

ACQUISITION OF TURKISH CITIZENSHIP BY INVESTMENT

a. LEGAL PROVISION

With the Presidential Decree numbered 106 published in the Official Gazette dated 19.09.2018 and numbered 30540, changes were made regarding the Exceptional Acquisition of Turkish Citizenship.

Based on these regulations, investment amounts were rearranged for the acquisition of Turkish Citizenship and conveniences were provided for foreigners to apply for Turkish Citizenship.

b. TYPES OF INVESTMENTS

"a) Amount of fixed capital investment approved by Ministry of Industry and Technology; At least 500.000 USD or equivalent foreign currency or TRY

b) Purchasing a real estate property in Turkey with a minimum value of \$250,000 such property shall also have an annotation of no-sale for at least three years at the relevant title registry; or purchase a real estate which has a property ownership or a construction servitude on it, with a preliminary sale contract executed before a notary public and at least \$250,000 or amount of foreign currency or Turkish Liras has been paid in advance and such notarized preliminary sale contract should be recorded at the relevant title registry with the undertaking not to assign or de-register the agreement for a period of three years

c) Number of employed individuals approved by Ministry of Family, Labor and Social Services: At least 50 employee

d) Deposit assets in the amount of at least 500,000 US dollars or equivalent foreign currency or equivalent Turkish lira to banks operating in Turkey approved by the Banking Regulatory and Supervisory Authority, provided that they hold these assets in Turkey for three (3) years,

e) Purchasing the Government Debt Instruments in exchange of USD 500.000 or foreign currency or equivalent Turkish Lira approved by the Ministry of Treasury and Finance providing that to keep this debt Instruments for a period of at least three (3) years,

f) Purchasing the Turkish Real Estate Participation funds in exchange of USD 500.000 or foreign currency or equivalent Turkish Lira approved by the Capital Markets Board providing that to keep this funds for a period of at least three (3) years."

Foreign nationals will be entitled to Turkish Citizenship as a result of the regulation.

For investment amounts, the effective exchange rate of the Central Bank of the Republic of Turkey is used and calculations are performed using the cross-exchange rate.

c. WHO CAN APPLY WITH THE MAIN APPLICANT?

With the investment made, the applicant, the applicant's spouse, children under the age of 18 or dependent children can be eligible to apply for Turkish citizenship.

Children over the age of 18 of the main applicant cannot apply for Turkish citizenship together with the applicant.

In order for the main applicant's children over the age of 18 to acquire Turkish Citizenship;

- Making a new investment

or

- she/he must reside in Turkey for 5-years with residence permit.

d. REQUIRED DOCUMENTS FOR TURKISH CITIZENSHIP WITH INVESTMENT

Required Documents for Turkish Citizenship Application are;

For Main Application;

- 1- Valid Passport
- 2- Biometric Photo
- 3- Birth Certificate

In its content, the mother's name, father's name, date of birth, place of birth, nationality should be clearly stated.

- 4- Marital Status Certificate

This document is a marriage certificate if the person is married, a document indicating that she/he is single if she/he is single, and a document indicating that she/he is divorced if she/he is divorced.

- 5- Power of Attorney

For the Applicant's Spouse;

- 1- Valid Passport
- 2- Biometric Photo
- 3- Birth Certificate

In its content, the mother's name, father's name, date of birth, place of birth, nationality should be clearly stated.

- 4- Marital Status Certificate

This document is a marriage certificate if the person is married, a document indicating that she/he is single if she/he is single, and a document indicating that she/he is divorced if she/he is divorced.

- 5- Power of Attorney

For the applicant's children under the age of 18;

- 1- Valid Passport
- 2- Biometric Photo
- 3- Birth Certificate

In its content, the mother's name, father's name, date of birth, place of birth, nationality should be clearly stated.

- 4- If parents are divorced, deed of consent from mother/father for their common children to obtain Turkish Citizenship and marriage and divorce certificates of parents.

All of these documents are main documents, if they are missing, the application cannot be made.

All documents requested during the application process must be approved by the Ministry of foreign affairs of the current country, then approved by the Turkish Consulate in the current country or have Apostille certification.

No transactions and applications can be made with documents that do not have the approval of the Turkish Consulate or the Apostille certification.

e. POWER OF ATTORNEY

All the processes of real estate acquisition, bank account opening, residence permit application and citizenship application are carried out by lawyers authorized by the main applicant and his wife with the power of attorney.

