



**W**ITH record numbers of people wanting to buy property abroad, it pays to know the right way to go about it.

Each country has different rules and regulations and knowing the pitfalls can you save time and money. Each month we'll be featuring questions and answers on purchasing a home in a different country. This week we focus on Spain.

**Q** How do I buy a property in another country?  
**A** Take the same precautions as in the UK – legal advice, financial advice, valuation and surveyor. Above all, do not be blinded by the sunshine!

**Q** Do I need a solicitor?  
**A** Unlike in England, where the conveyancing procedure is highly regulated and the parties almost always instruct a solicitor, in Spain you do not have to instruct a solicitor to deal with the purchase of your property. However, if you do not, then no one will be looking after your best interests. The notary is only concerned with the public records.

**Q** Can I get a mortgage?  
**A** Yes. You can obtain a euro mortgage or a sterling mortgage. However, you may also wish to consider Equity Release on your UK property.

**Q** Should I get a mortgage in the country I am buying in or a UK mortgage?  
**A** The answer will vary depending on your particular circumstances. For some it is more convenient to have a euro mortgage, for others a sterling mortgage. You need to use an independent financial adviser to advise you on this point.

**Q** Do I need to make a new will in the country I am buying the property in?  
**A** You don't have to but we recommend that you make a Spanish will to deal exclusively with your Spanish asset. This will be in addition to your English will. For that reason, it is very important that the person drafting your will can check that both wills are consistent. Otherwise, your last will may revoke the previous one. Without a Spanish will you should expect the Spanish compulsory inheritance rules to apply.

**Q** What charges are there on top of my purchase price?  
**A** You need to allow ten to 12 per cent of the property purchase price for extra charges for example, taxes, notary's fees, Land Registry fees, legal costs and NIE number.

**Q** What is the process of buying the property?  
**A** In the Spanish conveyance system, it is usual that there are three parts to the process: reservation contract, private contract and completion. Completion will take place in front of a Spanish Public Notary. Just because it is Spain do not assume that the process or the law that applies is any less complex than in the UK.

**Q** Do I need a bank account in the country I am buying in?  
**A** Yes.

**Q** What is the difference between an off-plan property and a resale property?

# Buying in Spain



**A** An off-plan property is a property which has not yet been built, and, may not yet have planning permission. You buy the property directly from the developer. A resale property is a property sold by an individual.. The property has already been built and you may be buying first, second, third or even subsequent transactions. Off-plan transactions need a private contract to set out what will happen if planning permission is not achieved.

**Q** Can I sell my off-plan property before completion?  
**A** Similar to above, it will depend on the conditions in the contract. If the contract is silent in this respect, you will need to have the authorisation of the seller.

**Q** Do I pay the agent a fee for finding me the property?  
**A** This varies from company to company. Unlike in the UK, in Spain the purchaser pays the Inmobiliaria, you should find out before negotiations.

**Q** Can I rent the property out?  
**A** Yes.

**Q** What costs can I expect to pay a rental agency for renting my property out for me?  
**A** It varies from management agency to management agency and it is advisable to check with more than one.

**Q** Can I get a property with a rental guarantee so I know what my income will be?  
**A** Yes, rental agreements are available but this will vary from agent to agent, you will need to research this with a reputable agent or solicitor.

**Q** How do I arrange residency in the country should I decide to go and live there?  
**A** You will become a resident in Spain if:  
 a) you spend more than 183 days in Spain in a calendar year.  
 b) you arrive in Spain with the definite intention to reside there.  
 c) your 'centre of vital interest' is Spain and even though you may spend less than 183 days in Spain.  
 d) you are from Spain even though you may spend less than 183 days in Spain. If this applies to you, you must

apply for a resident permit. Applications are made to the local police station (Comisaría de Policía) or to the Foreign Office (Oficina de Extranjeros).

**Q** What maintenance costs can I expect to pay?  
**A** It will depend on what you need to maintain. This may vary from 300 euros to three per cent of the property value annually.

**Q** If I am buying a property for an investment, what should I look for?  
**A** This will depend on many variables and we recommend that you take independent advice from a professional who knows the property and area well.

**Q** I am considering buying a property off-plan. What can I do to make sure I do not lose my money should the builder go bust?

**A** You need to instruct a solicitor who will make all the necessary enquiries. It is a legal requirement in Spanish law for the developer to possess a guarantee to the buyer for the return of all the moneys paid plus six per cent interest.

**Q** Can I take my dog or cat abroad?  
**A** The Spanish Authorities do not require a permit for you to take a pet to Spain. However, you need an export certificate. To obtain this form, you need to contact the department for environmental, Food and Rural Affairs.

**Q** Where can I find information on the hospital facilities and schools etc?  
**A** For information concerning schools you can contact the Spanish Ministry of Education whose website is [www.mec.es/educa](http://www.mec.es/educa). You can also contact the ministry's London Office. For Hospital Sociality and information, you can contact the "Ministerio de Sanidad y Consumo" (Ministry of Health) at the following website: [www.msc.es](http://www.msc.es). for the following information leaflets:  
 1. The inspection flight process  
 2. Spanish wills and inheritance  
 3. Private contracts  
 4. Cash in the Deal – why it is illegal  
 5. NIE numbers