

My Lawyer in Spain

English Solicitors & Spanish Abogados

Tips Before You Buy a Property in Spain

1. ARE YOU BUYING TO LIVE IN THE PROPERTY, OR TO RENT OUT?

- ✓ Will you rent for short term rentals or long term?
- ✓ Consider who your target market will be and adapt your buying criteria to your future customer
- ✓ Consider distance from the nearest airport and what facilities your customers will want on arrival
- ✓ Have a local agent to manage change overs and cleaning

Is there a need for long term rentals in the area?

- ✓ There are 17 autonomous regions in Spain each with their own laws for rentals so enquire about the process to register with the regional tourist authority

Does the property already have a rental licence?

- ✓ Speak to the estate agent about the local rental market and consult the holiday property websites to gauge rental rates

2. CHOOSING THE RIGHT AREA!

- ✓ Before trying to find an actual property, identify the region and areas you like
- ✓ Visit these areas at different times of the year. Certain areas are busy in the summer months but then become ghost towns in the winter and the weather can change dramatically from season to season

3. BUDGET!

How much money do you have available for the property purchase?

- ✓ When you buy a Spanish property you pay what is known as property transfer tax and this varies from 6.5% in the Canaries for a second hand property to 10% in the Valencian autonomous region
- ✓ On top of this you will pay legal, notary and land registry costs
- ✓ Allow between 10% and 14% on top of the purchase price to cover these costs

4. MORTGAGE

- ✓ If you are going to finance the purchase with a mortgage consider whether to release funds from your home country or take out a Spanish mortgage.
- ✓ Typically you can borrow up to 65% of the purchase price in Spain. With opening commissions, land registry and notary fees as well as mortgage taxes budget 2% to 4% of the mortgage on costs.
- ✓ Contact an independent mortgage broker and obtain an in principle mortgage offer before you start to view properties.

5. LAWYERS

- ✓ It is important you instruct an independent lawyer to act for you and that you do not share the same lawyer as the seller
- ✓ Instruct a lawyer who speaks your language and who specialises in property
- ✓ Spanish lawyers are known as abogados and should be registered with their local college of lawyers
- ✓ Spanish lawyers are not normally Solicitors too as a Solicitor is someone who is registered with the Law Society of England, Wales, Scotland or Ireland
- ✓ A Spanish lawyer should confirm the costs of the purchase to you in writing and their legal costs

6. LEGAL COSTS

- ✓ Typically legal costs are 1% of the purchase price with a minimum fee
- ✓ Do not allow the agent to complete the legal side of the deal for you
- ✓ Ask the lawyer if they have professional indemnity insurance and how much, so if things go wrong, you are covered by their insurance
- ✓ Contact your chosen lawyer before you travel to Spain and ask about the services they can offer

7. ESTATE AGENTS

- ✓ Estate agents are not regulated in Spain so choose an established agent with a good track record and an office
- ✓ Many buyers are surprised to find the same property advertised with different agents
- ✓ This is normal practice in Spain as agents share properties

8. SURVEY

Buying a home in Spain is probably one of your most risky decisions. We would recommend that you obtain a pre-acquisition survey from an R.I.C.S. approved Surveyor to check both the condition of the property as well as advice on the market value

Call the My Lawyer in Spain team to discuss
your Spanish property purchase !

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Visit our website for great advice on buying property in Spain

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