



LUNESSA HOMES
COSTA DEL SOL

THE BUYER'S GUIDE

Buying a home on the Costa del Sol

Every stage of a purchase in the south of Spain, explained in plain English, for buyers who live here and buyers who live abroad.

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What is in this guide

Thirty-two short chapters covering a Costa del Sol purchase from the first decision to the year after you take the keys, written for a reader who has never bought a home in Spain. Where residents and non-residents are treated differently, the guide says so.

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Every figure was checked against an official Spanish or European source on 18 September 2026. This guide is general information, not legal, tax or financial advice.

CHAPTER ONE

What you are buying

Spanish property is owned outright, and a purchase is recorded in two different official records. Understanding those two records explains almost every check later in this guide.

YOU OWN IT OUTRIGHT

There is no freehold and leasehold split in Spain. You own the property itself. An apartment is owned outright together with a share of the common parts of the building, so there is no landlord, no ground rent and no lease running down.

That share is your *cuota de participación*, a percentage set out in the building's founding deed. It decides how much of the shared costs you pay and how much your vote weighs at a meeting of the owners.

THE TWO RECORDS

THE LAND REGISTRY — *REGISTRO DE LA PROPIEDAD*

Says who owns the property and what debts or charges are attached to it. This is the record that decides ownership. A short extract from it, the *nota simple*, is the single most useful document in a purchase.

THE CADASTRE — *CATASTRO*

Describes what physically exists: the plot, the building, its surfaces and its official value for tax. This record decides how the property is taxed.

The two should describe the same property. Where they do not, something has been built, extended or divided without being declared, and that is a problem you would inherit. Chapter seventeen deals with it.

THE SQUARE METRES ARE NOT WHAT YOU THINK

A listing normally quotes **superficie construida**, the built area, which includes the thickness of the walls and a share of the common parts of the building. The space you can actually walk on is the **superficie útil**, the usable area, and it is commonly ten to twenty per cent smaller.

Ask for both. Comparing two properties on built area alone can flatter one of them by a whole room.

WHAT MAKES A PURCHASE SAFE

The deed, the registry extract, the cadastral record, the licences and the community's accounts are all obtainable, most of them in days, several of them free. The method in this guide is to read them in the right order, before money moves.

CHAPTER TWO

The coast, town by town

The Costa del Sol is about 150 kilometres of coastline in the province of Málaga. Prices across it differ by more than half, and the towns are genuinely different places rather than one resort with different names.

WHAT THE AVERAGES LOOK LIKE

TOWN	AVERAGE PRICE PER M²	WHAT €400,000 BUYS
Mijas	€3,684	109 m²
Nerja	€3,952	101 m²
Benalmádena	€4,139	97 m²
Torremolinos	€4,229	95 m²
Estepona	€4,307	93 m²
Fuengirola	€4,451	90 m²
Benahavís	€5,413	74 m²
Marbella	€5,956	67 m²

Averages for 2026, sourced from idealista. An average covers a whole municipality, so a sea-front apartment and one twenty minutes inland sit inside the same number. Use it to compare towns, not to value a particular property.



Two things move a price far more than the town does. The first is distance from the sea: the same building specification loses value quickly as you go inland and uphill. The second is whether the property looks at something. A sea view, or an open view over a valley, is priced separately from the rooms behind it.

WEST OF MÁLAGA

TORREMOLINOS AND BENALMÁDENA

Closest to the airport, busy all year, and the easiest part of the coast to live in without a car. Good transport, including the train into Málaga. Prices are among the lowest on the western side.

FUENGIROLA AND MIJAS

Fuengirola is dense, flat and walkable with a long promenade and the same train line. Mijas covers a large area, from the coastal strip up to a white village in the hills, which is why its average is the lowest in the table and least useful.

MARBELLA, BENAHAVÍS AND THE GOLDEN MILE

The most expensive part of the coast, and the deepest market for larger villas and higher-value apartments. Marbella's old town is a genuine town centre. Much of the rest is gated developments reached by car.

ESTEPONA

A working Spanish town with a restored old centre, cheaper than Marbella and increasingly the choice of buyers who want a town rather than a resort.

EAST OF MÁLAGA

THE AXARQUÍA, AND NERJA

Quieter, greener and more Spanish, with dramatic coastline and white villages such as Frigiliana and Cómpeta inland. Further from the airport, roughly an hour to Nerja, and considerably cheaper for the same sea view.

HOW TO CHOOSE

- **Decide the drive first.** How long from the airport are you willing to spend, at the end of a flight, several times a year? That one answer removes half the coast.
- **Decide whether you want to walk.** A town centre and a hillside development are different lives. Neither is better, but they are not interchangeable.
- **Visit in more than one season.** A road that is quiet in February can be a different road in August, and a north-facing terrace is a different terrace in winter.
- **Look one town along.** The next town inland or east is frequently twenty per cent cheaper for the same building, the same view and ten more minutes in the car.



CHAPTER THREE

Resident or non-resident

Anybody may buy property in Spain, of any nationality, resident or not. What differs is the tax, the lending and the paperwork, so it is worth knowing which side of the line you are on before you start.

WHAT DECIDES IT

You are tax resident in Spain if you spend more than 183 days there in a calendar year, or if your main economic interests are based there. It is a question of fact, not of choice, and it is separate from owning a home: you can own a Spanish property for thirty years and never be resident.

	NON-RESIDENT BUYER	RESIDENT BUYER
Right to buy	Unrestricted.	Unrestricted.
Purchase tax on a resale	7% in Andalucía.	7%, reduced to 6% or 3.5% on a main home within the limits in chapter five.
Mortgage	Banks generally lend 60% to 70% of the price or the valuation, whichever is lower.	Up to 80% on a main home.
Annual tax on a home you do not let	Payable, on a notional income. Chapter eight.	Not payable on your main home.
Tax on rental income	19% or 24% of the rent, depending on where you live. Chapter twenty-four.	Declared in your Spanish income tax return, with expenses deductible.
When you sell	19% on the gain, and the buyer withholds 3% of the price on account of it.	Declared in your Spanish income tax return. Relief may apply on a main home.
Time you may spend in Spain	Set by your nationality and any visa you hold. Chapter twenty-five.	Unrestricted, under your residence permit.

Nothing in the buying process itself is closed to a non-resident. The differences are all in what happens afterwards, and every one of them can be budgeted for in advance.



CHAPTER FOUR

What a purchase costs on top of the price

The single most common mistake is budgeting the asking price. Costs on top run to roughly 9% on a resale and 13% on a new build, and they are payable in cash at the notary. Work backwards from what you can spend in total.

A RESALE AT €350,000

ITEM	WHAT IT IS	AMOUNT
Transfer tax (ITP) 7%	The regional tax on the transfer of a second-hand property, paid by the buyer.	€24,500
Your own lawyer about 1% plus IVA	An independent Spanish lawyer acting only for you. IVA is Spanish VAT.	€4,200
Notary	The public official before whom the deed is signed. The fee follows a public scale.	€1,000
Land registry	Recording you as the new legal owner.	€700
Administration	The <i>gestoría</i> , an agency that files the tax return and the paperwork.	€400
Total, about 8.8% of the price		€30,800

A NEW BUILD AT €350,000

ITEM	WHAT IT IS	AMOUNT
IVA 10%	Spanish VAT, charged on the first sale of a new home by the developer.	€35,000
Stamp duty (AJD) 1.2%	A tax on the signed deed itself, charged in addition to IVA.	€4,200
Lawyer, notary, registry, administration	The same professional costs as on a resale.	€6,300
Total, about 13% of the price		€45,500

Professional fees are typical figures and vary between firms. The taxes are fixed by law. Budget 10 to 11% on a resale and 12 to 14% on a new build, so that a survey, a mortgage arrangement fee or a movement in the exchange rate does not catch you short.

