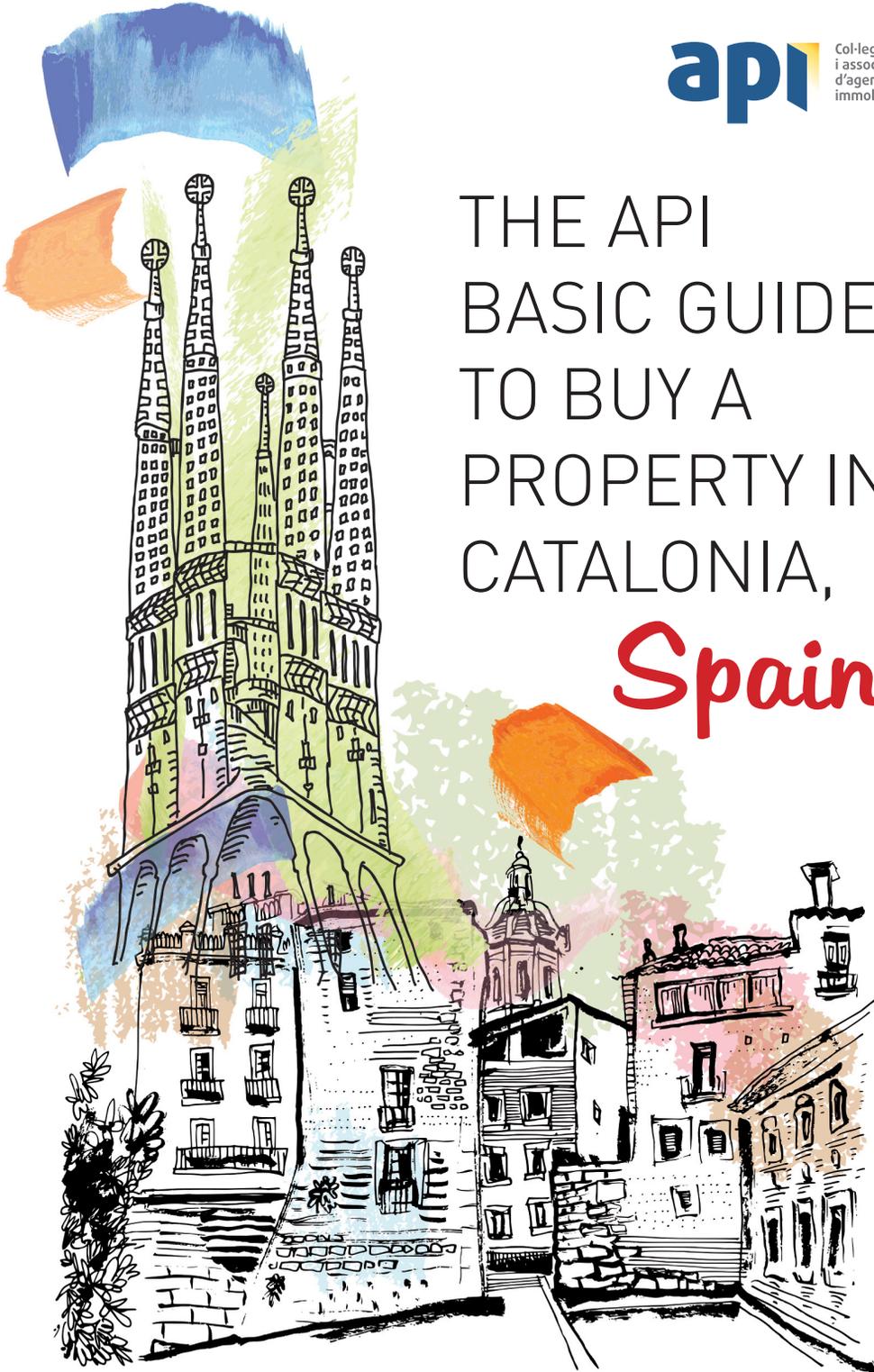


THE API
BASIC GUIDE
TO BUY A
PROPERTY IN
CATALONIA,
Spain



Are you thinking about buying a property in Catalonia?

