

Investing in Real Estate in Belgium

Ariane Brohez and Lien Bellinck (editors)



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Introduction

We are pleased to present you the third edition of this booklet, which gives an overview of a broad spectrum of the legal and tax issues related to investing in real estate in Belgium. A booklet of this nature cannot be, nor is it intended to be, a comprehensive work. We have, therefore, focused on the most commonly encountered issues. Specifics and details have only been included when relevant and necessary to understand the texts, as factual situations can have particular aspects that cannot be covered in a work of this length.

This publication is the product of a large team. Each contributor is a specialist in the area covered. The purpose of this book is to respond to the increased need for prompt information on various legal and tax aspects of investing in real estate in Belgium. It shows the firm's continued efforts to invest in knowledge and to share that knowledge.

Although the real estate investment is by nature a local investment, European law is taking a predominant place in investment decisions and structuring. We first see Environmental, Social & Governance (ESG) factors increasingly influencing the actions and decisions of real estate investors. On the tax side, Pillar 2 and the minimum taxation level is now a reality and should be taken into account as well. For this reason, we have included a new chapter 1 in this booklet focussed these two main topics. This chapter covers ESG themes and Pillar 2 relevant for the real estate sector. Separate topics, such as local taxation, EPB/EPC certificates and green leases are included in the other relevant chapters of this booklet.

We hope that the information contained in this booklet will give you a clearer insight into the relevant legal and tax questions for the real estate market. It should help you to identify potential issues and pitfalls at an early stage. We believe that the top priority for a law firm is to create added value for its clients and that starts with making sure the basics are readily available.

We also express our gratitude to the members of our team for their contribution to this booklet and to our day-to-day activities.

Belgian law is constantly changing. This contribution is updated until January 2024. Readers should therefore always seek the latest and most detailed specialist advice when confronted with a real estate investment.

Ariane Brohez and Christophe Laurent
Partners, Real Estate and Real Estate Taxation (Belgium)

Contributors

Contributions from the following persons have made this publication possible:

Christophe Laurent

Attorney at law, Real Estate and Real Estate Taxation

Ariane Brohez

Attorney at law, Real Estate and Real Estate Taxation

Julien Lecler

Attorney at law, Real Estate

Lien Bellinck

Attorney at law, Real Estate

Antoine Béchaimont

Attorney at law, Real Estate Taxation

Olivia Oosterlynck

Attorney at law, Real Estate

Caroline Orban

Attorney at law, Real Estate and Real Estate Taxation

Caroline Vandeput

Attorney at law, Real Estate

Caroline de Crombrughe

Attorney at law, Real Estate

Marc Vermeylen

Attorney at law, Finance

Pieter Verheyen

Attorney at law, Finance

Ruben Baeb

Attorney at law, Finance

Vanessa Marquette

Attorney at law, Financial Markets & Products

Ornella Vazzano

Attorney at law, Corporate

Valentijn De Boe

Attorney at law, Energy & Infrastructure

Aude Van den Bussche

Attorney at law, Energy & Infrastructure

Real Estate at Loyens & Loeff

Christophe Laurent - Partner

Real Estate & Real Estate Taxation

M +32 476 39 06 90

E christophe.laurent@loyensloeff.com**Ariane Brohez - Partner**

Real Estate & Real Estate Taxation

M +32 495 21 26 59

E ariane.brohez@loyensloeff.com**Julien Lecler - Partner**

Real Estate

M +32 473 71 34 39

E julien.lecler@loyensloeff.com**Lien Bellinck - Counsel**

Real Estate

M +32 499 34 19 88

E lien.bellinck@loyensloeff.com**Antoine Bechaimont - Senior Associate**

Real Estate Taxation

M +32 472 93 60 23

E antoine.bechaimont@loyensloeff.com**Olivia Oosterlynck - Senior Associate**

Real Estate

M +32 475 48 08 73

E olivia.oosterlynck@loyensloeff.com

Alexander Vandendries - Associate

Real Estate & Real Estate Taxation

E alexander.vandendries@loyensloeff.com**Caroline Orban - Associate**

Real Estate & Real Estate Taxation

E caroline.orban@loyensloeff.com**Eugénie Mennig - Associate**

Real Estate

E eugenie.mennig@loyensloeff.com**Benjamin Demuyndt - Associate**

Real Estate

E benjamin.demuyndt@loyensloeff.com**Emma Vanden Brande - Associate**

Real Estate

E emma.vanden.brande@loyensloeff.com**Caroline de Crombrughe - Associate**

Real Estate

E caroline.de.crombrughe@loyensloeff.com**Caroline Vandeput - Associate**

Real Estate

E caroline.vandeput@loyensloeff.com**Bérénice Chéry - Associate**

Real Estate

E berenice.chery@loyensloeff.com**Bianca Praet - Associate**

Real Estate & Real Estate Taxation

E bianca.praet@loyensloeff.com

REAL ESTATE AT LOYENS & LOEFF

Our real estate team

Thanks to our dedicated team with many years of (multidisciplinary) real estate expertise we are always on top of market trends and new legislation. Whether it concerns construction, project development, real estate transactions, asset management or real estate funds and platforms; our advisers know what your business is dealing with and will assist you to achieve your goals and business objectives. As a real estate investor or project developer, you face many challenges. To address these challenges and match the requirements of your business - where tax and legal aspects are often intertwined and market knowledge is key - our Real Estate team combines our renowned tax, legal and industry expertise to deliver top quality integrated services.