CHAPTER FIVE

The reference value and the reduced rates

Transfer tax is not always charged on what you pay. It is charged on the higher of the price and an official value the state assigns to the property, so a bargain can still be taxed as though it were not one.

THE VALOR DE REFERENCIA

The cadastre publishes a **reference value** for almost every property in Spain, worked out from registered sale prices in the area. For transfer tax, the taxable base is the reference value or the agreed price, whichever is higher.

You can look up any property's reference value yourself, free, on the cadastre's website using its cadastral reference. Do it before you agree a price. If the reference value is well above the price, the extra tax is a real cost of that purchase and belongs in your sums.

If you believe the reference value is wrong for the property, it can be challenged, but you pay the tax first and argue afterwards.

THE ANDALUCÍA RATES

WHO	TRANSFER TAX	STAMP DUTY ON A NEW BUILD	VALUE LIMIT
Standard rate, any buyer	7%	1.2%	—
Buying a main home	6%	1%	€150,000
Buyer under 35	3.5%	0.3%	€150,000
Buyer with a recognised disability	3.5%	0.1%	€250,000
Member of a large family	3.5%	0.1%	€250,000
Victim of domestic violence or terrorism	3.5%	0.3%	€150,000
Main home in a municipality under 3,000 people	3.5%	0.3%	€150,000

Rates set by articles 43 and 50 of Andalucía's Ley 5/2021. Every reduced rate requires the property to be the buyer's main home and the value to be at or below the limit shown. Where two people buy jointly and only one of them qualifies, the reduced rate applies to that person's share alone.

CHAPTER SIX

Moving the money into Spain

If you are converting another currency, the exchange rate you get is worth more attention than almost any other cost in this guide. On a purchase of a few hundred thousand euros it is the largest saving available to you.

THE RATE, NOT THE FEE

Banks and money transfer companies both advertise low fees. The fee is rarely where the money goes. The difference sits in the exchange rate itself, in the margin added to the rate at which currencies actually trade, and on a large transfer that margin can run to thousands of euros.

Ask each provider the same question: *how many euros will land in my Spanish account, in total, today?* One number, from each, on the same day. That comparison is the whole exercise.

FIXING THE RATE IN ADVANCE

A currency specialist can usually fix a rate for a future date, so that the sum you have budgeted is the sum that arrives even if the market moves before completion. Where the gap between the contract and the signing is two or three months, that certainty is often worth more than a slightly better rate today.

WHAT SPAIN WILL ASK YOU

Spanish banks and notaries are required to establish where the money came from. Expect to evidence it, and to be delayed if you cannot.

- Bank statements showing the funds and how they were built up.
- Documents for the source: a property sale, a pension release, a business sale, an inheritance, savings accumulated from employment.
- An explanation of any large or unusual single credit into the account.

Two practical points. Send the money in your own name, from an account in your own name, to your own Spanish account. And send it in good time: allow several working days before the signing, and never plan for the funds to arrive on the day itself.

DECLARING THE TRANSFER

Spain records incoming transfers from abroad for statistical purposes, and your bank normally handles this for you as part of receiving the money. It is a reporting formality, not a tax, and not a restriction on bringing funds in.

CHAPTER SEVEN

A Spanish mortgage as a non-resident

Spanish banks lend to non-residents routinely. They lend less than they would to a resident, and they lend against their own valuation rather than the price, which changes how much cash you need to have.

HOW MUCH THEY LEND

Expect **60% to 70%** of the purchase price or the bank's valuation, whichever is lower. A resident buying a main home may be offered up to 80%.

ON A €400,000 PURCHASE	LOAN	YOUR SHARE OF THE PRICE	COSTS	TOTAL YOU NEED
Bank lends 70%	€280,000	€120,000	€42,000	€162,000
Bank lends 60%	€240,000	€160,000	€42,000	€202,000

None of your share can be borrowed against the Spanish property. The valuation fee and any arrangement fee sit on top of the figures above.

THE VALUATION DECIDES THE LOAN

The bank instructs an approved valuer, and you pay for it. If the valuation comes in below the price, the bank lends its percentage of the *valuation*, not of the price, and you make up the difference in cash. Keep a margin for that possibility.

WHAT THEY WILL ASK FOR

- Passport and NIE.
- Proof of income: payslips and an employment letter, or accounts and tax returns if you work for yourself.
- Your last tax return from your own country.
- Bank statements, usually six months.
- A list of your existing borrowing, including your mortgage at home.

Banks generally want total borrowing, including the new loan, to stay within about 30 to 35% of your net monthly income. Terms usually run up to 20 or 25 years and are commonly required to finish by age 70 to 75.

TWO THINGS TO GET RIGHT

Get a decision in principle *before* you offer, so you know your real budget and can say honestly that your finance is arranged. And make sure any reservation or deposit contract says in writing what happens if the mortgage is refused. Without that clause the deposit can be lost.

CHAPTER EIGHT

What a home costs to run each year

None of the yearly charges is large on its own. Together they are a real figure, and they are the ones buyers most often leave out of the sums.

IBI, THE MUNICIPAL PROPERTY TAX

The nearest thing Spain has to council tax, set and billed by the town hall. It is charged on the *valor catastral*, the cadastral value, which is well below market value. For 2024, the most recent year published when this guide was written, Málaga city set its general rate for urban property at 0.4510% of that value.

Whoever owns the property on **1 January** is liable for that whole year's IBI, whatever the buyer and seller agree privately. Ask to see a paid-up receipt before you complete.

THE REFUSE CHARGE AND THE COMMUNITY

The town hall bills separately for refuse collection, the *tasa de basura*, whether or not you are in residence. If the property is in a block or a managed development you also pay a share of the shared costs. There is no useful average for community fees, because a small block with a stairwell costs a fraction of a gated estate with a heated pool and security. The only figure worth relying on is the one in that community's own accounts.

THE NON-RESIDENT RETURN ON A HOME YOU DO NOT LET

Spain treats a property kept for your own use as producing a notional income, and taxes it every year even if it is never let and never occupied.

- 1 Take the cadastral value.
- 2 The notional income is **1.1%** of it where cadastral values in that town have been revised in the last ten tax years, and **2%** where they have not. No expenses are deductible.
- 3 Tax is **19%** for residents of the EU, Iceland, Norway and Liechtenstein, and **24%** for residents of everywhere else.

On a cadastral value of €120,000 at the 1.1% figure, the notional income is €1,320 and the tax is €316.80 a year for an owner outside the EU, or €250.80 inside it. The return is **Modelo 210**, filed once a year. The 2026 return may be filed from 1 April to 31 December 2027.

WEALTH TAX

Andalucía applies full relief from the regional wealth tax, so most owners here pay none. A separate national tax applies to Spanish assets above €3 million.

CHAPTER NINE

Your NIE, bank and power of attorney

Three pieces of administration stand between you and being able to buy. None is difficult. All three take longer than people expect, so start them as soon as you are serious rather than when you have found a property.

THE NIE

The **NIE**, *número de identidad de extranjero*, is the tax and identity number Spain gives to foreign nationals. Nothing can be bought, taxed, registered or connected to a utility without one. It is a number, not a residence permit.

There are three ways to get it.

- 1 **In Spain**, at a national police station that handles foreign nationals. You book an appointment, submit form EX-15, show your passport, and pay a small fee using form 790 code 012, currently €9.84. The police must decide the application within five days of receiving it.
- 2 **At a Spanish consulate** in your own country, before you travel. Usually slower, but it means arriving with the number already in hand.
- 3 **Through a representative** holding a power of attorney, who applies on your behalf. This is what most non-resident buyers do.