With the power of attorney, bank account opening, real estate acquisition, residence permit application and Turkish citizenship application can be made without the need for the main applicant and his/her family to be in Turkey.

The content of the power of attorney to be issued has been carefully arranged by lawyers. The draft prepared by the lawyers is sent to the applicant and his spouse. The said power of attorney must be signed by both the applicant and his spouse.

In order to process with power of attorney in all Land Registry directorates in Turkey, the power of attorney must be "statutory form of power of attorney". The power of attorney required for real estate acquisition must bear the photo of the grantors.

This power of attorney should be issued in one of the following three ways;

- May be issued in notary public offices within the border of Turkish Republic,
- may be issued in local notary public offices in the country you are currently located, should be Apostilled after taking the Ministry of Foreign Affairs approval,
- may be issued with a sworn translator from the Turkish Consulate of your country.

For Clients who want to issue a power of attorney through the Turkish Consulate, a sworn translator and consular appointment is made by lawyers. Then, clients can go to the consulate on the appointment day and time and complete their transactions.

f. POTENTIAL TAX IDENTIFICATION NUMBER

The process is started when the necessary documents are received by the lawyers.

The first thing to do is to make application to the Tax Office for a Potential Tax Identification Number on behalf of the Main Applicant.

A Potential Tax Identification Number is required to complete the necessary procedures for real estate acquisition and bank account opening.

Lawyers obtain a Potential Tax Number by making application to the Tax Office with their special authority in the power of attorney. The Potential Tax Identification Number is then shared with the Main Applicant.

g. THE MOST PREFERRED INVESTMENT TYPES IN ACQUIRING TURKISH CITIZENSHIP THROUGH INVESTMENT

1. REAL ESTATE INVESTMENT

If the main applicant decides to make an investment in real estate, the investment he/she will make must be more than \$250,000 or equivalent in Turkish Lira or foreign currency.

Likewise, considering the regulation in question;

issued as follows" purchase a real estate with a minimum value of \$250.000 or equivalent foreign currency or equivalent amount of Turkish Liras and attached an annotation of no-sale for at least three (3) years at the relevant title registry; or a real estate which has a property ownership or a construction servitude on it, with a preliminary sale contract executed before a notary public and at least \$250,000 or amount of foreign currency or Turkish Liras is paid in advance and such notarized preliminary sale contract shall be recorded at the relevant title registry with the undertaking not to transfer or assign the agreement for a period of three (3) years that is determined by the Ministry of Environment and Urbanization;"

The other condition is to attach an annotation of no-sale for at least three (3) years. For 3 years, the real estate in question must remain registered on behalf of the main applicant, not be sold or transferred in any form.

The nature of the real estate in question may be residential, land, workplace and similar.

In addition, the main applicant can buy multiple real estate.

As an example; *"the main applicant can buy 3 apartments from different locations. The sales costs, valuation reports and sales cost payments for the 3 apartments it has purchased must be over \$ 250,000."*

Lawyers can carry out all real estate transfer transactions with a special power of attorney.

Bank account opening procedures are completed by lawyers on behalf of the main applicant.

1.1.RESTRICTIONS TO FOREIGNERS IN REAL ESTATE ACQUISITION

Citizens of foreign countries are subject to certain restrictions regulated within the relevant legislation in the process of acquiring real estate in Turkey.

In the acquisition of real estate by foreign citizens in Turkey, first of all, the amount of land area of real estate is limited. According to this regulation, the acquisition of 30 hectares (and no more than 60 hectares by the decision of the Council of Ministers) of real estate is allowed.

In addition, military prohibition and security zones are also closely monitored. It is controlled whether the area where a foreign citizen requests to acquire a real estate is in military or security zones or not.

1.2.FOREIGN COUNTRY NATIONALS TO ACQUIRE REAL ESTATE WITHIN TURKEY

In particular, we should note that all citizens of 183 countries approved by the presidency can acquire real estate in Turkey.

There is no published complete list of countries that can acquire real estate. However, upon your intention to acquire property, we may make inquiries from the relevant Land Registry Directorates.

In addition, the real estate acquisition of Syrian citizens are prohibited.

1.3.SELECTION OF REAL ESTATE

Real estate selection is one of the most important steps in the process. So much so that many locations in Turkey are evaluated in this process. The most important issue in real estate selection is the rental income of the real estate.

