

Purchase property on the Costa Blanca

Introduction

If you are already interested in a particular property, it is easiest to go through it all with an expert to clarify open questions.

HRService is a tax consultancy and real estate administration office in Moraira, whose cooperation we have appreciated for over 30 years and with whom we are in close contact when it comes to preparing the papers, for buyers or sellers, for the notary. Likewise, the preparation of the papers could be accompanied by a lawyer of your choice, which is not necessarily necessary from experience. With the support of HRService buyers and sellers were always very good and advised on a fair fixed price.

For those who already need a bit of information in advance, the key points to fulfill your home purchase are listed below.

Englishmen, as well as all other Europeans, can acquire real estate without any restrictions in Spain. To avoid unwanted surprises when buying, it is advisable to note the following points.

Once you have the N.I.E. (Tax ID) owns both the real estate purchase itself and the administrative files with the tax office or other authorities nothing in the way.

Purchase price and payment

Both the purchase price and the chosen payment method should be specified in the purchase contract.

In practice, a deposit (reservation and / or private purchase preliminary contract) is customary.

Mortgages and other burdens

To be sure that the property is not encumbered by mortgages or other rights in rem, you can request a land register excerpt (certificado del registro or nota simple). Its registration marks give rise to all rights which encumber the property.

Notary purchase and entry in the land register

Unlike in the UK, the registration in the Spanish land register is not necessary to acquire the ownership of a property, but is highly recommended.

Even if you have initially concluded a private contract of sale, both parties can call each other to have them certified by a notary.

It should be noted that the notary only certified the purchase. In order to create or negotiate the purchase contract, it is in any case recommended to visit a lawyer specializing in the purchase of real estate or tax consultants. Once you have completed the notarial contract of sale, it is advisable to register your rights without delay in the land registry (Registro de la Propiedad). By enrolling, you can assert your property against any third party, avoiding victims of possible fraud such as: B. the double sale or the acquisition of the unauthorized person.

Depending on the Comunidad Autónoma, you will have between 20 and 60 days to calculate and pay taxes to your Comunidad Autónoma and, if applicable, to the city government.

Other incidental costs of purchase

Taxes, notary and land registry costs are usually attributed to the buyer in the contract. If you buy from a private individual, it is quite possible to agree who has to pay what cost. If the seller is a real estate company or a company, some costs may not or only to a limited extent be passed on to the buyer.

Taxes (summary)

For tax reasons alone, it is advisable to consult an expert when purchasing real estate. Simplified, the following taxes may apply:

Commercial Transfer Tax (Impuesto sobre Transmisiones Patrimoniales)

Value Added Tax (IVA), Income Tax (IRPF),

Value Added Tax (Impuesto Municipal sobre el Incremento del valor de los Terrenos de Naturaleza Urbana)

Publicity Tax (Impuesto sobre Actos Jurídicos Documentados) etc.

Special real estate purchases

1. Real estate under construction: Especially in the area of installment payments for a property under construction, it should be noted that the property developer can provide you with proof of insurance or prove that he has taken out the obligatory bank guarantee for the insolvency case.
2. Ownership with Alternate Use (Aprovechamiento por turno): If you buy part of a property in order to use it for a certain period of time per year, important features must be taken into account.

Process of buying a property:

In summary, the process of buying a property can be divided into the following steps, which are discussed in detail in the following sections:

1. Examination of the property
2. Reservation and or purchase contract
3. Notarial deed
4. Payment of taxes
5. Land Registry and Land Registry

We will gladly assist you in analyzing your specific situation, preparing your reservation or purchase contract, taking care of any necessary administrative acts and assisting you with any queries regarding mortgages or the filing of relevant tax returns. If you are interested or have specific questions about the topic, please do not hesitate to call us or send us an e-mail in English.