



Spanish Property Sales

Making Clients Happy Since 2002



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The Essential Buyers Guide for Spanish Property





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About this guide

With so many property guides around. We wanted to be different and share with you something special! Nearly 20 years of hands-on property viewings, knowledge and insight as to why some properties are in greater demand than others and what to look out for.

A good lawyer can ensure that due diligence, procedures and processes are done correctly but they can't advise if you have made a good property purchase and one that will be easy to sell in the future. Our guide and logical approach will help you make a truly well-informed decision!

What makes a villa a good investment and what do I really need to know/consider?

To understand the answers to this we need to know the driving forces behind the market and what is in good demand and what is not. That said, everything has its price. A good rule of thumb when viewing properties, is to ask yourself "would I buy the plot the property sits on"? If the answer is no, then it may be wise to move on!

For the past fifty years the Spanish property market, especially on the Costa's, has predominantly been driven by the demand from Northern European nations that suffer miserable winters. The lack of sunshine and seemingly constant rain is something the Spanish have not had to endure to the same level. Consequently, many Spanish have a completely different mindset and culture to that of people from colder climes.

Historically, and before the age of modern air-conditioning, many Spanish built holiday homes with a Northernly orientation to keep cooler at the hottest times of the year. Many came from Madrid which can be unbearably hot during the summer. The design of the property usually included a covered terrace/Naya for shade, small windows with shutters and sometimes smaller room sizes when compared to properties from Northern Europe. However, they were predominantly holiday homes, so not that important. Typically, the Spanish prefer to keep their homes darker inside, with minimum daylight to keep out the heat. In the garden, Palm trees and Pine trees are common place to create shaded areas. Many of these properties still exist today but are not ideal for many Northern Europeans wanting all day sun.

Northern Europeans generally want sunshine, larger windows, larger room sizes, lots of daylight, air-conditioning and awnings to keep cool in the summer.

So, what's the most ideal purchase relative to securing your investment? There are many factors to consider no matter what your budget is. If you buy something that is in demand it's a good formula and is one of the reasons why some properties realize better prices, whilst others do not.

So, what do people want and what don't they want?

Living and working in Moraira, Costa Blanca North, we have had the opportunity to view thousands of properties and have fully established the buying forces but more importantly have learned what properties will be easy to sell on in the future, without years of waiting or huge losses. We feel more than qualified to know and share some of this firsthand experience with you. Hopefully this will help you make a fully informed decision before making a commitment to purchase be it through us or someone else.



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Obviously, we all have different personal taste when it comes to layout and decoration but, that aside, we are talking about the fundamental things that you can't or are very difficult to change.

So, getting the fundamental "existing elements" right, that can't be changed, are key.

Not only does this formula make your holiday home or permanent residence ideal, it also helps secure your investment in the longer term as it will always have the right elements. Especially if you can add significant value to it, should you wish to do so.

Over the years we have seen so many people take on a property refurbishment project without understanding the fundamental elements, hence they often struggle to make the profit they initially thought they would and, in many cases, they can easily make a loss.

Let's talk about some key fundamental considerations

Orientation

This is a very important consideration if you intend to live in the property full time or perhaps spend a lot of time in it during the winter. A North facing property with a north facing Naya would therefore be much colder. East gives you morning sunrise whereas West gives you evening sunsets. Both of these are colder during the winter months compared to a South or South West orientation which provides sunshine all day and why it is preferred by most buyers.

If it's just a holiday home to use in the summer months, then orientation and winter sun is not as significant, as the average ambient temperature during the summer is very warm. However, anything due North does not have the same market demand. Consequently, you can usually pick up a North facing property at a more reasonable price. This attracts many investors that buy properties to rent out during the summer. The return on investment can be better if you have purchased a property at a heavily discounted price. In turn, this will attract other likeminded investors in the future, providing it is priced to sell! So, with this in mind, one needs to be careful that a future sale does not impact too much the return on investment made, as there is the initial purchase cost and then the selling fees to take into account.

Pine Trees

Although Pine trees look nice and add lots of greenery to the surroundings, they can also be problematic. Not only do they grow very tall and bushy, they can also block out the sun. Pine trees constantly shed needles, which prevent anything growing under them as well as fall or get blown into the swimming pool if they are too close. Although Pine trees are a protected species, you are allowed to prune and top them. Licenses can be obtained to remove them providing they are causing structural damage to the boundary wall or property. Likewise, if you wish to build a swimming pool or extend the property some trees can be removed to allow for construction. If they are not on the same plot as the property you have far less control.

Views

Sea views in general command higher prices. It depends on the orientation, access and whether the plot is steep and how good the sea view is. For example: would you rather look at a sea view over the town or marina with twinkling lights and sunsets over the mountains during the evening as opposed to a sea view during the day and black ink at night? Some of the very best sea views have an amazing combination of all, including a perfect orientation and proximity to the sea. These properties often command millions of *euros*.

