

Motives for Buying a Property for Sale in Spain

Britons are continuing to look for property for sale in Spain. The love affair with Spain started in the 1960's with the onset of mass tourism, and properties for sale were purchased mainly along the 'Costas.' In recent years, for a variety of reasons, Britons are purchasing properties further inland.

In the late 1990s, several factors made it even more appealing to own property in holiday 'destination countries', such as Spain: the sustained strength of the pound has been a dominant factor, and consequently the prospect of borrowing money to buy a holiday property in a Spanish resort had become much more enticing. In a survey of people looking for property for sale in Spain, most people stated the value of the pound was their major influence for purchasing a property in Spain. Additional factors for buying property for sale in Spain is: many UK homeowners have seen their homes increase in value, so they have released some of the equity to buy rental properties and holiday homes in Spain; low cost European flights and convenient flight connections; a warm climate; good healthcare system; the relaxed way of life; and last but not least the lower cost of living.

There are a number of different motives for buying a property for sale in Spain, and they include: a second home for retirement; a financial investment; or because an individual has simply fallen in love with a region and can envisage taking most or all their holidays there every year.

A UK survey of people buying property for sale in Spain found: the majority of respondents purchased their Spanish property from a UK based estate agent, the underlying reason for the purchase of Spanish property was as a holiday home. The major source of information was from friends and family, and the main source of advice was from estate agents. "Post family" and "empty nesters" were the main purchasers of properties in Spain and most of the respondents who were satisfied with their purchase had sought advice and conducted an information search before they bought their Spanish property.

Money.netinternational, a financial website, states a quarter of the applications it receives for international mortgages are for properties for sale in Spain. Barclays has said that "around 40% of all new houses built on the Spanish Costas were bought by British people".

The Spanish property market slowed down in 2007 and it has become a 'buyers' market. So property developers have reduced their prices, increased the specifications of properties, added incentives such as furniture packs, and subsidised mortgages. Private sellers were accepting offers 5 -10% below the asking price.

When buying a property in Spain, property buyers should consider that Spain has its own taxes, laws and buying procedures, different paperwork, estate agents fees, mortgage restrictions and the practical process of buying a property are different in Spain than in the UK.

Listed below are some useful Spanish words when buying a property in Spain:

Abogado " Spanish Lawyer.

Arras " down payment, deposit.

Escritura " deeds.

Hipoteca " mortgage.

Impuesto sobre Bienes Inmuebles " yearly property tax.

Piso " flat.

Se vende " for sale.

Although the property market has slowed down in Spain, experts forecast that buyers who are prepared to hold their investment for at least 5 years will reap good returns as the market picks-up.

By Dale Campbell

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