

WHY **MARBELLA** ...?



...because **MARBELLA** is situated on the Mediterranean coastline with the mildest climate of the Costa del Sol. Thanks to the mountain range of the Sierra Blanca, the cold winter winds and the all too hot summer winds from the continent are shielded off. That makes **MARBELLA** the ideal all year-round holiday and residential location with an average temperature of 16°C in January and 29°C in August, furthermore, there are more than 320 sunny days yearly. There is a complete meteorological survey to be found at the end of this brochure.

... because **MARBELLA**, due to its internationality, it possesses an infrastructure of Central European standard: good roads, international schools, an extensive range of varied establishments in the gastronomy sector, shopping possibilities, an international banking service, several hospitals and excellent private medical care etc.

...because due to its exclusivity, it not only offers all the usual entertainment and sports, but also has numerous first-class golf courses and yachting ports (e.g. Puerto Banús). With its direct international connection via Malaga Airport, it is easily reached from anywhere worldwide.

...because it is an ideal starting-point from where one can discover Andalusia and its extraordinarily rich culture: The Alhambra in Granada, the Mesquita in Córdoba, the Giralda in Seville etc.

WHY **MARBELLA** ...?



...because **MARBELLA** has a charming Andalusian village center with a smell of orange and jasmine blossoms. That is where you find the Plaza de los Naranjos with its unique terraced cafés.

...because it does not only have busy areas teeming with life and flourishing businesses, but amidst some of its 27 km long coast, it hides regions that are completely calm and relaxed.

...because due to its strict building regulations, its architecture maintains the original Andalusian style and is therefore for the most part free of skyscrapers and concrete blocks, moreover, one will always find a level of construction from the highest possible level.

...because as the successor to the Côte d'Azur, **MARBELLA** is renowned all over the world and therefore one of the places that offers security for investments to the utmost degree.

... and: because **HF – HEIDI FISCHER MARBELLA PROPERTIES** offers you every possible service: the organization of the transfers, reservations of accommodation, cooperation with several lawyers' chambers (issues of the land register, tax-related aspects, modalities of investment etc.) and with several renowned architects and reliable constructors, and we will accompany you in and around **MARBELLA** – not only during office hours and not only until you buy your home but from the moment you meet us you make a valuable asset who will accompany you for as long as you need before, during and after the acquisition of your property.

REGULATIONS FOR THE PURCHASE OF PROPERTIES IN SPAIN



Below we offer you an overview of the essential legal and tax related aspects which will come into usefulness when purchasing a real estate property in Spain.

This information is intended for the use with **HF – HEIDI FISCHER** and our cooperating lawyers' chambers who will help you with the formalities of the acquisition of your property and also assist you at any time after the purchase.

Foreign real estate investment in Spain

According to the liberalized legislation (Decree 1042/1985), foreigners may freely acquire real estate for private and possibly commercial use.

The Urbanizations

The so-called "urbanizaciones" are villas and exclusive residential areas situated outside the centers of the location, in the case of **MARBELLA** for about 12 km on either side of the town.

These urbanizations have to be authorized by the community, there are always obligations referring to the use and infrastructure for which the so-called "Promotor de la Urbanización" is responsible: streets, lighting, pavements, sewage, water pipes, electric, telephone and internet cables, etc.. In addition, there are regulations concerning minimum size of plot, volume of building, distance to neighboring houses, maximum height etc.

The planning and building permit

The requirement for being granted permission by the appropriate building authority is having an application for the construction and the planning of the building by an architect, which has to be licensed the Architects' Chamber. At first, the architect has to present the building plans to his Architects' Chamber in order to have them approved. This professional association examines requirements and type of construction. The project has to be presented to the appropriate building authority with the application.

The completion of the construction

In Spain, there is also an official inspection of the new buildings which certifies its habitability and is issued by the building authority. The prerequisite for this document is the certificate of the completion of the construction by the architect. These two certificates are the basis of the documentation for the declaration of the new building by a Public Notary.

The entry of this declaration in the appropriate registry of property results in the land register being updated.

The warranty of quality

The warranty period for houses or flats is 1, 3 or 10 years, depending on the components concerned:

- 1 year for so-called aesthetic defects such as plasterwork and paint
- 3 years for defects of installation
- 10 years for defects of load-bearing components such as foundations, load-bearing beams and walls.

The warranty starts with the inspection of the building. The liability for material defects is barred after 2 years starting with the emergence or provable notification of the defects. Property developer, building contractor and architect are obliged by law to cover the risk of warranty by taking out insurance against damage to the property.

Intermediate payments according to the state of the construction at the time of the bill of sale with the obligation of construction have to be safeguarded by means of a bank guaranty or an insurance policy.

