



MAQS LAW FIRM

*Challenging the laws
of convention*

Purchase of Real Estate in Denmark as Foreigner

23. April 2010

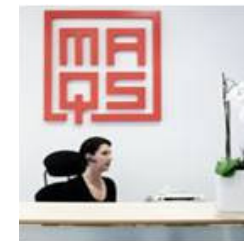
Agenda



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- **16:00-16:10** Presentation of MAQS Law Firm,
by Preben Gamst - Lawyer and Partner
- **16:10-16:20** Real Estate Purchase in Denmark from
the legal point of view,
by Preben Gamst - Lawyer and Partner
- **16:20-16:30** Individual taxation in Denmark,
by Lene Pihl - Lawyer and Tax expert
- **16:30-16:50** Real Estate Mortgage Loan in Denmark,
by Allan Juhl Feddersen - Deputy in
Danske Bank, Lyngby
- **16:50-17:10** Danish Real Estate Market,
by Camilla Wiinberg, Home leader in
Home Kgs. Lyngby & Virum Section



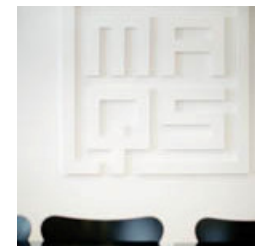
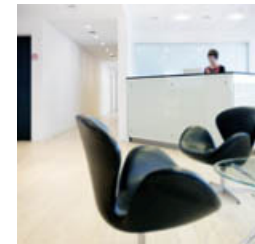


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MAQS is dating more than 150 years back in time

- **1849** Dr. Philip Leman's Advokatbyrå was founded in Gothenburg
- **1970** Qvist Stanbrook Advokataktieselskab was established in Copenhagen
- **1990** Dr. Philip Advokatbyrå merged with Stockholm-based law firm Lagerlöf, creating Lagerlöf & Leman Advokatbyrå
- **1991** Dahlman Magnusson Advokatbyrå was created by the Stockholm based lawyers Roland Dahlman and Per Magnusson
- **1997** The Gothenburg office of Lagerlöf&Leman Advokatbyrå broke loose and continued under the name Wahlin Advokatbyrå
- **1998** The Wahlin Advokatbyrå merged with Dahlman Magnusson creating Magnusson Wahlin Advokatbyrå
- **1998** A&D Advokatbyrå with offices in Malmö and Warsaw joined Magnusson Wahlin
- **2002** Magnusson Wahlin and Qvist Stanbrook merged under the new name Magnusson Wahlin Qvist Stanbrook
- **2005** The name of the law firm in all countries changed into its abbreviation – MAQS Law Firm
- **2005** MAQS open offices in Tallinn, Estonia
- **2009** MAQS merged with SMA Law Firm with offices in Latvia and Lithuania