The appointment is the slow part, not the decision, and in busy months it can be weeks away.

A SPANISH BANK ACCOUNT

You need one. The purchase is paid by banker's draft drawn on a Spanish bank, and afterwards the utilities, the community fees and the local taxes are all collected by direct debit from a Spanish account.

Banks ask for your passport, your NIE, proof of your address abroad, and evidence of income and of where your money comes from. Open it early: an account opened calmly in advance is far easier than one opened in the week of completion.

POWER OF ATTORNEY

A *poder notarial* lets somebody you name, normally your lawyer, act for you in Spain. It is what allows a purchase to complete while you are at home and at work.

It is signed before a notary. If you sign it in Spain it takes effect immediately. If you sign it abroad, before a notary there, it needs an **apostille** — an international certificate confirming the document is genuine so that Spain will accept it — and an official translation.

Have it drawn to cover exactly what is needed and no more: the purchase, the NIE application, opening the account, the utilities, the tax filings. A power of attorney is a real grant of authority, so give it to somebody you have chosen and can hold to account, and set an end date.

CHAPTER TEN

Your own lawyer

This is the most important decision in the whole purchase, and it is made before you have found a property. An independent Spanish lawyer acting only for you is what makes the purchase a checked transaction.

WHY THE NOTARY IS NOT ENOUGH

The notary is a public official who confirms identities, reads the deed, witnesses the signing and sends it for registration. The notary is neutral between buyer and seller, and does not investigate the property's history, chase a missing licence or advise you on whether to buy. Nobody in the room is looking after your interests unless you have brought them.

INDEPENDENT MEANS INSTRUCTED BY YOU

Ask directly: *do you act for the seller, the developer or the agency in this transaction, or have you in the past?* A lawyer recommended by the agency may be entirely competent, and may also have a relationship worth more than your one purchase. The answer should be on the record.

Check the lawyer is registered with a Spanish bar association, the *Colegio de Abogados*, and ask for the registration number.

WHAT THEY SHOULD DO

- ☐ Obtain the *nota simple* and confirm the seller owns what is being sold.
- ☐ Check for mortgages, charges, embargoes and rights of way.
- ☐ Compare the registry entry with the cadastre and with the building in front of you.
- ☐ Confirm licences: first occupation, and any alteration or extension.
- ☐ Obtain the community certificate confirming fees are paid, and read the recent minutes.
- ☐ Check the municipal property tax and utilities are up to date.
- ☐ Draft or review the reservation and the arras contract, in your interest.
- ☐ Calculate the taxes and the completion figures.
- ☐ Attend the signing, then register the deed, pay the taxes and update the cadastre.

WHAT IT COSTS, AND WHAT TO AGREE FIRST

About **1% of the price plus IVA** is the usual range, often with a minimum. Get the fee in writing before you instruct, and ask what it includes: the tax filings and the registration are sometimes quoted separately.

Ask for the findings **in writing**, before the arras contract is signed. A verbal reassurance on the telephone is not a report, and the written version is what lets you make a decision with everything in front of you.

CHAPTER ELEVEN

How the market here works

The Costa del Sol market is not arranged the way most buyers expect. Knowing how it actually works saves a great deal of wasted travel and explains why the same property keeps appearing.

LISTINGS ARE SHARED

Most agencies here work from shared databases, so the same property is advertised by many different agencies at the same time, sometimes with different photographs, different descriptions and occasionally different prices. Seeing a property in five places does not mean five properties are available, and it does not mean it is in demand.

The practical consequence is that you rarely need to register with a dozen agencies to see what is on the market. You do need one point of contact who will tell you honestly which of those listings is the same flat.

WHO THE AGENCY ACTS FOR

An agency is instructed by the seller and is paid by the seller. That is normal and it is not a criticism, but it does mean the person showing you the property is not your adviser. Take what you are told as information to verify rather than as advice given on your behalf.

READ A LISTING CAREFULLY

THE FLOOR AREA

Usually the built area, which includes walls and a share of common parts. Ask for the usable area before you compare two properties. Chapter one explains the difference.

TERRACES AND PLOTS

Terrace and plot area is often added into a headline figure. A 120 m² apartment with 40 m² of that on the terrace is an 80 m² apartment.

THE PHOTOGRAPHS

Wide-angle lenses are standard. Look for a photograph of every room, and be curious about the room that is missing.

THE PRICE

An asking price is an opening position, not a valuation. What matters is what comparable properties in that specific street or development have actually sold for.

WHAT A PROPERTY IS WORTH

There is no public record of sold prices in Spain of the kind some countries have. Value is established by comparison: what similar properties in the same development or the same few streets are asking, how long they have been on the market, and what the cadastre's reference value says. Any of those on its own is weak. Together they are a reasonable picture.

CHAPTER TWELVE

Viewing, and what to look at

Most buyers come for a few days and see too many properties. A viewing trip works better when it is planned as research into two or three areas rather than a tour of everything available.

PLANNING THE TRIP

- **Six to eight properties over three to five days** is plenty. After the eighth, they blur, and you start choosing by which one you saw last.
- **Narrow the areas before you fly.** Two towns, seen properly, teach you more than six seen from a car.
- **Rule out on paper first.** Floor area, floor level, lift, parking, orientation and community fees can all be checked before you travel.
- **Leave gaps.** Half an hour between viewings to walk the street, buy a coffee and look at who else is there is worth more than another appointment.
- **Go back a second time,** at a different hour, to the one or two you are serious about.

LOOK AT THE AREA, NOT JUST THE PROPERTY

You are buying a location for years and a flat for as long as you want it. Walk from the property to the things you would actually use: the supermarket, a bar, the beach, the bus stop, the nearest medical centre. Do it on foot, in the heat, carrying something.

Then look at the practical questions the photographs never answer. Where would guests park? Is the road lit at night? What is above, below and next door? Is there building work planned on the empty plot opposite, and has the town hall granted a licence for it?

QUESTIONS WORTH ASKING AT EVERY VIEWING

- ☐ How long has it been on the market, and has the price moved?
- ☐ Why is the owner selling?
- ☐ What are the community fees, and when were they last increased?
- ☐ Has any special levy been approved or discussed?
- ☐ What exactly is included in the price?
- ☐ Is the property registered, described and licensed as it stands today?
- ☐ What does it cost to run for a year, with the bills to show it?

ORIENTATION

This matters more in southern Spain than in a cooler country, and it is the one thing about a property that can never be changed.

- **South** gives sun through the middle of the day all year. The most sought after, and the warmest in summer.
- **South-west and west** give afternoon and evening sun, and the terrace people actually use. Hot in late summer.
- **South-east and east** give morning sun and cooler afternoons. Often underrated and cheaper.
- **North** gets little direct sun and can be cold and damp in winter. Occupied mostly in high summer, it can be an advantage. Lived in through the year, it is not.

Take a compass reading on your phone at the viewing rather than relying on what you are told.

DAMP

Winters here are wetter than visitors expect and many buildings are constructed without a damp course. Look along the bottom of external walls, behind furniture, in built-in wardrobes, in corners of north-facing rooms and around window reveals. Bubbled paint, a chalky bloom on the plaster, a fresh patch of paint in one place only, or a smell of must in a cupboard are all worth asking about directly.

WINDOWS, HEATING AND COOLING

Single glazing is still common. Double glazing makes a real difference to noise, to heat in August and to warmth in January. Ask whether the air conditioning also heats, when it was installed and when it was last serviced. A property with no heating at all is uncomfortable for three months of the year.