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Be aware that some distant sea views can also vanish in time with either the growth of the tree line or a plot in front being built on or an existing property in front having a second level added that could obscure the view. This is common but obviously subject to the size of plot, existing build size and local planning regulations.

Open views are also nice to have be it countryside or mountain or a combination of both. Sea views are not the do all and end all.

Swimming pools

Many people like to be able to sit in the covered terrace and keep an eye on the pool and grandchildren. So, it's not the most user-friendly idea to have a pool you can't see, unless there is adequate space around the pool to create a comfortable chill out zone for the adults. Easy sight of the pool is also an attractive consideration for the rental market and can be promoted as such. Pools generally get used during the summer and therefore are open to the sun for most of the day no matter where they are. Out of season you could install some pool heating but this is pretty expensive to run and you will need a pool cover. Better to have a Jacuzzi!

Rectangular pools provide easy swimming lengths compared to a kidney shaped pool. So, unless the kidney shaped pool is much larger, rectangular pools are more practical, especially if you like swimming lengths. Many people prefer steps rather than metal ladders as they are kinder to your feet. Obviously, these preferences are hardly a deal breaker but nice to know all the same.

Steps

The Spanish property boom was fueled by easy lending. Almost anyone could seemingly buy a holiday home in Spain. Then at the beginning of the 2007/08 crisis and credit crunch, prices fell by an average of 27% in the Northern Costa Blanca and more in the areas of mass development further South along the coast.

Subsequently the buyers that became active throughout the crisis years were predominantly older cash buyers and did not require any finance. This is what kept us all going!

Generally speaking, we have seen the average age of the purchaser increase significantly compared to the many thousands that bought properties during the boom years with finance. Back then everything was selling; good, bad and indifferent, no one seemed to care and times change!

Consequently, too many steps have become more of an issue for the ageing market. Elevated plots with nice views tend to have many steps, so getting the shopping in can be an arduous task, so worth consideration when buying or selling.

As long as you can drive close to the kitchen with few steps, you won't have a problem or at least have space to build a driveway which is also very common. Sea views tend to have steeper plots and back in the boom years people did not seemingly care too much about too many steps as long as they had a sea view.

Altitude

Some properties have been built high up on a hillside, usually because the land is much cheaper, even with sea views. However, the fact remains that the higher you go the more the temperature drops, clouds often appear and the stronger the winds. During the hot summer it's welcome but again a worthwhile consideration, especially if you are living in the property full time or during the winter. So, if you are really high up and north facing it may prove very difficult to sell, unless it is heavily discounted.

Road noise

Most people do not want to sit outside and hear traffic from a main road. Access roads are fine but too much noise pollution tends to put people off. Avoid excessive noise if you can.

Electricity Pylons

Many people have an issue with large pylons and high-powered cables overhead.

The small carrying towers do not carry high powered cables and therefore do not cause the same concerns as they are carrying domestic voltage.

Avoid the really big pylons with high powered cables overhead. If it's a distant pylon over the other side of the road and not overhead, it is not usually an issue as in most cases it can be screened off with trees along the boundary. It very much depends on what is in full view. Careful tree planting in most cases may completely hide or soften the issue.

Rubbish collection points

Don't be too close. Daily traffic, clashing of bottles, litter, and summer odours can be a nuisance. Make sure your lawyer checks for any future plans with the Town Hall as it is not always done!

Privacy

Many people do not like to be too overlooked. If it's a fair distance away it's not an issue. If you can plant trees and create privacy, it's not an issue either, but being totally overlooked may dissuade buyers.

Close to amenities (walking distance)

Most people drive to get the shopping but a 20 min walk to Town or some local amenities is a bonus and good for the rental market. That said there are nice and easy walks along the coast and also very steep walks. It may be easy walking down but a hike getting back! Hardly ever a deal breaker for the right property and there are always Taxis!

Unforeseen building cost

If you intend to extend the property anytime in the future, before you commit to buy, you need to mention this and make sure you tell the agent and your lawyer to check for road widening. In many cases the Town Hall will want to widen the road in the future. If you do not request it to be checked, you will not find out until you apply for planning to extend your property or build a pool etc. This may be a not so nice surprise! It is common that the council may require you to take down your boundary wall or fence and give them a meter or so of your land for the future road widening.

Then you have to rebuild your wall or fence in the new position. This obviously reduces your plot size and consequently, the amount of build size you are now allowed to have. Subject to the scale of work, it could be a costly exercise that nobody seems to advise you about before you buy because it is not a legal requirement during the conveyancing. So, unless people know you have extensions in mind, they rarely speak of it.

We are here to help the purchaser make an informed decision

Before you start your property search, please do not hesitate to speak with us first as we should be all you need with one point of contact.

As property advisors, we work for you and collaborate with all the leading Estate Agents, finding and vetting suitable properties for our many clients. With our knowledge, we can also help you negotiate and secure the best possible price.

You can contact us here for an informal chat anytime: (Sally) 0034 666 271 461 or WhatsApp. Alternatively, you can email us here and request a call back at a time to suit you. mail@spanish-property-sales.net

We look forward to helping you find your dream!