Thanks to our many years of experience and expertise that covers the entire life cycle of real estate, we are ahead of the game. This enables us to identify business opportunities for our clients at an early stage and ensures a successful outcome of any type of real estate project.

Our added value

Efficient answers to industry challenges

Making well-informed strategic decisions about your real estate investments requires an understanding of the wider range of industry challenges. Questions arise, as to the effect of ever-changing national & international legislation on the structure and financing of your investment or the best way to manage your real estate assets. And what aspects of the relevant zoning and environment laws should you be conscious of? Legal certainty is of paramount importance. It is the cornerstone of our creative solutions which are drawn from our in-depth experience in handling challenging and complex transactions on a daily basis. Our specialised real estate advisers will answer these questions efficiently, allowing you to focus on the issues that are core to your business.

Experience that relates to all asset classes

Our multidisciplinary team combines global expertise with local market knowledge. Our legal and tax experts have extensive experience in various real estate asset areas, such as logistics, residential, offices, retail, hotels, and healthcare. We know and understand the challenges you face and are fully aware of economic trends influencing the investment appetite. So regardless of the type of real estate asset, you can count on us to be your trusted adviser.

Added value following our combined legal and tax offering

Structuring and taxation are our strengths. Our integrated legal and tax service offering truly sets us apart from other firms. This enables us to anticipate on legal and tax pitfalls at the same time, and integrate tax aspects at all stages of an investment. By integrating this knowledge at all stages of a transactions, even in the early stages, we can significantly impact the profitability of your investment.

Go-to firm reflected by our continuous Tier 1 Real Estate rankings

For many years, our Real Estate team has been a trusted partner in small to large scale real estate projects. Our premium knowledge, strong reputation and steady client base our reflected in our continuous Tier 1 Real Estate rankings by several independent legal guides (Chambers Europe, Legal 500). We thank our clients for their trust, and we will make sure we keep living up to their expectations.

Your business, our expertise

Combining global expertise with local knowledge is our commitment to our clients. We bring together our legal and tax expertise, and consider the requirements of local and international actors. The whole span of services needed by the real estate sector, is available in-house. We provide high-quality assistance and services in the following fields:

- Real estate funds and REITs
- Real estate structuring and taxation
- Real estate transactions
- Real estate developments
 - Forward-funding and forward-commitment
 - Construction-related agreements, acceptance process, decennial liability
- Real estate finance
 - Lenders' and sponsor's mandates
 - Transfer pricing for intragroup financing
- Real estate asset management
- Real estate regulatory
 - ESG
 - Public procurement and public real estate
 - Zoning, planning and permits, environmental responsibilities

Loyens & Loeff International

Although most law firms might look similar, they are never quite the same. What makes us different, is our joint, multi-niche approach. We offer the range of niche expertise and the right people to take in the bigger picture. Our mission is to give clear and complete solutions, including relevant legal and tax issues. We make a point of assisting our clients to optimize their options by providing 360° and proactive advice. Loyens & Loeff makes a difference, every day.

BENELUX AND SWITZERLAND

Brussels

Tervurenlaan 2
1040 Brussels
Belgium
T +32 2 743 43 43
F +32 2 743 43 10

Amsterdam

Parnassusweg 300
1081 LC Amsterdam
The Netherlands
T +31 20 578 57 85
F +31 20 578 58 00

Rotterdam

Blaak 31
3011 GA Rotterdam
The Netherlands
T +31 10 224 62 24
F +31 10 412 58 39

Luxembourg

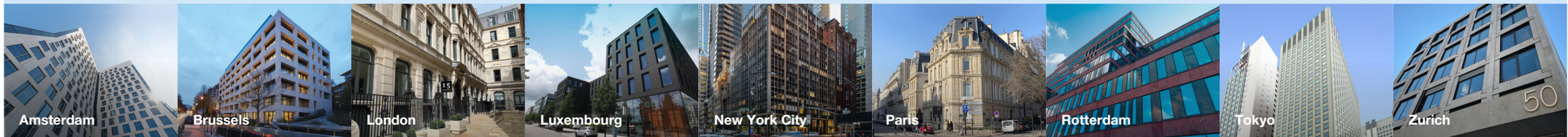
18-20 Rue Edward Steichen
2540 Luxembourg
Luxembourg
T +352 46 62 30
F +352 46 62 34

Zurich

Alfredfred-Escher-Strasse 50
CH 8002 Zürich
Switzerland
T +41 43 434 67 00
F +41 43 266 55 59

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LONDON - NEW YORK - PARIS





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As a trusted partner, the best advice is not just about expertise, but also about cultivating an in-depth understanding of your business and finding the best solution for you. This commitment is fundamental to our success.

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