THE ELECTRICITY SUPPLY

Check the *potencia contratada*, the contracted power in kilowatts, on a bill. Older properties are sometimes contracted at a level that will trip when the oven, the water heater and the air conditioning run together. It can be increased, at a cost, but you want to know before you buy.

NOISE, PARKING AND STORAGE

Visit once in the evening. A terrace above a bar, a road that becomes a route at night, or a pool directly below a bedroom window are all easy to miss at eleven in the morning. Confirm whether a parking space and a storeroom are included and, if so, that they are listed on the deed rather than merely used by the current owner.

CHAPTER THIRTEEN

The building and the community

Buying an apartment means joining a *comunidad de propietarios*, the body of all the owners in the building or development. It decides things that cost you money, and its records are the best warning you will get about the building.

WHAT IT IS AND HOW IT DECIDES

Every owner belongs automatically and pays a share of the shared costs according to their participation quota. The community meets at least once a year to approve the accounts, set the budget and decide on works. Decisions bind every owner, including those who voted against and those who did not attend.

THE DERRAMA

A **derrama** is a one-off levy for something the ordinary fees do not cover: a new roof, a lift, a rewire, a repaired facade. It can be a substantial sum, and the law is clear about who pays it. Levies for improvements fall on whoever owns the property when the payment becomes due, so a levy approved shortly before you buy can become yours.

This is why the minutes matter more than the photographs.

WHAT TO ASK FOR, IN WRITING

- ☐ Minutes of the last three annual meetings, and of any extraordinary meeting.
- ☐ The current budget and the annual accounts.
- ☐ The community's statutes and internal rules.
- ☐ A certificate confirming the seller's fees are paid up to date.
- ☐ Confirmation of any levy approved, planned or under discussion.
- ☐ Whether short-term tourist letting is permitted, restricted or prohibited.

HOW TO READ THE MINUTES

You are looking for four things: repairs discussed but postponed, a reserve fund that is low or empty, arguments about owners who do not pay, and any vote on letting. A community that has been putting off a roof for three years has a bill coming, and the date it is approved decides whose bill it is.

Rules also matter for how you will live there: pets, terrace glazing, awnings, satellite dishes, noise hours and the use of the pool are all commonly regulated. Read them before you buy.

CHAPTER FOURTEEN

New build or resale

Both are ordinary purchases with different risks and a different tax bill. The choice is usually decided by how soon you want to be in the property and how much certainty you want about what you are getting.

	RESALE	NEW BUILD FROM THE DEVELOPER
Tax	7% transfer tax.	10% IVA plus 1.2% stamp duty, which is 11.2%.
Budget on top of the price	10 to 11%.	12 to 14%.
Time to completion	6 to 12 weeks in cash, 8 to 16 with a mortgage.	When the building is finished and licensed, which may be years away.
What you are buying	The actual rooms, the actual view and a street you can walk today.	Plans, a specification and usually a show home.
Payment	Deposit, then the balance at the notary.	Deposit, then stage payments during the build, then the balance.
Guarantees	Whatever remains of the new-build cover, if the building is under ten years old.	Ten years on the structure, three on installations, one on finishes.
Position	Often more central, because the towns were built before the current wave of development.	Where land was available, which is often further out.

IF YOU BUY OFF PLAN

Every instalment you pay before the building is finished must be protected by a bank guarantee or an insurance policy, held in a separate account, so that your money is returned if the development is not completed. This is a legal requirement and it is not optional.

Ask for the guarantee document itself, in your name, for each payment. Do not accept an assurance that one exists, and do not pay an instalment until you hold it.

The contract, not the brochure, is what you are buying. Check that it states the specification and the materials, the completion date, what happens and what you are owed if that date is missed, the plans with dimensions, and what is included down to the kitchen and the wardrobes.

CHAPTER FIFTEEN

The title and the land registry

One short document answers most of the questions that matter about a property. It costs a few euros, arrives the same day, and is the first thing to obtain once you are seriously interested.

THE NOTA SIMPLE

A *nota simple* is an extract from the land registry. It sets out the description of the property, who owns it and in what shares, and every charge registered against it. It can be requested online by anybody, using the cadastral reference or the registry details, and it should be dated close to the purchase rather than pulled from a file.

WHAT TO CHECK ON IT

- ☐ **The owner.** The names on it must match the people signing, exactly. If an owner has died, the inheritance must be registered before a sale.
- ☐ **The description.** Compare the rooms, the surfaces and the boundaries with the property you stood in.
- ☐ **A mortgage.** Common and not a problem, provided it is cancelled and removed from the register as part of the sale, with the figures agreed at the notary.
- ☐ **An embargo.** A charge registered by a creditor, including the tax office or the community. It stays with the property until cleared.
- ☐ **A servidumbre.** A right somebody else holds over the land, such as a right of way or a right to run a pipe across it.
- ☐ **Any note about a legal dispute** or a pending claim affecting the property.

REGISTRY AND CADASTRE ARE DIFFERENT RECORDS

The land registry decides who owns the property. The cadastre decides how it is taxed and records what physically exists. They are separate bodies and they are not always consistent.

Where the cadastre shows 140 m² and the registry shows 110 m², something has been built or enclosed without being declared on the title. It may be straightforward to regularise, or it may not be regularisable at all. Either way it is a question to answer before the arras contract, not after.

REGISTRATION PROTECTS YOU

Registering your deed is not a formality. Until the purchase is registered, the register still shows the seller as owner, and a third party dealing with the register in good faith is protected ahead of you. Your lawyer should register promptly and send you the registered copy.

CHAPTER SIXTEEN

Debts that travel with the property

In Spain some debts attach to the property rather than to the person who ran them up. They pass to you with the property, so they are checked before you commit.

COMMUNITY FEES

Unpaid community fees follow the property for the **current year and the three preceding calendar years**. If the seller owes for that period, the community can pursue you as the new owner.

The protection is simple and it is your right: before completion the seller must produce a certificate from the community's administrator confirming the fees are paid up to date. The notary should have it on the day. Do not sign without seeing it.

THE MUNICIPAL PROPERTY TAX AND THE REFUSE CHARGE

IBI attaches to the property in the same way. Ask for paid receipts for the last four years. Remember also that whoever owns the property on 1 January is liable for that whole year, so apportioning it between buyer and seller is a private arrangement to put in the contract.

PLUSVALÍA, AND WHY IT CAN LAND ON YOU

The *plusvalía municipal* is the town hall's tax on the increase in the value of the land since the seller acquired it. The seller pays it. But where the seller is an individual who is not resident in Spain, the law makes the **buyer the substitute taxpayer**, which means the town hall can require it from you.

The remedy is to retain the amount from the price at the notary and pay it directly, which is normal practice. If the land has not increased in value since the seller bought, the tax is not due, but the position still has to be declared.

THE 3% RETENTION WHEN THE SELLER IS NON-RESIDENT

If the seller is not resident in Spain, you as buyer are required to withhold **3% of the price** and pay it to the Spanish tax office on account of the seller's tax on the gain, using Modelo 211, within a month of the sale. It is the buyer's obligation, and failing to do it makes the property answerable for the amount.

UTILITIES AND THE MORTGAGE

Ask for recent electricity and water bills and check they are paid. Any mortgage on the property must be cancelled at the notary out of the price and removed from the register. The redemption figure is requested from the bank for the day of signing.

CHAPTER SEVENTEEN

Licences, extensions and the AFO

A great deal of building on this coast was done without a licence, or with one that was never completed. It is usually visible in the paperwork long before it is visible in the building.

THE LICENCE OF FIRST OCCUPATION

The *licencia de primera ocupación* is the town hall's confirmation that a building was completed in accordance with its licence and may be lived in. Without it, connecting utilities can be difficult and a future buyer's lawyer will raise it. Ask to see it, whatever the age of the building.

