

Buying Guide

Lanzarote's wonderful year-round sunny weather provides an enchanting place to live and can also offer an ideal location for property investment. Popular holiday rentals are let out on an average of 30 weeks a year, offering a good return on your purchase. Choosing the perfect property abroad can be fun but sometimes a little daunting, we at Real Estate Lanzarote can guide you through the buying process.

Our family run business opened in 1989 and were one of the first estate agents on the island. During this time we have gained an extensive knowledge of Lanzarote's property market, and have established an extensive network of contacts throughout the island. We understand the needs of our clients, hoping to make the process clear and straight forward. We aim to go above and beyond the average service of an estate agent. Most importantly, we believe Lanzarote is a beautiful island with a wonderful lifestyle, and we are passionate about selling property here.

What will you need to purchase a property? You will need to obtain a foreigner identification tax number (N.I.E. number), this is issued by the Spanish National Police Station. You will also need to open a local Spanish bank account in order to transfer your purchasing funds and to pay utilities out of after the purchase. We can help you with both these things which are worth arranging on your first property visit to Lanzarote.

What is the purchase process? Once we have found a property for you and negotiated the purchase price, you will need to place a small reservation deposit (normally 1%) to hold the property off the market and stop any further viewings until the purchase contract is drawn up. This period also allows you to select a lawyer that will carry out the required searches to make sure the property or vendors don't have any encumbrances or unknown debts which can't be resolved.

Once the property has been professionally checked, the lawyer will raise a mutual sales contract for both parties to sign, which includes personal information, property details, confirmation of prior reservation deposit, purchase price and completion date. At this stage you will be asked to pay a 9% deposit, this is normally held by the lawyer representing you. The lawyer will also give an approximate breakdown for registration costs that normally equate to 10% of the total purchase price.

After the purchase your lawyer will change the utility contracts into your name and set payments up on a direct debit. After the actual signing in the notary, the lawyer will process all the documentation through the local system to the appropriate office, in order for the property to be correctly registered into your name (tilte deed). We liaise with the vendor, the lawyer and the purchaser to make sure the process runs smoothly and to plan.

Example of Buying Costs

• Purchase Price <small>example</small>	130,000€
• Reservation Deposit (1%)	1,300€
• Deposit (9%) <small>paid on signing of sales contract</small>	11,700€
• Outstanding Balance <small>(Paid on completion date detailed in sales contract)</small>	117,000€

Approximate Registration Costs

• Notary Fees	600€
• Land Registry Office Fees	350€
• Lawyers Legal Fees	2,000€
• Transmission Tax <small>Stamp Duty (6.5% of declared value)</small>	8,450€
• Translation Fee	60€
• Bank Fees	250€
Approximate Total	11,710€

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