

# IMMOVABLE PROPERTIES IN BORDER AREAS

The Ministries, agencies and institutions of the State Administration, whether centralized or decentralized (including Municipalities), must request prior authorization from DIFROL to sell, lease or grant concessions, permits or authorizations and, in general, enter into any transaction or contract in connection with national assets for public use, fiscal assets, or assets that are part of the estate of said institutions, that are fully or partially located in border areas of the national territory.

This obligation only affects the immovable properties located in the border area that belong to the Treasury or other State institutions. The sale, lease, as well as the entering into other transactions and contacts in connection with immovable properties belonging to individuals, located in the border area, are not subject to the prior authorization of DIFROL.

Said prior authorization is a requirement for the transactions and contracts referring to public agencies as well as to individuals, whether Chilean or foreign.

**The petition must be formulated by the institution responsible for the administration of the immovable property.**

## Acquisition of Rights to Immovable Property located in the Border Area and in Bordering and Coastal Strips

The legal system applicable to the acquisition of rights to immovable property located in the border area and in the bordering and coastal strips is a response to the need to guide policies and actions of State agencies in order to promote the development of such areas and to consolidate the settlement of people, especially in the more isolated communities. This system establishes, on the one hand, the obligation of requesting authorization from DIFROL when dealing with property belonging to state entities and, on the other hand, certain limitations on foreigners acquiring immovable property.

The acquisition of fiscal lands located in the 10-kilometer bordering strip (measured from the border) and 5-kilometer coastal strip (measured from the highest tide line) is reserved for Chilean natural or legal persons.

Exceptionally, foreigners who have their legal residence in Chile can gain access to lands located in the coastal strip, prior authorization from the Under-secretariat of Maritime Affairs, the Ministry of National Defense, and the National Directorate of State Border and Boundaries, in the event that said immovable properties coincide with lands that have been declared to be border areas (Decree-Law N° 1.939, Article 6).