

Simplified Deregistration of “Zártkert” Properties from Agricultural Cultivation Available Again

A legislative amendment adopted in July 2025 has once again made it possible to deregister so-called *zártkert* properties from agricultural cultivation under a simplified procedure. Although this option had previously been available until the end of 2017, only a limited number of owners made use of it at the time.

At first, it is worth clarifying **what the term *zártkert* means**. The concept emerged during the socialist era and was introduced into the Hungarian legal system to describe areas established alongside agricultural cooperatives and used by private individuals for small-scale, household-type vegetable and fruit production. Following the political transition, *zártkert* areas were reclassified as outlying land (*külterület*), yet the designation has remained in everyday usage and on title deeds to this day.

Because *zártkert* properties are currently classified as outlying land under agricultural cultivation, a number of restrictions apply to them. These include stricter building regulations and a lengthy sales process: due to the statutory pre-emption rights and publication requirements under Hungarian land transaction law, the sale of a *zártkert* property can often take several months. Moreover, due to their outlying status, such properties generally fall outside the scope of mortgage-eligible real estate.

Let us now look at the essence and procedure of the reintroduced simplified deregistration.

Under the legislative amendment adopted the summer of 2025, the owner may request that a *zártkert* property be registered in the land registry as land withdrawn from agricultural cultivation. A key precondition is that the local municipality must permit this option by way of a local ordinance. A number of municipalities have already adopted such regulations, including Győr, Budaörs, Szolnok, Tata and Kistarcsa. In Budapest, the adoption of such ordinances falls within the competence of the district municipalities.

If the municipality allows reclassification within its territory (or part thereof), the owner of a *zártkert* property located in the affected area may apply to the land registry authority for registration of the property as land withdrawn from cultivation. As part of this procedure, it is also possible to submit an application for the registration of existing buildings. Furthermore, in the case of a subdivision of the property (provided that the other statutory conditions are met), the withdrawal from cultivation may be requested in respect of only part of the property.

Registering a *zártkert* property as land withdrawn from agricultural cultivation offers a number of advantages:

- the obligation to cultivate the land ceases;
- statutory pre-emption rights applicable to agricultural land do not apply to *zártkert* properties withdrawn from cultivation, nor do the publication requirements governing agricultural land transactions, making sales faster and more straightforward;
- provided that other relevant legal conditions are met (e.g. under the Local Building Regulations), building rules may become more favourable;

- while previously only agricultural buildings could be erected on agricultural land, once a *zártkert* is withdrawn from cultivation it may be registered as residential or holiday property, making it eligible for mortgage financing and housing subsidy schemes;
- as a result of the above, the value of **the property may increase significantly**.

Our colleagues with extensive experience in real estate transactions are available to provide advice and full assistance in connection with the reclassification of *zártkert* properties.