

Compilation Act No. 11291 of 29 May 1995 - In force

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Ministry of Justice

Compilation Act on Acquisition of Real Property

This compilation act comprises Consolidation Act No. 566 of 28 August 1986 on Acquisition of Real Property as amended by section 1 of Act No. 1102 of 21 December 1994.

1.-(1) A person who is not resident in Denmark and who has not previously been resident in Denmark for a total period of five years may only acquire title to real property in Denmark after having obtained permission from the Minister of Justice.

(2) This also applies to companies, associations and other federations, public or private institutions, foundations and trusts that do not have their registered office in Denmark as well as to foreign public authorities.

(3) The Minister of Justice may lay down rules stipulating that certain persons who are not resident and have not previously been resident in Denmark for a total period of five years as well as certain companies etc. that do not have their registered office in Denmark may acquire title, without the permission of the Minister of Justice, to real property in Denmark which is intended to serve as a necessary all-year dwelling for the acquirer or where the acquisition is a precondition for engaging in self-employed activities or delivering services.

2. Where real property is acquired by inheritance, by retention of undivided possession of property upon a spouse's death or by division of community property, the permission of the Minister of Justice is not required. This also applies in the event of acquisition as a gift given to relatives in the ascending or descending line.

3. Permission to acquire final title to real property must be applied for within six months of the date of transfer, unless the property has been transferred to another owner before the end of the six-month period.

4. A person who may not acquire real property without the permission of the Minister of Justice may not take possession of mortgaged property for more than six months without obtaining the permission of the Minister of Justice.

5. The permissions referred to in sections 1 and 4 may be made conditional and limited in time.

6.-(1) Where a document on the acquisition of real property is submitted for land registration in another manner than that referred to in section 2, the acquirer must prove that he has the permission of the Minister of Justice to acquire title to the property if he is not resident in Denmark or if he does not solemnly declare that he has previously been resident in Denmark for a total period of five years. The companies and institutions etc. referred to in section 1(2) must prove that they have obtained permission from the Minister of Justice to acquire title to the property. Where proof of the permission granted by the Minister of Justice is not presented, the judge will set a time limit in accordance with the rules set out in section 15, read with section 16, of Act No. 111 of 31 March 1926 on Land Registration within which the acquirer must obtain permission.

(2) If the document is submitted for land registration after expiry of the time limit referred to in section 3, the document will be rejected unless the document is accompanied by a notification that an application has been submitted in due time to the Minister of Justice in which case a time limit will be set in accordance with subsection (1).

7. If a time limit for obtaining permission from the Minister of Justice is set in accordance with section 6, the judge will notify the Ministry of Justice about this. This also applies when a person who is not resident in Denmark or a company etc. mentioned in section 1(2) above takes possession of mortgaged property.

8. If a permission to acquire real property is denied or expires, see section 5, or if an application for permission is not submitted, the Minister of Justice will order the owner to dispose of the property within a time limit set by the Minister which will be of at least six months and not longer than one year. Where a mortgagee takes possession of mortgaged property, the mortgagee will, under the same circumstances, be ordered to have the property sold in a forced sale or surrender the mortgage within the time limit mentioned above.

9.-(1) Agreements on long-term use or lease of real property which must be presumed to have been entered into for the purpose of circumventing the provisions of this Act are invalid.

(2) The provisions set out in sections 3-8 apply similarly to other legal transactions by means of which it is sought to circumvent this Act.

10.-(1) A person who fails, within the time limit stipulated, to submit an application for the permission of the Minister of Justice to acquire real property or take mortgaged property into possession will be subject to a fine.

(2) Violation of an order issued pursuant to section 8 is punishable in the same manner. The court must order the owner or the mortgagee who has taken mortgaged property into possession to comply with the order by force, imposing successive weekly fines of a size to be determined by the court.

(3) Prosecution will be instigated by order of the Minister of Justice.

11.-(1) This Act enters into force on 1 January 1960.

(2) This Act will apply to all acquisitions submitted for land registration after entry into force of the Act.

12.-(1) This Act does not extend to the Faroe Islands and Greenland.

Ministry of Justice, 29 May 1995

Niels Boesen

Official notes

(* **1**) See also Executive Order No. 593 of 20 December 1972 on amendment of the Act on Acquisition of Real Property as regards Certain Nationals of EC Member States and EC Companies etc. as amended by Executive Order No. 549 of 17 October 1973.