016).

⁷⁹ Available at: < <http://cslav.justice.cz/InfoData/statisticke-rocenky.html>>.