



ISSUES RELATING TO FOREIGN INVESTMENT

CANADA – NOVA SCOTIA McInnes Cooper

CONTACT INFORMATION

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- 1. Is state governmental permission required for foreign investors to acquire real estate? If so, please identify.**

No. All property can be owned by companies or individuals who are not Canadian citizens or residents.

- 2. Are there other state restrictions imposed on ownership of real estate by foreign investors? To acquire interests in entities which own real estate? If so, please identify.**

There are no provincial restrictions imposed on ownership of real property by foreign investors and all real property in Nova Scotia can be taken, held, possessed, and conveyed equally by Canadians and Non-Canadians equally under the Real Property Act (Nova Scotia).

Generally there are no provincial restrictions on foreign ownership of shares in a company to which the Nova Scotia Companies Act applies. There is no provincial residency requirement for directors. A company must have a recognized agent who is resident in the Province.

3. Are foreign investors required to invest with a local partner? If not, is investment with a local partner advisable?

There are no provincial laws requiring a foreign investor to invest with a local partner. Whether or not investment with a local partner is advisable would depend on considerations other than purely legal ones.

4. What state taxes are levied solely on foreign individuals or entities acquiring or transferring real estate or interests in entities which acquire real estate?

Foreign individuals or entities are not subject to any extra provincial or municipal taxes.

5. Describe reporting requirements for reporting the acquisition, ownership or disposition of real estate which relate solely to foreign direct or indirect owners of real estate.

Any real property which has not been migrated to our new Land Registration System is subject to the Land Holdings Disclosure Act (Nova Scotia) which requires a non-resident acquiring real property in the Province to provide a disclosure statement to the Minister of Lands and Forests setting out his full name and address, the description of the real property and the purpose for which the real property was acquired. Since most conveyances of real property will require migration to the Land Registration System, this act will rarely apply.

PLEASE REFER TO THE CANADA (NATIONAL) SURVEY FOR APPLICABLE FEDERAL ISSUES