

PRACTICAL LEGAL GUIDE

Due Diligence Before a Real Estate Transaction

Documents and risks to review before making a binding commitment

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LAW FIRM

Title and Authority

- Trace the title documents and method of acquisition.
- Verify the seller's identity, marital status and authority to act.
- For a company, verify its current registration and necessary corporate approvals.

Encumbrances and Restrictions

- Obtain a current encumbrance certificate and inspect the registered instruments.
- Review mortgages, attachments, claims, third-party rights and leases.
- Check zoning, access, boundaries and consistency between documents and the physical condition.

Contract and Payment

- Define the price, payment mechanism, transfer of possession and transaction costs.
- Do not sign a reservation or preliminary agreement before legal review.
- Provide effective remedies for default and undisclosed legal or factual defects.

IMPORTANT

This guide provides general information only and is not legal advice, a legal opinion or an offer to accept a particular matter. Legal consequences depend on the facts, documents, applicable law and deadlines. Obtain individual advice before taking action with legal consequences.

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