

## **SUMMARY**

The parties to the real estates transactions need to have sufficient warranties that they will obtain the valid ownership title to the real estates property. The legal due diligence (or title due diligence) is the way to confirm the existence of these warranties (or confirms that these warranties are not present). The objective of due diligence for example for the buyer is to confirm that there is no legal issue concerning the ownership title to the property.

Most of the real estates in the Czech Republic is registered with the Land Register. The Land Register maintains a database of plots of land, certain constructions (described by a law) and residential and non-residential units in the Czech Republic. The entry into the Land Register is, in practice, generally regarded as a proof of ownership title. Until 1993, it was possible to effectively transfer ownership title to real estate without recording the appropriate entry in the Land Register. As a result, register entries made prior to 1993 cannot be relied upon alone to demonstrate the proof of ownership.

This thesis therefore describes the Land Register, its historic development, contemporary way of registrations and the matter registered within the Land Register. Beside the Land Register, the thesis also describes other sources of information for real estates due diligence (land offices and other subjects).

Complexity in the field of real estates ownership acquisitions and third party rights may be caused also by the nature of the parties (e.g. municipalities) or by the nature of the property (e.g. artificial watercourses). Some other aspects may have its consequences as well (as the nature of historical acquisition titles – e.g. swap agreements). The acquirer should check also the extent of third parties rights (that the property is not encumbered with any ownership title restrictions, e.g. easements or liens).

The core of the thesis describes the realization of due diligence – review of acquisition titles, restitution check, consequences of defects in historical titles

etc. The thesis also deals with specific legal regimes of the property which may be discovered by due diligence.

**Keywords:** real estates, land register, due diligence