

If the property has a registered title, why does my lawyer need to spend time in checking the title

Although there is Land Registry in Romania and there is requirement that no Romanian real estate can be bought or sold unless it has a registered title, the fact that a piece of property has a registered title does not necessarily mean that it has a clean ownership title. Unlike the land registration system in England & Wales, a registered title under the Romanian land registration system carries no State guarantee. The staff of the Romanian Land Registry are not responsible for checking the validity of documents which form the basis of acquisition of rights of ownership and any interested party may require the Land Registry to amend the registration of a property title where this is required by a final court decision. A search against a title in the Land Registry should disclose documents showing whether the property is subject to a mortgage, a privilege (e.g. a registered pre-agreement) and / or any other adverse claims. As a matter of practice, only interested parties can obtain a search against a particular piece of property in the Land Registry. "Interested parties" include the owner, persons with rights over the relevant property and a prospective purchaser with a pre-agreement to purchase the property. In view of the above-mentioned issues, a prudent purchaser will insist on property which is proposed to be purchased being registered with the Land Registry, but will also arrange for a full investigation of the title.