In particular, we would like to note that the main applicant may find the real estate agent, project and real estate with his/her own research, as well as recommendation can be made by lawyers.

1.4.EXAMINATION OF REAL ESTATE

After the main applicant has determined the real estate that he/she want to invest in, the current title deed must be shared with the lawyer. The title is then examined by lawyers and the title deed is investigated whether there is a lien or any other restriction on the title. In addition, it is checked whether the real estate/immovables have construction servitude and condominium at the title deed.

Real estates with lien or restrictions are not eligible for Turkish Citizenship.

In particular, if we specify; real estate with mortgages, seizures and similar restrictions on it is not eligible to apply for Turkish citizenship.

However, contracts that need to be signed are examined and all legal rights of the main applicant are protected.

1.5.VALUATION REPORT

A real estate valuation institution approved by the Capital Market Board must determine the value of the real estate, and a valuation report must be prepared.

In all transactions for the sale of real estate to foreigners, the valuation report prepared by the real estate valuation institution must be submitted to the Land Registry Office prior to the sale transaction.

Real Estate Valuation Institution is organized by lawyers and a Valuation Report is prepared.

In this process, lawyers need contact number and title deed information.

1.6.REAL ESTATE PAYMENT

The most important issue in the payment of the purchase price of real estate is that all payments must be made from the buyer's bank account to the seller's bank account.

In addition, land registry information should be written in the receipt statement when paying the sale price of the real estate.

As a result, the names of the buyer and seller and the information about the paid real estate should be clearly visible in the receipt stating that the sale price of the real estate has been paid.

Ministry of Environment and Urban Planning requests that all details about the real estate, buyer and seller be in the receipt in compliance audits.

1.7.INSTALLMENT SALES

Installment sales are accepted during the citizenship application process.

But it should be noted that the amount paid in installments or in cash must be \$ 250,000.

For example: Considering a sale in 8 installments, each installment amounting to \$50,000;

With the payment of the 5th installment, the amount of \$250.000 is met. Thus, application for Citizenship can be made at the end of the 5th month.

1.8.REAL ESTATE PRELIMINARY SALES CONTRACT

It is possible to make application for citizenship with the Real Estate Preliminary Sales Contract to be signed.

This Agreement must be signed in the presence of a notary public.

Construction servitude or condominium of the real estate must be established.

\$250.000 must be paid.

Annotation regarding the contract must be added in the Land Registry.

1.9.CERTIFICATE OF CONFORMITY ISSUED BY THE MINISTRY OF ENVIRONMENT AND URBANISATION

In order to make an investment eligible to Turkish citizenship; the sale price of the title deed, the amount contained in the Valuation Report and the amount paid must be above \$250,000.

Along with the fulfillment of the investment requirement of \$250,000, the necessary documents are collected and application is made to the Ministry of Environment and Urbanisation with a request for a Certificate of Investment Eligibility.

After the Investment Eligibility Certificate is received, the procedures for the Turkish Citizenship Application process can be started.

2. BANK INVESTMENT

The main applicant can make all the transactions from the bank account after bank account opening.

By activating internet banking, he/she can manage all transactions in his/her account.

For bank investment;

"deposit a minimum of \$500.000 or equivalent foreign currency or equivalent amount of Turkish Lira to banks that operate in Turkey with the condition to keep such deposit in the relevant bank for at least three (3) years that is determined by the Banking Regulation and Supervision Agency;"

Is regulated.

Based on the regulation, the main applicant who keeps 500,000 USD or equivalent foreign currency or Turkish Lira in his bank account for 3 years can be a Turkish citizen.

The main applicant can benefit from the interest or participation share during the 3 years that the mentioned investment is in the bank account.

2.1.BANK ACCOUNT OPENING

Lawyers can carry out all bank account opening procedures with a power of attorney. In particular, we would like to state that; there is no authorization to withdraw money in this power of attorney. There are only authorizations for the necessary transactions for opening a bank account and bank investment.

Bank account opening procedures are initiated with passport, power of attorney, address proof document and Potential Tax Identification Number.

Then, the necessary documents are signed for the account opening and the bank account opening process is completed. After opening the bank account, all the information necessary

for internet banking, such as account information and customer number, is shared with the main applicant.

