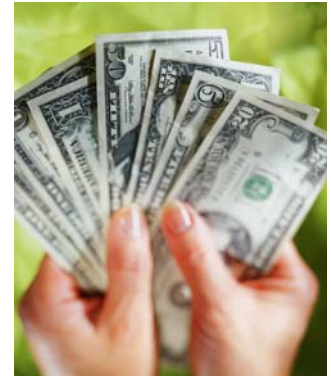


**Y**ou've found your dream home in the sun. What now? Purchasing a property in Spain is significantly different to buying a property in the UK. It is therefore most important from the outset to receive sound and impartial advice. Employing the services of a qualified, reputable lawyer (abogado) is essential.

The buying process can seem pretty daunting when you are not used to it. However a simple breakdown of the steps involved makes it easier to follow.



### **Step 1: Identify a property – Day 1**

We at Green Sea Properties can provide you with independent advice regarding buying the home of your dreams. We will accompany you whilst you view, without obligation, a range of properties, carefully selected to match your requirements.

### **Step 2: Formal offer/Reservation – Day 1**

Once you have made the decision to purchase, you will be expected to pay a reservation deposit of between 3,000€ and 6,000€. This is to confirm your serious interest, freeze the price of the property and take it off the market.

### **Step 3: Property searches – Day 1 – 29**

Your appointed lawyer will undertake the property searches, much the same as in the UK. The aim of the searches is to ensure that the seller has the right to sell the property free of any debts, charges, rights and to identify any other problems that may affect the property.

### **Step 4: Exchange of purchase contracts – Day 30 – 35**

Once all the legal searches have been completed the Private Purchase Contract will be drafted which will include all the terms and conditions of the sale and set out the completion date for the transfer. A deposit of 30% (this includes the reservation deposit already paid) is usually required to be paid at the Exchange of Contracts stage, with regard to new properties and between 10% - 20% for a resale.

**Step 5: Completion – (Varies)**

The purchase is formally concluded when the public title deeds of the purchase are signed before the Notary Public and the balance of the agreed purchase price is paid to the seller. It is at this stage that the purchaser will receive the keys to the property.

One useful piece of information for anyone buying a Spanish property is; should the seller fail to complete, penalties are payable to the buyer (usually, this is the amount already paid by the buyer plus a further 100%).

**Step 6: Post completion – 5 Days after completion**

Approximately 5 days after completion the deeds are collected from the Notary's office and all relevant taxes are paid. At this stage the process of registering the property begins. All taxes due on the property must be paid within 1 month of the completion. Formal registration of the property takes approximately 3 months. However, this is in the hands of the Land Registry Office and, on occasion, can sometimes take longer.

**Costs:**

Expect to pay around 10% of the purchase price in charges. This includes:

- Lawyers fees around 1%
- Notary and registry fees around 1%
- Stamp duty around 1%
- Plusvalia municipal; a local tax payable when a property changes hands. It could be anything from 300€ to 1,800€. This is a tax on the seller but sometimes it can be a condition of the sale that the buyer pays it.
- IVA or transfer tax; on resale homes there will be a 6% transfer tax. On new homes there will be 7% tax. On plots there will be 16% tax .

N.B. Where a mortgage is involved expect to pay around 13% in charges. This is to cover the extra Notary and registry fees, stamp duty on the mortgage deed, as well as bank charges. (Your lawyer will provide you with a full breakdown of costs before completion.)