This can be a vital decision for you. Taking into account how important this is, from the official association of Real Estate Agents in Catalonia we want to give you some little advices that can help you to take the plunge with guarantees.

We know the legal system, language and professional culture are different and the process can be hard to understand, this guide will give you basic information and tricks to understand better the property buying process in Catalonia, Spain.



step 1

HOW TO LOOK FOR THE BEST PROPERTY

In order to find the right property, it is necessary to define:

- The zone in Catalonia where you want to live: Costa Brava, Costa Dorada, a major city or Barcelona.
- The type of property you want to buy: villa, apartment, house...
- How many rooms you need or if you want any special characteristic (terrace, garden, pool, views...)
- Compare the same kind of property in different web pages and agents to be sure about your investment.
- It is also important to analyze all the property conditions quality of the materials, structure, distribution... If you have any doubts you can always consult a professional architect.
- If you want to make any renovations, check if you can do them first.
- Check other issues such as the energy performance, public transport access, services at the area...
- Have in mind that the Spanish opening hours and customs may be very different from your origin country, so it is better to visit the property at different times, morning, afternoon and night to ensure no surprises are arisen after the purchase.
- Work out your funds to know exactly how much you can afford to spend and how you will finance your property.

step 2

LOOK FOR THE BEST PROFESSIONALS

You will have to negotiate with the owner, maybe get a mortgage, know all the bureaucratic documents and payment phases, understand the culture... it is easy to buy a property in Spain but is better if you have a little help.

In order to buy properly and with confidence, it is necessary to get the best professionals advice.

Your best partner will be a **Catalan API real estate professional**, it means an agent legally registered (AICAT Catalonia Real estate agents Register), with all the insurances for civil responsibility mandatory by law and have accepted voluntarily a code of conduct and discipline.

Taking the professional real estate advice will always avoid wasting time and money.

It is highly recommended to use the services of an independent lawyer, who will check important things for you, you can always trust an API agent but the lawyers may check further things such as documentation to obtain a NIE, opening a bank account, obtaining the anti-money laundering clearance... your lawyer will check the hole process giving you more confidence.

Their cost may vary from 1.5 % to 3% range but it depends on your negotiation with your lawyer, remember always to agree their prices before start working with them.



step 3

THINK ABOUT YOUR COSTS

It is important to plan how much you want to spend on your new property.

In Catalonia you should consider paying a 13% over the sale price for buying costs and taxes:

These costs are split as follows:

| | |
|-------------------------------|-----|
| Taxes (VAT/ITP): | 10% |
| Notary fees: | 1% |
| Registration of the property: | 1% |
| Stamp duty | 1% |

All these taxes and costs may vary depending on the Spanish area you want to buy. The costs described here above are the ones in force in Catalonia in January 2017, these costs are subject to the regulatory framework and may change.

Take into consideration that buying costs are expensive in Spain, but running costs (IBI) are really cheap and you will save the starting costs during the time you will have your property in Spain.

step 4

GETTING YOUR NIE

In order to buy your property you will have to get a NIE, which is the Spanish tax number for foreigners, as you will need it for many transactions. It can take from 1 to 6 weeks.

Your API agent and your lawyer can help you to prepare all the necessary documents at the immigration office where you will have to present your passport and fill in some official forms.



step 5

HOW TO BUY

The first sales document Reservation agreement

Once you have found your property you may be asked for a reservation agreement (in Spanish: paga y señal) in order to take that specific property off the market for a period of time. It is quite usual to make this agreement. During this time, the property will not be showed to other buyers. You can request that the amount paid in the reservation agreement is guarded by the API agent, who will use it to negotiate with the seller in order to close a deal.

If the seller agrees, he will accept the deal and we will move forward with the second phase, the arras agreement.

It is your money, so make sure this is the property you want and that you can finance it before advancing any quantity.

