



Buyers Guide to Spain

So you are exploring the idea of buying a property in Spain? Good choice. In order to understand the market and the value of your preferred property, we would advise you to follow the following steps for an easy, hassle-free journey:

1. Choose a lawyer

Your chosen lawyer shall provide you with the following information:

A) Title deed in the name of the vendor, showing the property to be free of charges.

B) Receipts of community and local taxes.

2. Apply for NIE – personal identification number, which will enable to purchase property in Spain

3. Sign a contract which includes completion date. In Spain, it is common practice to pay a deposit of 10% of the purchase price. Contract signed by both parties will secure property.

4. Escritura Compraventa. Approximately one month after buying your property, draw up escritura compraventa. Upon signing, balance of the purchase price is made before a Spanish Notario (notary).

5. Register your escritura at the Registro del la Propiedad.

The costs

It's important to know what are going to be costs and fees surrounding the purchase of a Spanish Property. Please find details below for calculation and estimation:

- 1) Lawyers:** Your lawyer will usually charge 1% of the purchase, plus 16% IVA (VAT).
- 2) Notary fees:** fixed by law and depends on declared value of the property
- 3) Registry fee:** also fixed by law.
- 4) Transfer tax:** 7% for resale properties but it is 16% for new developments.
- 5) Local municipal tax** based on assessed increase in the value of the property.

Who pays what?

It is normal practice that the buyer pays the above with the exception of the plus-valia tax payable by the vendor. Vendor pays Estate Agents Fee.