WORK DONE SINCE

An enclosed terrace, a converted garage, a loft room, a pool, a porch, a pergola, a boundary wall: all of these normally need a town hall licence, and all of them should appear on the registry entry and in the cadastre once declared.

Compare three things: the registry description, the cadastral plan, and the building in front of you. A difference between them is the single most common defect in a Costa del Sol purchase. Sometimes it is harmless and easily declared. Sometimes the work cannot be legalised at all, and then it is your problem when you come to sell.

THE AFO

Where a building was put up without a licence and enough time has passed that the town hall can no longer act against it, Andalucía provides a declaration known as an **AFO**, *asimilado a fuera de ordenación*. It recognises the building and allows basic services, without making it fully lawful.

An AFO property can be bought, sold and mortgaged, though some banks decline to lend on one. What it does not give you is a right to extend or rebuild. The conditions and the procedure are set by each town hall, so what applies to a specific property must be confirmed with that town hall before you commit.

THE QUESTION TO ASK

Put it to the seller and the agency in writing: *is the property registered, described and licensed exactly as it stands today, and if not, what is outstanding?* The answer, in writing, is worth more than any verbal assurance, and it is what your lawyer will verify.

CHAPTER EIGHTEEN

Villas, condition and new builds

Three sets of checks that apply to particular kinds of purchase. Each is short and each is worth doing before the arras contract rather than after.

BUYING A VILLA: LAND AND SERVICES

- ☐ **The boundaries.** Confirm the registered plot matches the fences and walls on the ground. Disputes with neighbours over a metre of land are slow and expensive.
- ☐ **Access.** If the property is reached over a private track, there must be a registered right of way, and somebody must be responsible for maintaining it.
- ☐ **Water.** Mains, a shared supply or a borehole. A borehole needs an authorisation, and a shared supply needs an agreement you can see.
- ☐ **Drainage.** Mains sewerage or a septic tank. A septic tank must be a legal installation, not an old pit, and you should know when it was last emptied.
- ☐ **The pool.** Ask whether it was declared and licensed, and look at the plant as well as the water.
- ☐ **Rural land.** On rustic land, what may be built, extended or let is restricted. Ask the town hall about the specific plot.

CONDITION AND SURVEYS

A survey is not customary in Spain. The valuation a bank orders for a mortgage is not one: it values the property and does not report on its condition. You may commission your own, and on an older villa or anything with visible movement it is money well spent. An architect or a building surveyor will do it, usually for a few hundred euros to a little over a thousand.

Worth a professional eye: cracks that run diagonally across walls, flat roofs and their waterproofing, old electrical installations without proper earthing, lead or iron plumbing, and any sign of previous water damage that has been painted over.

EXTRA CHECKS ON A NEW BUILD

- ☐ The developer's own licence to build, and that the plot is registered in its name.
- ☐ The bank guarantee or insurance policy covering each instalment you pay.
- ☐ The completion date in the contract, and the remedy if it is missed.
- ☐ The specification in writing, with the right to a like-for-like substitute if a material is unavailable.
- ☐ The licence of first occupation before you complete, not after.
- ☐ Your own inspection of the finished property, with a written list of defects, before you sign and pay the balance.

CHAPTER NINETEEN

The offer and the reservation

An offer in Spain is made in writing, usually through the agency, and it is followed within days by a small deposit that takes the property off the market. Both steps are worth doing carefully, because what you write here shapes everything afterwards.

MAKING THE OFFER

Put it in writing and state your conditions with it, rather than agreeing a number and negotiating the terms afterwards. An offer normally sets out:

- The price, and the currency.
- What is included: furniture, appliances, the parking space, the storeroom.
- The timetable you want, and a proposed completion date.
- That the offer is subject to your lawyer's checks, and to a mortgage if you need one.
- Anything the seller must do first, such as regularising an extension or cancelling a charge.

WHAT MOVES A PRICE

Comparable evidence, a timetable that suits the seller, and being visibly ready to proceed. How long the property has been on the market, and whether the price has already been reduced, tell you more about the position than anything you will be told at the viewing.

Agree the inventory at the same time as the price. The washing machine, the wardrobes, the terrace furniture and the light fittings are the items most often missing at completion. A written list attached to the contract settles it.

THE RESERVATION

Once the price is agreed, a reservation deposit takes the property off the market for a short period, typically two to four weeks, while the legal checks are done. On a normal purchase it is a small sum, commonly €3,000 to €6,000, and it is usually held by the agency.

Three things to insist on, in the document itself:

- 1 **What it buys.** The property is withdrawn from the market, at the agreed price, for a stated period.
- 2 **What happens if the checks find a problem.** The money is returned in full if the title, the licences, the community position or the mortgage does not stand up. Without this clause the deposit is at risk for something that is not your fault.
- 3 **Who holds it, and where.** Named, with the account. Money held by your own lawyer is safer than money held by an agency.

Have your lawyer read it before you sign. It is a short document and it takes an hour.

CHAPTER TWENTY

The arras contract

This is the binding contract. In Spain there is no exchange followed by completion. The arras is the moment both sides are committed, and the signing at the notary simply carries it out.

WHAT IT IS

The *contrato de arras* is a private contract between buyer and seller, accompanied by a deposit that is normally **10% of the price**. It fixes the price, the completion date and everything agreed, and it takes the property firmly off the market.

THE THREE KINDS, AND WHY IT MATTERS

Spanish law recognises three types of arras, and what happens if either side does not go through with the sale depends entirely on which one you signed.

ARRAS CONFIRMATORIAS

Confirm the sale. Neither side has a right to walk away. If one does not perform, the other can go to court to require the sale, or claim damages.

ARRAS PENITENCIALES

Allow either side to withdraw, at a cost fixed in advance by the contract. This is the type most people assume they have, and it is the only one that gives a right to change your mind.

ARRAS PENALES

Add a penalty for failing to perform, on top of the other side's right to require the sale to go ahead.

The Spanish Supreme Court has held that where a contract does not say **clearly and expressly** that the deposit is penitential, it is treated as confirmatory. Silence does not give you a right to withdraw. If you want it, the contract must name the type and state the consequence for each side in figures.

WHAT ELSE BELONGS IN IT

- ☐ The full identity of both parties, and of the property with its registry details.
- ☐ The price, the deposit paid, the balance due, and where and when the signing happens.
- ☐ The inventory of what is included.
- ☐ That the property is sold free of charges, debts, tenants and occupants.
- ☐ Who pays which cost, and how IBI is apportioned for the year.
- ☐ A mortgage condition, if your purchase depends on one.
- ☐ Anything the seller has undertaken to put right before completion.

Never sign an arras contract you have not had explained to you in a language you read, and never sign one before the written report on the title and the licences.

CHAPTER TWENTY-ONE

Signing day at the notary

The *escritura pública* is the deed, and signing it is the moment ownership passes and the keys change hands. The appointment itself takes about an hour, and the work that makes it uneventful is done in the weeks before.

THE WEEKS BEFORE

- ☐ Your funds are in your Spanish account in good time, not on the day.
- ☐ The banker's draft is ordered from the bank several days ahead.
- ☐ The mortgage, if any, is formalised and the bank's representative is booked to attend.
- ☐ The seller's mortgage redemption figure is requested for the day of signing.
- ☐ The community certificate, the IBI receipts and the energy certificate are with the notary.
- ☐ You inspect the property again shortly before, empty, to confirm it is as agreed.

WHAT THE NOTARY DOES, AND DOES NOT DO

DOES

- Confirms who everybody is and that they have capacity to sign.
- Checks the registry entry immediately before signing.
- Reads the deed aloud and explains it.
- Witnesses payment and the handover.
- Notifies the registry at once and issues the deed.