The second sales document Preliminary sales contract

Before your reservation agreement has timed out, the API agent or your independent lawyer will prepare the preliminary sales contract (in Spanish: contrato de arras) they have to inform you about the legal and economical aspects. The best preliminary sales contract is: arras penitenciales. This is a written commitment of buying the house that penalizes the buyer or seller if they break the agreement.

In this document a lot of aspects are set: date for signing the sale contract, details of the property, included furniture's, final price, deposit already given at the arras contract...

If it is the buyer who breaches the agreement, the buyer will lose the advanced amounts, but if it is the seller who breaches the agreement, the seller will must to return the advanced arras quantity DOUBLED.

There is no notary at this buying point. Remember always to have the advice of your API agent and your independent lawyer.

The third sales document The sale contract

With the sales contract (in Spanish, escritura publica) you are completing the process. It is a sales document duly notarized and takes into consideration the previous two buying steps explained here above. The notary is chosen by the buying part so take the advice of your API agent or your lawyer.

The sales contract involves the property formal handover, you will get the keys and you will formally pay the property.

The private agreement between both parties will be declared as a public change of ownership with signed public deeds.

At this point neither part can turn back. The property belongs to you, congratulations!

step 6

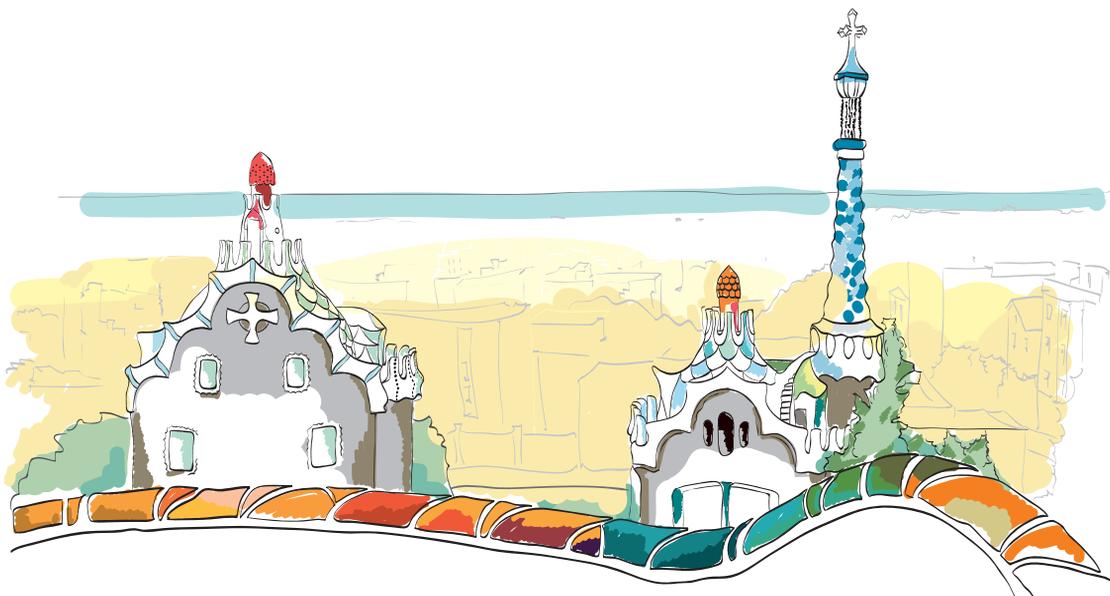
REGISTERING THE OWNERSHIP

The legal process has not finished yet. With the sales contract signed and all taxes paid the final step is the new registration at the Land property (in Spanish: registro de la propiedad). You will have to present all the buying documents, the taxes payment certificates and the cadastral information.

This registering can be done by you lawyer, your API agent or the notary as it has to be done within 30 days after the sales contract (escritura).

*Now its time to celebrate and
enjoy your new property in Spain!*





ASSOCIACIÓ D'AGENTS IMMOBILIARIS DE CATALUNYA
Gran Via de les Corts Catalanes, 622, pral.
08007 BARCELONA (Spain)
Tel. (+34) 933 175 462