MAQS Locations

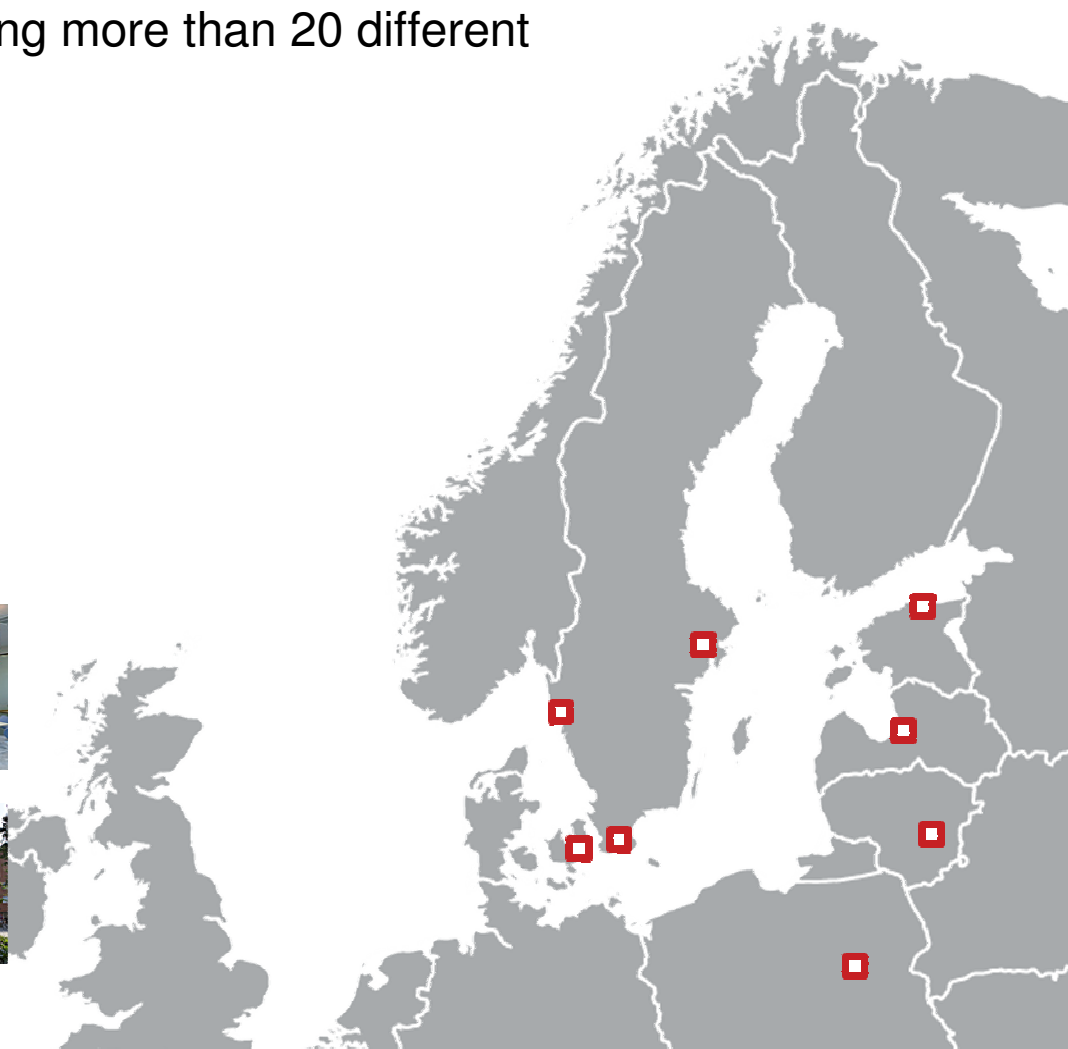


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App. 300 employees representing more than 20 different native languages in:

- Copenhagen
- Gothenburg
- Malmoe
- Riga
- Stockholm
- Tallinn
- Vilnius
- Warsaw



MAQS Vision



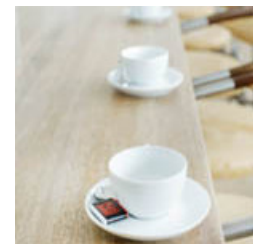
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MAQS principles

- Keep it simple
- Be straightforward and accessible
- Act dynamically to keep one step ahead
- Do a little bit extra

"MAQS Law Firm aims at being the best in finding the solution that help strengthen business - even if it means challenging the conventions of how a law firm should act"




MAQS Practice Areas

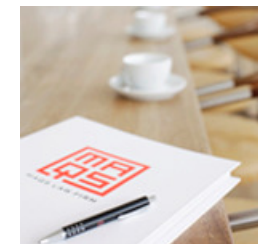


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 MAQS lawyers work in proactive teams, consisting of lawyers experienced within several legal areas and sectors

- Baltic Sea Group
- Banking & Finance
- China Business Group
- Capital Markets
- Corporate
- Dispute resolution
- Employment
- Energy
- Environment and Cleantech
- EU and Competition
- Franchising and Distribution
- Insolvency
- Insurance and Reinsurance
- Intellectual Property
- IT and Telecom
- Life Sciences, Pharma and Healthcare
- Media, Sports and Entertainment
- Mergers & Acquisitions
- Public Authorities and Public procurement
- Real Estate and Construction
- Tax
- Transportation and Maritime





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Purchase of Real Estate in Denmark as Foreigner

By Preben Gamst

Types of real estate



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-  Housing society dwellings
-  Condominiums
-  Houses
-  Summer houses
-  Sites
-  Apartment houses
-  Production estates
-  Farms
-  Miscellaneous

Can foreigners buy real estate in Denmark?