DOES NOT

- Act for you, or advise you on whether to buy.
- Investigate licences, debts or the building's history.
- Negotiate anything on your behalf.
- Check that the property is worth the price.

If you do not speak Spanish, the notary will require an interpreter or a translated deed. This is a protection, not an obstacle, and it is worth arranging in advance rather than on the day.

DECLARE THE REAL PRICE

The full price must appear in the deed. Declaring less is unlawful, it increases the tax on your gain when you eventually sell, and it destroys your own evidence of what you paid. If it is suggested to you, decline, and tell your lawyer it was suggested.

You leave with a simple copy of the deed and the keys. The original is registered and the registered copy follows in the weeks afterwards.

CHAPTER TWENTY-TWO

The weeks after signing

The purchase is not finished at the notary. Six things follow, most of them handled by your lawyer or a *gestoría*, and all of them matter to the next person who buys the property from you.

THE TRANSFER TAX, WITHIN TWO MONTHS

The tax return is filed and the tax paid on **Modelo 600** within two months of signing, the deadline Andalucía sets. Late filing means interest and a surcharge. The deed cannot be registered until it is done.

REGISTRATION AT THE LAND REGISTRY

The deed is lodged and you are recorded as the owner. Allow a few weeks to a couple of months. Ask for the registered copy when it comes back and keep it.

THE CADASTRE

The cadastral record is updated to your name so that the IBI bills reach you. This is separate from the registry and is often forgotten.

UTILITIES

Electricity and water are transferred into your name, with a direct debit from your Spanish account. Take meter readings on the day you get the keys.

THE COMMUNITY

Tell the administrator you are the new owner, give them an email address they will actually use, and set up the direct debit for the fees.

THE TOWN HALL

Confirm the IBI and refuse charge are registered to you and set up direct debits for both.

THEN THREE THINGS FOR YOURSELF

- 1 **Insure it.** Buildings insurance from the day you take the keys, and contents cover if it will stand empty. A community policy covers the common parts, not your flat.
- 2 **Arrange the annual return.** Ask your lawyer or *gestoría* to take on the non-resident Modelo 210 before you fly home, and it stops being something to remember.
- 3 **Start the folder.** The deed, the tax receipt, the registry copy, the licences, the community papers and every invoice for work you have done. Scan it all and keep a copy outside Spain. When you sell, that folder is worth real money.

CHAPTER TWENTY-THREE

Owning from a distance

A home you visit for a few weeks a year needs somebody to look at it in between, and a small amount of administration that is much easier to set up once than to improvise every year.

SOMEBODY HAS TO HAVE A KEY

Most problems in an empty property are small when found early and expensive when found in August. A burst pipe, a failed fridge, a blocked terrace drain in a storm and a leak from the flat above are all ordinary events, and all of them are contained by somebody looking round once a month.

A neighbour you trust, the community's caretaker, a local property management company or a friend nearby will all do it. Whoever it is needs a key, your telephone number, the insurance details and authority to call a plumber without waiting for you.

KEEP THE DIRECT DEBITS FUNDED

Leave a working balance in the Spanish account. Community fees, the municipal property tax, the refuse charge, the electricity, the water and the insurance are all collected automatically, and a returned direct debit is slow to fix from another country.

COMMUNITY MEETINGS

The community meets at least once a year and decides things that cost you money: the budget, the fees, any special levy, and whether short-term letting is permitted. You can vote by proxy, which means signing a short authority letting another owner or the administrator vote for you. Ask for notices by email, and give an address you read.

THE FILING CALENDAR

WHAT	WHO	WHEN
Modelo 210 , on the notional income of a home you do not let	Non-resident owners	Once a year. The 2026 return may be filed from 1 April to 31 December 2027.
Modelo 210 , on rental income	Non-resident owners who let	Periodically, on the tax agency's published schedule.
IBI and the refuse charge	All owners	On the town hall's own dates, usually once a year.
Community fees	All owners in a community	Monthly or quarterly, as the community decides.

CHAPTER TWENTY-FOUR

Letting the property out

Letting a home to holidaymakers in Spain is a regulated activity, not something a property can simply be put to. Three separate permissions apply, and all three can be checked before you buy.

THE THREE LEVELS

- 1 **The region.** In Andalucía a home let to tourists must be registered with the *Registro de Turismo de Andalucía* and meet the conditions the region sets: public liability insurance, a contact available at all hours, complaints forms, an energy certificate and minimum standards of habitability. Registration produces a code that must appear in every advertisement.
- 2 **The building.** Your community of owners can approve, limit, condition or prohibit tourist letting.
- 3 **The town hall.** Some municipalities cap the number of tourist lets or restrict new ones. This varies from town to town and changes, so it has to be checked for the actual address.

THE COMMUNITY'S VOTE

This is the change that matters most to a buyer. Since 3 April 2025, under the Spanish law on shared buildings, an express decision by the community to **approve, limit, condition or prohibit** short-term tourist letting requires a favourable vote of three-fifths of the owners, who must also represent three-fifths of the participation shares. The same majority lets a community charge a home used for tourist letting up to twenty per cent more of the common expenses.

Those decisions do not operate retrospectively, so an owner already letting lawfully when a restriction is passed is not caught by it. A decision taken before you buy binds you, so ask the administrator in writing what this community has already decided.

THE NATIONAL REGISTRATION NUMBER

A royal decree of December 2024 also created a national register for short-term lets, with a registration number required from 1 July 2025 before a property could be advertised on booking platforms. In May 2026 the Spanish Supreme Court annulled the provisions creating that register, holding that the state had no power to set up a national register over the regional ones, while keeping the digital single window and the platforms' duty to pass on data. The national position is unsettled, so establish it at the time rather than rely on anything published earlier, including this page.

WHAT YOU PAY ON THE RENT

Landlords resident in the **EU, Iceland, Norway or Liechtenstein pay 19%** and may deduct expenses attributable to the letting. Landlords resident **anywhere else pay 24%** on the gross rent, with no deductions. The return is Modelo 210. You may also owe tax where you live, with credit under the relevant double taxation treaty.

The three-fifths majority is in article 17.12 of the Ley de Propiedad Horizontal, as amended with effect from 3 April 2025.

CHAPTER TWENTY-FIVE

How long you can stay

Owning a home and having the right to be in the country are two separate things, and the rules depend on your nationality rather than on the deed. For most buyers this is far less of an obstacle than it sounds.

CITIZENS OF THE EU, ICELAND, NORWAY, LIECHTENSTEIN OR SWITZERLAND

You have the right to move and live in Spain freely, with no day limit. If you stay longer than three months you register with the central register of foreign nationals, which is an administrative step rather than a permission.

EVERYBODY ELSE: 90 DAYS IN ANY 180

Without a visa you may stay for **up to 90 days in any rolling period of 180 days** across the Schengen area. Many nationalities, including British, American, Canadian and Australian, may enter without applying in advance. Some need a visa even for a holiday.

The word that causes the confusion is **rolling**. It is not an allowance per calendar year and it does not reset on 1 January. On any given day, count back 180 days: across that stretch you must not have been present for more than 90. Days in France, Portugal, Italy and Spain all go into the same 90, and the days you arrive and leave both count. The European Commission publishes a free short-stay calculator, which is the straightforward way to plan a year.

Your days are now counted for you. The European Union's Entry/Exit System replaced passport stamping, and since 10 April 2026 it has been fully operational at every external border of the 29 countries that use it.

WHAT OWNING A HOME CHANGES

Nothing, as far as the day count goes. Ninety days is a generous share of the best months and it can be taken twice in a year: a long spell in spring, home through the hottest part of the summer, and back for the autumn is how a great many owners arrange it, within the rule and without a visa of any kind.

