

A guide to buying property in Spain

For all your Spanish property needs

Buying a property in Spain can and should be a simple procedure. However, in some cases it can become a complicated process if buyers are not fully aware of all the potential problems. With a little bit of research and some expert guidance you can avoid the pitfalls of buying a property in Spain.

My
Lawyer 
in Spain

0845 508 2395

if calling from the UK

or

0034 951 203 094

if calling from Spain

Help and advice

The Spanish property market is constantly evolving. My Lawyer in Spain's expert conveyancing team provides a high quality, professional service designed to offer effective and flexible solutions to our clients looking to purchase a property in Spain.

It's reassuring to know that our team consists of partners, solicitors, abogados and legal assistants who between them have significant experience and expertise to assist with purchasing any type of Spanish property. We are happy to provide initial help and advice on the telephone, free of charge so you are under no obligation when you call us to see how and to what extent, we can help.

Our complete package of services

We charge 1% of the total purchase price of the property with a minimum charge of €1,500 plus IVA (VAT) and disbursements.

As part of our complete package we offer the following services:

- || Purchase of Spanish Property
- || NIE
- || Ownership advice
- || Arranging valuations
- || Arranging surveys
- || Opening of bank accounts
- || Power of attorney
- || Spanish wills

Our expert team can also take the burden from you and obtain quotes from reputable insurers for property and contents insurance.

For an initial free consultation or more information please contact:

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Five steps to a successful Spanish property purchase

1 Seeking the right legal and financial advice

Spanish estate agents Spanish Estate Agents will be able to advise and guide you through the process of buying property in Spain. Many will also recommend you take legal advice from a Spanish legal expert to ensure that your interests remain a priority and are protected.

Legal documents and contracts It is vital that you seek independent expert legal advice when considering buying a property in Spain. Specialist Abogados' have the knowledge and expertise to help avoid falling into any potential pitfalls, ensuring that any legal document or contract is properly drafted will protect your interests.

Finances Before signing a contract it is important to ensure that your finances are in order. Remember, the contract will remain binding even if you fail to obtain financing and you risk losing part or all the money you have paid to the vendor or developer. If using a mortgage, make sure that your loan is approved before you formally commit to buy.

Bank guarantees for stage payments and building insurance If you are buying a new build or off-plan property the developer is legally required to provide insurance cover or bank guarantees to protect payments made to the developer before the property is completed. The developer should also provide proof of appropriate building insurance cover on completion for 10 years to cover any potential damage to the property in the future from groundwork, support beams or any other structural fixtures.

2 Researching the legal situation on property

Land Registry searches These can confirm the vendor's title to the property and the existence of any charges or encumbrances. They should also provide a description of the property and its main characteristics which should match those provided in the sale-purchase contract. Similarly if the house has been extended or a pool has been recently built the new

description of the property should be the one appearing at the land registry.

Spanish Land Law Before buying in Spain you should familiarise yourself with Urban and Rural Land regulations and the implications of purchasing Spanish properties in these areas. Your lawyer should provide you with information on this. It is advisable to seek advice for urban consolidated land rather than developable land or rustic land where building activity is usually limited or subject to certain requirements.

Building Licences and Town Hall enquiries When buying a new build or off plan property it is necessary to check that the land is suitable for development, the building requirements and/or limits are observed throughout the building project and that the developer has a legally valid building license directly with the Town Hall.

If construction works have already been completed the developer/vendor should have the necessary certificates showing that the property has been finalised in terms of building licence and is fit for occupation. You should also check that there are no outstanding urbanisation costs. Some property can also be affected by future planning regulations and/or coastal building limits and requirements, certificates from the relevant authorities should therefore be requested.

3 Making local enquiries

Searches at the local Mapping office or 'Catastro' The Spanish Land Registry will not provide a map of the property detailing its boundaries. For these purposes, it is necessary to make a further search at the local Catastro (land census or mapping office) to obtain the relevant information.

Enquire at the local tax office for a Tax Check on the property The local tax office can provide information about any outstanding bills associated with the property which should be paid by the vendor before completion. Homeowners are liable to pay their local council rates 'IBI' (Impuesto sobre Bienes Inmuebles) and rubbish fee. Proceedings may be issued by the tax authorities if these bills are not paid

so it is important that you check they are up to date before completion.

Enquire at the Community of Owners administration office and utilities companies Enquiries should be made to ensure that there are no outstanding community fees or utilities bills. The vendor should provide a certificate from the community of owners to prove this. If you check the community by laws and the last community general meeting minutes, this is helpful to make sure you are familiar with the internal community rules and if there are any problems which may imply potential costs for you as the new owner.

Ask your neighbours Local residents can be an excellent source of information. Ask the local residents in the same development or area whether they have experienced any problems with the local or regional authorities, communities of owners, other residents or regular visitors.

4 Considering tax implications

Taxes and disbursements Your lawyer should tell you about the taxes and disbursements arising from the actual purchase of the property as well as those which are payable annually following the purchase, for example any local rates and the annual taxes for non-tax residents who own a property in Spain.

Spanish tax identification 'NIE' number In order to have your purchase and/or mortgage notarised and registered in Spain it is essential that you apply for a Spanish tax identification NIE number at a Spanish police station. These can take some time to be issued, so it is beneficial to apply as soon as you make your decision to buy a property in Spain.

5 Looking after your assets

Once you have bought your Spanish property, it is highly advisable to have a Spanish Will which covers only your Spanish assets. This will greatly simplify the winding up of your Spanish estate as well as reducing associated costs such as translation fees. You can seek further information about Spanish Wills from your lawyer.