

# BUYING A PROPERTY IN SPAIN DOS AND DON'TS

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# DO: ASK YOURSELF THE RIGHT QUESTIONS

- Why do I need the property (investment or residency)
- Do I need the property now? (resale or off-plan)
- What is my budget? (price + taxes and expenses)
- How much can I pay regularly? (ongoing costs)

# When looking for the property:

## **DO: Be advised by a Real Estate Agent**

- Knowledge of the area and the market prices
- Information about the best options for residency or investment
- Experts in negotiating the best price

## **DO: Know your budget (price, taxes and expenses) and the ongoing property costs**

- Transfer Tax or IBI Tax + Rubbish Collection
- Community of Owners, IBI Tax and rubbish collection, supplies, ...

## **DO: Be advised by a lawyer from the beginning**

- Explain the purchase process and make it understandable in your language
- Analyse the best way to acquire the property: natural person or company
- Complete overview on all the aspects: inheritance, taxation, residency, ...
- Identification of the legal aspects of the area (FOC matter, tourist license, ...)
- Calculate the breakdown of the taxes and expenses before the offer

Brief resume of the purchase process in Spain:

- Reservation contract, with the payment of approx. 6.000 €
- Private purchase contract, with the payment of the 10% of the price.
- Title Deed before the Notary Public, with the payment of the rest of the price.

**DO: Be practical and have everything necessary in place beforehand:**

- NIE Number
- Spanish Bank account
- Mortgage pre approval

# During the Purchase Process:

## **DO: Again, engage a lawyer if you don't have one...**

- Security reasons: Deposit the reservation amount in the lawyer's bank account
- Confirmation that it is the best property attending to your circumstances: minimum amount for Golden Visa, counting with Registration for Touristic Purposes if buy to let investment, ...
- Due diligence and solution to any issues: withdrawal of amounts, clearance of any debt against the property, ..
- Adaptation to your needs: draft the best kind of contract, ...



# After completion:

Your lawyer will deal with the registration of the Ownership in the Land Registry and the payment of the taxes, as well as the change of taxes, community of owners and supplies into your name

**DO: Contract a home insurance policy**

**DO: Make sure you always have enough money in your account to face the ongoing property expenses.**

**DO: Be advised by a tax advisor**

**DO: Grant a Spanish Will**



# Why is it important to engage a Spanish lawyer?

- **Independence and impartiality**
- **Security and protection**
- **Minimizing costs (i.e. information about tax reductions, bonifications, ...)**
- **Complete advice attending to the client's circumstances**
- **Make the process easy and comfortable (POA)**
- **Save time. And time is money!**
- **Complete advise: Purchase process, taxation, residency, ...**

We'll be happy to assist you!!!





# Thank you!

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