



## **The Buying Process**

### **Financial and Legal**

**Consulting & Investment Group S.L.** works with highly recommended independent lawyers, mortgage advisers and tax advisers on the Costa del Sol and we would be happy to introduce them to you personally. Many clients feel that they can rely on their advisers, but unless they are fully conversant with the complexities of Spanish law and the Spanish language, we would strongly advise that you allow us to introduce you to professionals here on the Costa del Sol.

#### **Legal**

The Spanish convincing procedure can be complicated and may differ to your country's law. Your best option is to consult a bilingual Spanish / English speaking lawyer here on the Costa del Sol who knows the system inside out and can put your mind at rest by checking documentation, licenses and contracts thoroughly on your behalf.

#### **Mortgages**

There are several of options open to you when seeking finance for property in Spain from Spanish bank. **Consulting & Investment Group S.L.** can recommend mortgage advisers who will offer a truly independent service and guide you to a product that will suit your individual circumstances. Expect loans of up to 80%..

#### **Tax**

When buying property overseas, especially if you're planning a permanent move, it's essential to take advice on tax planning in order to make best advantage of local tax rules. Experts recommended by **Consulting & Investment Group S.L.** can cover everything from wealth tax to inheritance tax and pension planning to purchasing a property through a company for certain fiscal benefits including IVA (VAT) recovery.

**Consulting & Investment Group financial & legal team is at your service.**

## Budget, fees and taxes

Prior to purchasing a property in Spain, there are several things that you should consider. Firstly, you need to understand the buying process. Here are some basic details.

### Calculate your budget:

Always start with your budget before you begin to search for properties. Remember, taxes and other fees will have to be included so it would be advisable to add around an extra 10% to cover these costs. These other costs include aspects such as legal fees, which are usually in the region of around 1% of the purchase price plus VAT 7%. Notary fees are also around 1% of the declared value of the property and are fixed by law.

Here are example costs for a property priced at €100,000 for simplicity of the calculation with 80% mortgage: *(The same applies to more expensive properties)*

|                            |          |                 |
|----------------------------|----------|-----------------|
| <b>100% Purchase price</b> | <b>=</b> | <b>€200,000</b> |
| <b>7% Transfer tax</b>     | <b>=</b> | <b>€16,000</b>  |
| <b>1% Legal fees</b>       | <b>=</b> | <b>€2,000</b>   |
| <b>1% Notary fees</b>      | <b>=</b> | <b>€2,000</b>   |
| <b>0.6% registry fees</b>  | <b>=</b> | <b>€1,200</b>   |

**Total amount 110% = €221,200**

### Mortgages up to 80% 25-30 years and 3% annual interest rate.

**Consulting and Investment Group S.L.** knows the banking and financial system in Spain and works with the banks who gives mortgage to non residences. As long as you can justify your incomes and assets you can get the mortgage. For foreigner, the amount given by banks can reach up to 85% of the purchase price. The conditions are standard European conditions such as:

**25 -30 years** re-payment terms with annual interest rate of around **3% per year** (2009-10-15) fix or flexible.

You can calculate your exact mortgage at our web:

<http://www.cig-sol.com/mortgages.php>



### **Establish the lifestyle you desire**

After this, it is important to consider the kind of lifestyle you are looking for and what facilities attract you the most. Such amenities as swimming pools, golf courses and fitness suites are just a few of the superb facilities available.

Payments need to be made in euros and so if you live outside of Spain, this could lead to additional costs. However, you can make your money go a lot further by ensuring that you use the best currency exchange company. It would also be highly advisable to use an English speaking, Spanish lawyer in all the legal processes.

### **Buying off-plan**

If the property purchased is still under construction then instead of exchanging a private contract, we will provide you with a bank bond or insurance certificate. This is so that if the construction cannot be finished for any reason, you will be able to regain your money with interest. This will be given to your lawyer before the deposit has been handed over.

### **Surveys and evaluations**

If a mortgage is required then the company providing the mortgage will conduct official valuation giving approval of the loan. The final part is signing the title deeds before a notary, who is a local government official. If you have used a mortgage to purchase the property then a bank's representative will also be present. This is when the final payment is made.

If you require any additional information, please don't hesitate to contact [info@cig-sol.com](mailto:info@cig-sol.com).

Here at Cig-Sol, we understand the personal needs of each client and strive to exceed the requirements of each individual. Our main aim is to take on board every aspect of the clients' desires, not only offering a property but a way of life.

### **FAQs**

#### **Where do I begin with my Spanish property search?**

Using our website, you can browse the great selection of properties we have to offer. Our emailing facility means that any questions you may have can be answered and a range of ideas can be presented to help you find your perfect property.

#### **What are the advantages of using an estate agent?**

Finding a property in Spain can be made much easier and quicker using an estate agent with a good understanding of the local property market. Their invaluable knowledge and pre-screening can make sure that you find the best property for you without wasting time looking at unsuitable properties. It is advisable, however, that you also consult a lawyer.

#### **Where do I go from here?**

Start off looking through our website. Get an idea of the style of properties available and a different area to live in. Always keep in mind that any help you may need is only a phone call away.