The additional costs of acquisition

When you acquire real estate in Andalucía, the incurred additional costs are:

1. VAT (IVA): 10%

or

2. Transfer tax (ITP): 7%

VAT (new properties) excludes the land purchase tax (used properties); for new properties the so-called stamp duty of approx. 1.5% applies.

For business premises and garages as well as plots of land, the VAT is 21 %.

3. Fees for Notary Public and land register. There is a scale of charges for notaries and the property register which lays down charges depending on the value in question. For a purchase price of € 500,000 the fees for the Notary Public and register amount to approx. € 1.000

4. The fees for the lawyer depend on the purchase price and the scope of professional activity and are about 1%.

5. "Plus Valia", in most cases to be paid by the vendor: local tax which depends on the municipality, property size and period since the last sale.

The land registers

There is no land register comparable to the Central European conception. The "Registro de la Propiedad" is just a register of properties. There is no obligation to register a property. Due to the volume of investment on the Costa del Sol and in MARBELLA in particular, the situation of the register has gradually been adapted to Central European conditions. And it is therefore not conceivable for us to work with a property which has not been entered in a land register.

The entry in the register of properties is carried out following the notary's certification of the sale.

Provided that buyer and vendor agree, they make a private contract first, in the form of a bill of sale or an option contract that is obliging from the outset. Normally, a deposit of about 10% is paid at that time. When paying the remaining sum, buyer and vendor or their authorized representatives go to the notary and sign the "escritura" (notarial document of property ownership or title deed). Afterwards, the notary makes out the "copia simple de la escritura". The proper notarial contract, the "copia autorizada" reaches the property after a detour via the tax office and the municipality for final registration.

SOME IMPORTANT INFORMATION



To conclude a bill of sale for real estate, it is necessary to open an account with a bank in **MARBELLA**. Amongst other things, it is used for paying regular bills for water, electricity, property tax, telephone, insurance premiums etc.

Regular costs after registration

Values for an investment of about € 500.000

- I.B.I. (Impuesto sobre Bienes Inmuebles) Urban tax: depends on the area and its land value as well as on the type of real estate: approx. € 1.000,- /year
- Garbage collection, depending on area: approx. € 200,-/year
- Income tax (a kind of imputed rent): approx. € 750.- / year
- Wealth tax: Minor tax with an allowance of up to 700,000,-€ per person. Therefore, this becomes 1.4 million € of allowance for a married couple of buyers who don't own more property in Spain.
- Community charges, e.g. lighting, water, maintenance of the communal swimming pool and gardens and building insurance: approx. € 1,800.- / year

We can provide you with insurance against burglary, fire, water, thunderstorm, accident etc. With competent insurance companies. If you don't live in MARBELLA permanently, we advise you to deposit a key with friends or in our office, so that matters can be attended to in case any damage occurs. We can find a gardener who will also deal with any other maintenance work. It is also easy to get a cleaning service.

Key copies

if you don't live in **MARBELLA** permanently, we advise you to deposit a key with friends or in our office, so that matters can be attended to in case any damage occurs. We can find a gardener who will also deal with any Other maintenance work. It is also easy to get a cleaning service.

Maintenance

We are still available for you after you buy your property. If you take this gift we give into use we will be sure to take care of any maintenance issue your new property might have.

- Special Taxi fares
- Gardener, pool man and maids
- Coordination of repairs in the property
- Matters related to local authorities and legal issues as well as taxes.

The **formalities** of taking over the property usually take up to 1 month of intensive work to ensure that the new property is fit for you. If necessary we will take over for you from the stage of notaries takeover of the property and arrange for all the work you want to be completed. Our help will be free for the first month.

After this, you can, if you so please, hire us to ensure that the management of your property is up to the highest possible standards. We guarantee that our services will please you greatly, and all of this for a modest fee which is not profit seeking.

As far as furnishing your home is concerned, we shall be pleased to accompany you to various furniture companies with reasonable prices. Furthermore, we cooperate with several interior designers who do the furnishing just as the client wants it.

General Information

The property tax and the refuse collection have to be paid for every 6 or 12 months, which can easily be attended to by a standing order at the bank.

All foreigners and also Spanish, resident or non-resident, natural or legal entities, need a foreigner's or tax number, as the case may be (N.I.E./N.I.F.) in order to carry out any kind of real estate or financial business in Spain. If you wish, we can help you apply for this document. Moreover, all owners of real estate who are not residents are obliged to engage a resident with tax-related representations. Normally, a lawyer will attend to this. If you have any questions, problems or communication difficulties, we shall be pleased to help you at any time.

We speak German, Swiss German, English, French, Italian and naturally Spanish. We are also ready to help you after your purchase. The transfer formalities need an intensive phase of about 1 month.

If you wish, we can take care of the work to be done from the notary's transfer onwards. After that, you can entrust us with the administration if you wish. Our modest charges ensure satisfied customers and are not profit seeking.