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- Residential requirement is 5 years
- Permission from the Danish Ministry of Justice
- Citizens of EU- and EEA
- Independent registered Danish companies
- Housing society dwellings
- Summer houses

Important documents



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-  Purchase Agreement
-  Right to annul
-  Land registry
-  Structural survey report
-  Change of ownership insurance
-  Articles of association, accounts, minutes
-  BBR (Danish Housing and Building Register)
-  Insurance
-  Bank approval of buyer
-  Deed
-  Passport
-  Residence permit, permission from the Ministry of Justice

Expenses



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Average expenses for buyer:

- Registration fee - deed
- Registration fee
- Registration fee, mortgage deed
- Lawyers' fee
- 1/2 part of insurance premium (change of ownership)
- Possible, information regarding the association of owners

Average expenses for seller:

- Real estate agent's fee
- Various fees as to required documents
- 1/2 part of insurance premium (change of ownership)
- Fee to own lawyer
- Possible, information regarding the association of owners



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Individual taxation in Denmark

By Lene Pihl



Full tax liability

- Residence and length of stay – 6 months
- World wide income
- Marginal tax rate of 51,5%

Limited tax liability

- Danish source income
- Gross tax rate of 25, 28 or 30%
- Marginal net tax rate of 51,5%

Tax allowances

- Personal allowance
- Interest expenses allowance
- Work related allowance
- Pension allowance

Individual taxation in Denmark



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Tax credit

- National Danish rules
- Double taxation treaty

Danish tax returns

- 2 May or 1 July 2010
- Appeal - 1 month after the tax assessment notice


Special tax regime for expatriates



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 Gross tax rates of 25% 33%

 Main conditions for the special tax regime

- No Danish tax liability in the latest 3 years
- Length of stay – 36 or 60 months + 4 years
- Danish employer
- Minimum salary of DKK 63,800 per month
- Not participate directly or indirectly in the management or have control or significant influence over the company

 Additional tax assessment

- Length of stay exceeds 36 of 60 months + 4 years
- The salary for the whole period is taxed with up to 51,5%

 Danish tax return



Danish and foreign real estates

- 1% of the value of the real estate up to DKK 3,040,000
- 3% of the value exceeding DKK 3,040,000

The taxable value of the real estate is the lowest of

- Assessed value of the real estate per 1 January 2001 + 5%
- Assessed value of the real estate per 1 January 2002 or
- Assessed value of the real estate per 1 October 2009

Appeal

- Real estate value tax - 1 month after the tax assessment notice
- The taxable value – before 1 July 2010



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Curriculum Vitae

Preben Gamst



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Practice areas

- Construction Law
- Generational Change
- Real Estate
- Transfer of Businesses

Education

- University of Oslo, Maritime Law 1994
- Admitted to the High Court of Denmark 1988
- Admitted 1986
- University of Copenhagen, Master of Law 1983

Experience

- MAQS Law Firm, 2002-
- Qvist Stanbrook, 1992-2002

Contact

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Lene Pihl, Associate / Tax expert



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Practice areas

- Taxation and VAT

Education

- University of Copenhagen, Master of Law 1993

Experience

- MAQS Law Firm, 2010 –
- PricewaterhouseCoopers, senior manager in corporate tax law, 2008-2010
- Tax Tribunal, Advisory officer for complex cases, 1999-2008
- Ministry of Tax, Department of Pension tax, 1997-1999
- PricewaterhouseCoopers, senior consultant of individual tax, 1995-1997
- Tax Tribunal, associate of corporate tax, 1993-1995

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