IF YOU WANT LONGER

Then you need a visa. The **non-lucrative visa** suits people who can support themselves without working in Spain, and the **digital nomad visa** suits remote workers earning from companies outside Spain.

Two notes. Spain **abolished the golden visa in April 2025**, so buying a property brings no right of residence with it and a great deal of advice still online predates the change. And **ETIAS**, the forthcoming online travel authorisation for visa-free visitors, is not yet in operation and no start date has been confirmed. Immigration detail changes, so take this to a qualified immigration lawyer rather than to anybody in the property business.

CHAPTER TWENTY-SIX

Wills and inheritance

A short Spanish will costs very little and saves the people who inherit from you months of work and real expense. It is best put in place in the weeks after completion, while the lawyer who handled the purchase has everything to hand.

WHICH COUNTRY'S LAW DECIDES WHO INHERITS

Spain applies the European Union's succession regulation. Under it, your estate is governed by the law of the country where you were habitually resident when you died, *unless you choose otherwise in your will*.

You may expressly choose the law of your nationality. That choice is available whatever your nationality, and it is what most foreign owners want, because Spanish succession law reserves a substantial part of an estate for children. The choice has to be made in a will. It is not automatic, and it is a single clause.

WHY A SPANISH WILL HELPS EVEN SO

A Spanish will does not change who inherits. What it changes is how quickly and cheaply they can deal with the property.

- It is signed before a notary and recorded in the central register of wills, so it is found immediately after a death.
- It is already in Spanish and already in the form notaries and registries expect.
- Without one, a foreign will must be obtained, officially translated, apostilled and accompanied by evidence of the foreign law: months of work and a real cost, at the worst possible time.

The usual arrangement is a Spanish will dealing only with your Spanish assets, drafted so that it does not revoke the will you have at home. Tell both lawyers about the other document.

INHERITANCE TAX IN ANDALUCÍA

Spanish inheritance tax is charged on the person receiving, not on the estate, and Andalucía is among the most generous regions in Spain. Heirs in the two closest family groups — children and other descendants, spouses, parents and other ascendants — first deduct **€1,000,000 each** from what they inherit, and then apply a **99% reduction** to any tax that remains. Registered civil partners are treated as spouses. In practice the tax on inheriting a Spanish home is small for most families.

More distant relatives and unrelated beneficiaries do not get that reduction, so where an estate is being left outside the immediate family, take advice in advance.

The €1,000,000 reduction is in article 28 and the 99% relief in article 39 of Ley 5/2021 on transferred taxes in Andalucía, both for taxpayers in Groups I and II.

CHAPTER TWENTY-SEVEN

Selling later

Most of what makes a sale straightforward is decided when you buy. Knowing what happens at the other end is also the best argument for keeping your paperwork.

WHAT A NON-RESIDENT SELLER PAYS

TAX ON THE GAIN

19% of the difference between what you sell for and what the property cost you. The rate is the same wherever you live.

THE 3% RETENTION

Your buyer withholds **3% of the price** and pays it to the tax office on account, using Modelo 211, within a month of the sale. You then declare the gain on Modelo 210 within four months. If the 3% is more than the tax due you claim the difference back. If it is less, you pay the balance.

PLUSVALÍA MUNICIPAL

The town hall's tax on the increase in the value of the land, paid by the seller. Where the seller is a non-resident individual the buyer is the substitute taxpayer, so in practice it is retained from the price at the notary. If the land has not increased in value, it is not due.

WHAT REDUCES THE GAIN

The gain is not simply the difference between the two prices. Two categories of cost are added to what the property cost you, and both reduce the tax: **the costs of buying** — the transfer tax or IVA, notary, registry and legal fees — and **improvements**, meaning work that added to or bettered the property rather than maintained it. A new bathroom in place of an old one is maintenance. An extension is an improvement.

Both have to be evidenced with proper invoices showing the supplier's tax details, which is why chapter twenty-two asks you to keep every invoice from the purchase and from every piece of work you have done, for as long as you own the property.

IF YOU ARE RESIDENT IN SPAIN

A resident seller declares the gain in the Spanish annual income tax return and there is no 3% retention. Where the proceeds of a main home are reinvested in another main home within the permitted period, the gain may be exempt in whole or in part, and for sellers aged 65 or over the gain on a main home may be exempt altogether. Both have conditions, so take advice first.

WHAT MAKES A PROPERTY EASY TO SELL

A property with its licences in order, its registry entry matching what is physically there, its community fees paid and its paperwork in one folder sells to the first serious buyer. Worth remembering when you decide whether to declare a piece of work you are having done.

CHAPTER TWENTY-EIGHT

Fifteen things that catch buyers out

None of these is rare and none is difficult to avoid. They are simply the things that are easy not to know the first time.

- 1 **Budgeting the price, not the total.** Add roughly 9% on a resale and 13% on a new build. Page 7.
- 2 **Assuming the tax follows the price you pay.** Transfer tax is charged on the higher of the price and the official reference value. Page 8.
- 3 **Using the agency's recommended lawyer without asking who else they act for.** Your lawyer should be instructed by you and independent of everybody else. Page 13.
- 4 **Leaving the NIE to the last week.** Nothing can be signed or registered without one, and the appointment is the slow part. Page 12.
- 5 **Sending money at the bank's own exchange rate.** On a few hundred thousand euros, the margin in the rate is the largest saving available to you. Page 9.
- 6 **Reading the square metres as living space.** A listing quotes built area, which includes walls and common parts. Page 14.
- 7 **Viewing only in the best month.** A terrace in February and the same terrace in August are different propositions, and so is the road outside. Page 15.
- 8 **Ignoring the community's accounts.** The minutes tell you whether a levy for a roof, a lift or a facade is coming, and when it is approved decides whose bill it is. Page 17.
- 9 **Signing a reservation before anybody has read the title.** It should say in writing what happens to your money if the checks find a problem. Page 23.
- 10 **Not knowing which kind of arras contract you signed.** There are three, and silence in the contract does not give you a right to withdraw. Page 24.
- 11 **Believing the registered description matches the building.** An enclosed terrace, a converted garage or a pool may never have been declared. Page 21.
- 12 **Overlooking debts attached to the property.** Unpaid community fees for the current year and three preceding years follow the property to you. Page 20.
- 13 **Assuming a property can be let to holidaymakers.** The region, the community and the town hall each have a say. Page 28.
- 14 **Expecting the purchase to bring residence with it.** Spain ended that route in April 2025. Page 29.
- 15 **Throwing away the invoices.** The costs of buying and of genuine improvements reduce the tax on your gain when you sell — if you can evidence them. Page 31.

CHAPTER TWENTY-NINE

The timeline at a glance

A typical resale purchase, from the first decision to the first year of ownership. The times are usual rather than guaranteed.