2.2.CERTIFICATE OF CONFORMITY ISSUED BY BANKING REGULATION AND SUPERVISION AGENCY

As a result of the audits conducted by the Banking Regulatory and Supervisory Authority by examining the bank account, to whom the account belongs, the investment amount and power of Attorney, A certificate of investment compliance is issued if the main applicant's investment is found to be appropriate.

It does not matter from which account the investment amount is transferred to the bank account of the Main Applicant. It is not controlled by the Banking Regulation and Supervision Agency by whom \$500,000 or equivalent foreign currency or Turkish lira, is sent to the main applicant's bank account in Turkey, from which country it is sent, and from what account it comes from. The main issue here is whether the amount in question is in the account of the Main Applicant on the date of the request for determination.

In addition, as long as the investment amount meets \$500,000, the Main Applicant is free to keep the investment in his bank account in any currency he wishes, at any rate.

For example; investment will be made like \$250,000 and €250,000.

The main issue that the Banking Regulatory and Supervisory Authority controls is that the investment amount is complete in the account located in Turkish banks opened on behalf of the main applicant at the time of the request for an Investment Compliance Certificate.

h. RESIDENCE PERMIT

An application for a residence permit is made in accordance with paragraph 31/J of the law on Foreigners and International Protection number 6458.

The residence permit we have mentioned is a type of residence permit special to the application process for Turkish Citizenship.

This residence permit is only required for the Main Applicant. Therefore, the residence permit application is made only on behalf of the main applicant.

The main applicant can use this residence permit when entering and exiting Turkey if he wishes.

- HEALTH INSURANCE

A valid health insurance is required for a residence permit. Because, the Provincial Migration Administration requires health insurance on behalf of applicants in residence permit applications. Therefore, it is obligatory to present the health insurance policy in question.

In addition, the health insurance to be made must have valid expressions necessary for the residence permit.

Lawyers carry out the entire health insurance process required for the main applicant.

- RESIDENCE PERMIT APPLICATION

After obtaining valid health insurance, the residence permit application phase can be started.

The application for a residence permit is made online primarily. The payments of the necessary fees determined by the Provincial Immigration Administration are completed and then the documents are delivered to the Provincial Directorate of Immigration Administration. The residence permit is approved within a few days.

Unlike a Normal residence permit application,

with this type of residence permit, the residence permit process is completed without the need for the main applicant to enter Turkey.

The appointments made through the online system take a very long time, but with this residence permit, the appointments are settled in a much shorter time.

1. CITIZENSHIP APPLICATION

After obtaining the Investment Eligibility Certificate and residence permit by lawyers, an application for Turkish citizenship is made.

The main applicant and his/her family choose Turkish first and last names for their Republic of Turkey identities and passports. There are certain limitations in the choice of name and surname determined by the State and the relevant legislation.

Name and surname should be chosen from Turkish language names and surnames or the main applicant and his/her family can apply by using their names on the passport (only by using Turkish letters/characters) they use in the Turkish citizenship application process in the same way as their Turkish identity and passports.

In addition, according to the Turkish Civil Code, the family must use a single surname. It is imperative that husband and wife and children have a common surname.

After the main applicant decides on the name and surname, the application is made by the lawyers to the relevant authorities.

i. CITIZENSHIP APPROVAL PROCESS

Along with application for citizenship, information about application for citizenship is shared by the General Directorate of Population and Citizenship.

With this information;

From this link <https://vatan.nvi.gov.tr/moduller/basvuru/basvurudurumbilgi.aspx> current status of citizenship application will be checked.

In addition, lawyers periodically check the stage of the citizenship application and inform the family by receiving direct information from the relevant ministry.

When the documents are fully submitted and the application is completed, the stages are as follows, respectively;

-Sending it to the Competent Authority,

-Archive Research

-Submission to the relevant Authority for approval

-Approval of Authority

-Obtaining the necessary documents from the General Directorate of Population and Citizenship

-Application for Passport and ID Card

After Acquisition of Turkish Citizenship;

If the family is located in Turkey, they can apply to the relevant Directorate of Population and Citizenship and apply for ID cards and passports of the Republic of Turkey,

Or

By appointment arranged by lawyers, the family can apply for ID cards and passports of the Republic of Turkey from the Turkish Consulate in the country where they are located.

Later on, they can collect the Republic of Turkey ID card and passports from the relevant authorities.

THANK YOU...