

# ***Hotspot Guide***

*Turkey*

***A Sample of what's on Offer***

*Hot Spot*

***Introduction***



## Fast Facts:

- **Location:** Turkey borders the Black Sea, the Mediterranean, the Aegean and the Marmara Sea and has a total coastline of 8333 km.
- **Capital City:** Ankara
- **Climate:** Season and Climate in Turkey is a year-round destination depending on your itinerary. Although the tourist "high season" is from mid-June through mid-September, Spring and Fall are the best seasons to travel. The sun is warm and skies are generally clear. You can expect mild to warm temperatures and some rain during this time.
- **Average Temperature:** The **average temperature** is 23°C in summer and -2°C in winter
- **Total Land Area:** 770,760 sq km
- **Official Language:** Turkish
- **Total Population:** 66.49 million
- **Population Density:** 1.26%
- **Major Religion:** Islam
- **Currency:** Turkish lira (TL)
- **GDP:** -8.550%
- **GNI per capita:** 3,750US\$
- **Inflation:** 9.6%
- **Annual Growth:** Proportionate annual growth was down to 10.9%, the lowest level ever recorded in Turkey.
- **Main Exports:** : Fruit and vegetables, textiles and clothing, iron and steel
- **Main Sources of Income:** Rental taxes of income are very high and are the main sources of income
- **Unemployment:** 10.3%
- **Population Below Poverty Line:** 20%
- **Literacy:** 86.5%
- **Life Expectancy:** 68.89 male, 73.71 female
- **Time Zone:** EET (UTC+2)
- **Internet Domain:** Tr
- **International Dialling Code:** +90



## Geography

- Turkey is situated between Europe and Asia.
- It's geography is very diverse and everything from snow topped mountains to sandy beaches can be found in this country.
- Turkey has land borders with seven countries: Syria, Iraq, Iran, Georgia, Armenia, Greece and Bulgaria.
- Turkey has approximately 8400 kilometres of coastline on the Mediterranean and the Aegean Sea.
- The highest mountain in Turkey is Mount Ararat which is 5165 metres tall.



## Economy

- Turkey is the world's largest producer of hazelnut, cherry, fig, apricot, quince and pomegranate; the second largest producer of watermelon, cucumber and chickpea; the third largest producer of tomato, eggplant, green pepper, lentil and pistachio;
- The fourth largest producer of onion and olive; the fifth largest producer of sugar beet; the sixth largest producer of tobacco, tea and apple; the seventh largest producer of cotton and barley; the eighth largest producer of almond; the ninth largest producer of wheat, rye and grapefruit, and the tenth largest producer of lemon
- The largest industry is textiles and clothing (16.3% of total industrial capacity in 2005 according to the State Institute of Statistics), followed by oil refinery (14.5%), food (10.6%), chemicals (10.3%), iron and steel (8.9%), automotive (6.3%), and machinery (5.8%). Textiles and clothing also constitutes the largest share in total exports (19% in 2005), followed by automotive (18%), iron and steel (13%), white goods (10%), chemicals and pharmaceuticals (9%), and machinery (7%)



### **Politics**

- Politics of Turkey takes place in a framework of a strictly secular parliamentary representative democratic republic, whereby the Prime Minister of Turkey is the head of government, and of a multi-party system.
- Turkey's political system is based on a separation of powers.
- Executive power is exercised by the government.
- Legislative power is vested in both the government and the Grand National Assembly of Turkey.

### **Why invest in Turkey?**

- With a steady increase in annual tourism, Turkey is experiencing an unprecedented level of international exposure and this is, in turn is creating more tourist interest and increasing demand for Turkish property.
- The value of Turkish property is expected to appreciate in beach front areas by as much as 50% initially, with forecasts for the next two to three years reaching 100%.
- Property prices are still lower than equivalent European hot spots
- Cost of living is 1/3<sup>rd</sup> of that in the UK
- The Mediterranean coast offers an all round season for good holiday rental opportunities.
- Excellent property investment growth is predicted with holiday operators and airlines increasing capacity.
- Low property acquisition and ongoing taxes

- Fastest going economies attracting large corporate investments
- Rich in cultural history and ancient historical ruins
- Excellent road and air networks providing good infrastructure around the country
- Turkey has some of Europe's attractive and stunning beaches making it a very popular holiday destination



### **A Brief Guide to Purchasing Property in Turkey**

- Voted 3<sup>rd</sup> in the 'A Place in the Sun' TV Programme to buy property (2005) and 4<sup>th</sup> most popular as a destination by the 'A Place in the Sun reader' (2006)

### **Property Market**

- Turkey is in the early stages of a significant property boom, prices rose by an average 52% over the last 12 months in the coastal areas.
- All indicators show that this is just the beginning and prices are expected to rise sharply over the next 5-10 years.
- The growing numbers of overseas investors are buying property for the holiday lets.



As a result, the rental market is strong as more and more people are turning their backs on tour operators and large hotels in favour of organising their own holidays in their own space.

- Rental yields are between 5-10% per annum, although returns are limited by the length of the holiday season and the market is still very small in overall terms.
- Recent legislative changes, which relaxed restrictions on where foreign nationals can buy property, have also encouraged demand.
- As a result of this, property prices are rising rapidly, particularly in certain enclaves where there's specific foreign or domestic interest.



#### Fees and taxes:

#### **Property Tax**

- Residences 0.1%
- Other buildings 0.2%
- Land 0.1%
- Vacant land (but allocated for construction purposes) 0.3%
- Farming lands 0%



#### Hot Spots:

- Aegean resorts: famous with their lovely beaches as Bodrum , Kusadasi, Marmaris
- Coastline towns: good day investment hot spots as Bodrum, Dalaman Didim and Fethiye