STAGE	WHAT HAPPENS	USUAL TIME
Before you look	Set the total budget including costs. Apply for the NIE. Choose your own lawyer. Open a Spanish bank account. Get a mortgage decision in principle if you need one.	4–8 weeks
Searching	Narrow the towns, then the streets. Rule out on paper what you can.	Weeks to months
The viewing trip	Six to eight properties over a few days, in daylight and again at another hour. Walk the neighbourhood, not just the flat.	3–5 days
The offer	Offer in writing with your conditions stated. Agree price, what is included, and the timetable.	Days
Reservation	A small deposit takes it off the market, with a written clause covering what happens if the checks find a problem.	Same week
Legal checks	Nota simple, cadastre, licences, community certificate, debts, utilities. Your lawyer reports to you in writing.	1–3 weeks
Arras contract	Usually 10% of the price. The type of arras is stated clearly, with the completion date and everything agreed.	At the end of the checks
Run-up to signing	Mortgage formalised. Funds moved into the Spanish account. Banker's draft prepared. Final inspection of the property.	4–8 weeks
Signing day	The escritura is signed before the notary, payment is handed over, and you receive the keys.	About an hour
After signing	Transfer tax filed within two months. Registration at the land registry. Cadastre updated. Utilities and community transferred.	1–3 months
The first year	IBI and refuse charge arrive from the town hall. Community fees begin. Your first Modelo 210 is filed in the following calendar year.	Ongoing

From a signed reservation to keys in hand, eight to twelve weeks is normal for a resale bought without a mortgage, and twelve to sixteen with one. A new build follows its own timetable, set by the completion date in the contract.

CHAPTER THIRTY

Your documents checklist

Two lists. The first is what you need to have. The second is what you should receive, and it is worth keeping every item of it in one folder for as long as you own the property.

WHAT YOU PROVIDE

- ☐ Passport, valid well beyond the purchase.
- ☐ Your NIE certificate.
- ☐ Proof of address in your own country.
- ☐ Spanish bank account details.
- ☐ Evidence of where the money came from.
- ☐ Power of attorney, if you will not attend.
- ☐ Marriage or civil partnership certificate, where relevant to how you own.
- ☐ For a mortgage: payslips or accounts, tax returns, bank statements, existing borrowing.
- ☐ Official translations and apostilles for foreign documents.

WHAT YOU SHOULD RECEIVE

- ☐ Nota simple, dated close to the purchase.
- ☐ Cadastral certificate and reference.
- ☐ First occupation licence, and any licence for alterations.
- ☐ Certificate from the community confirming fees are paid up.
- ☐ Community statutes, rules and recent minutes.
- ☐ Latest IBI and refuse receipts.
- ☐ Recent electricity and water bills, with meter details.
- ☐ Energy performance certificate.
- ☐ Your lawyer's written report on the checks.
- ☐ The signed escritura, and later the registered copy.
- ☐ The receipt for the transfer tax you paid.
- ☐ Every invoice for work done on the property.

A PRACTICAL SUGGESTION

Scan each document as you receive it and keep the folder in two places, one of them not in Spain. Almost everything above can be replaced, but replacing it from another country takes weeks that you will want back.

CHAPTER THIRTY-ONE

Glossary

Every Spanish term used in this guide, in plain English.

AFO

A town hall declaration recognising a building put up without a licence that can no longer be acted against. It regularises the position without making it fully legal.

AJD

Stamp duty. Paid on new builds and on mortgage deeds, not on a normal resale.

Arras

The deposit contract that commits both sides. There are three kinds and the contract must say which it is.

Catastro

The cadastre. The state record of what physically exists on a plot, used for tax. Not the land registry.

Comunidad de propietarios

The community of owners: everyone who owns a home in a shared building, acting together to run it.

Derrama

A one-off levy charged by the community for something the ordinary fees do not cover, such as a new roof or lift.

Embargo

A charge registered against a property by a creditor. It stays with the property until it is cleared.

Escritura pública

The title deed, signed before a notary. Signing it is the moment ownership passes.

Gestoría

An agency that handles filings, taxes and paperwork for you. Widely used and inexpensive.

IBI

The annual municipal property tax, paid by whoever owns the property on 1 January.

ITP

Transfer tax. The main tax on buying a resale property.

IVA

Value added tax. Charged on a new build bought from the developer, in place of transfer tax.

Licencia de primera ocupación

The town hall's confirmation that a building was completed in accordance with its licence and may be occupied.

Modelo 210, 211 and 600

Tax forms: 210 the non-resident return, 211 the buyer's payment of the 3% retention, 600 the transfer tax return.

NIE

The Spanish tax and identity number for foreign nationals. Nothing can be bought, registered or taxed without one.

Nota simple

A short official extract from the land registry showing who owns a property and any debts or charges on it.

Notario

The public official who witnesses the deed and sends it for registration. Neutral, and not your adviser.

Plusvalía municipal

The town hall's tax on the increase in the value of the land. Paid by the seller, with the buyer as substitute taxpayer where the seller is a non-resident individual.

Registro de la Propiedad

The land registry. The record of who owns what and of every charge against it.

Servidumbre

A right somebody else holds over the property, such as a right of way or a right to run a pipe across it.

Superficie construida / útil

Built area includes walls and a share of common parts. Usable area is the floor space inside the walls, and is the number to compare on.

Valor de referencia

The reference value: a figure the cadastre sets for each property, used as the minimum taxable base for transfer tax.

VUT

A home registered for tourist letting in Andalucía. It must be entered in the regional tourism register before it can be advertised.

CHAPTER THIRTY-TWO

Where the official information lives

Rules change. These are the bodies that publish the real answer, so that you can check anything in this guide for yourself, at the time it matters.

AGENCIA TRIBUTARIA — THE SPANISH TAX AGENCY

Non-resident income tax, Modelo 210 and 211, the 3% retention, rental income. agenciatributaria.es

SEDE ELECTRÓNICA DEL CATASTRO — THE CADASTRE

A property's cadastral record, surfaces and reference value. sedecatastro.gob.es

REGISTRADORES DE ESPAÑA — THE LAND REGISTRY

Ownership and charges against a property. Nota simple requests. registradores.org

JUNTA DE ANDALUCÍA

Regional transfer tax and stamp duty rates, inheritance and gift tax, and the tourism register for holiday lets. juntadeandalucia.es

YOUR TOWN HALL — THE AYUNTAMIENTO

Licences, permitted use, extensions, the AFO, IBI, the refuse charge and plusvalía. The only body that can answer a question about a specific address.

POLICE, IMMIGRATION AND SPANISH CONSULATES

NIE applications, forms, appointments and visas, whether you apply in Spain or from your own country. administracion.gob.es and exteriores.gob.es

BANCO DE ESPAÑA

Mortgage rules, lender pre-contract information, complaints. bde.es

BOLETÍN OFICIAL DEL ESTADO — THE BOE

Every Spanish law in its current consolidated form, free to read. boe.es

YOUR OWN COUNTRY'S TAX AUTHORITY

What you must declare at home, and how the double taxation treaty applies to you.

HOW TO USE THEM

Ask for the answer in writing from the body that can actually give it, rather than from a forum or a listing. And date everything, because a correct answer from two years ago may not be correct today.

Every figure in this guide was checked against these sources on 18 September 2026. Nothing here is legal, tax or financial advice, and no guide can replace a lawyer instructed by you to look at the property you are actually buying.

If you would like help with a purchase

Higher-value villas and apartments across the Costa del Sol. My approach is the same at every price point: proper research on the property and its area, a straight assessment of what it is genuinely worth, and careful negotiation on your behalf.



Michael, Lunessa Homes

Everything in this guide is the work that goes into a purchase before money moves. It is set out in full because a buyer who understands it makes better decisions, whether or not I am the person doing it with them.

If you want somebody in Spain doing that work alongside you, that is what I do. Start with a conversation, with no obligation on either side. Tell me what you are looking for, what you want to spend and roughly when, and I will tell you plainly whether I can help.

Michael

LUNESSA HOMES

WHERE TO START

- 1 Set your total budget including the costs in chapter four, not just the price.
- 2 Apply for your NIE. It is the slow step and everything waits on it.
- 3 Instruct your own lawyer, independent of the agency and the seller.
- 4 Then start looking.



Buying a home on the Costa del Sol

A guide to purchasing in the south of Spain, written for residents and non-residents, and explained in plain English from the first decision to the first year of ownership.

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