

Completing a new property purchase

Snagging makes this safer

The process of completing a new home purchase usually starts when the builder or developer gives you a completion date. Depending on the agreement you have already made, there may be some tight deadlines for you to complete and penalties if you do not do so without good cause.

You should normally have already engaged an independent solicitor when you put down a deposit for a new build or a down-payment on an off-plan purchase. It is highly recommendable to get professional advice early on in any house-buying process, as this can save a lot of time and money in the long run. A good solicitor can negotiate retentions on the completion price, in respect of incomplete work or problems with the property. This is still not common in Spain, but is possible and well worth consideration.

There are many stories of people completing a house or flat purchase and then being left waiting - in some cases for years - for simple defects to be put right. Once you have handed over money, there is little incentive for a builder to rush round and, for example, unblock the drains of builder's waste. The Spanish legal system works at a snail's pace, so you may find that threats of legal action may not have the same effect as back home.

Preparation, preparation, preparation!

Once you have your completion date, you need to have agreed what is included in sale of the property. Complete should mean 'ready to move in', but it seldom does. If you are UK-based and buying in Spain, you can waste time and money flying over, staying in a hotel and hiring a car, just to find the property is far from finished. These costs can add to the pressure to complete. You may be in the



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difficult position of choosing between going home and then hoping everything is fixed, to come back for a later inspection or just trusting a local agent to make sure everything is done properly.

If there are problems, try to get your independent solicitor to negotiate that the developer supplies you with a full specification list of the property and you will retain five per cent of the agreed price until the property is complete. This means there is a real financial incentive for the builder to get things fixed.

Get it on paper

You should be provided with a full specification of the property as you are purchasing it. If your Spanish is not good, try to get the specifications with a side-by-side translation into English (some arm-twisting on the agent might get them to do this for you). This will help you both understand the specification and relate the English to Spanish words. This can avoid struggling with dictionaries and make it easier to point to the specs if things are not right. If you have pink tiles in the bathroom when you were expecting blue, it helps if you can point to '*azul*' on the Spanish version. You still might get a shrug of the shoulders, but if it's on their list, they are left with little room to argue.

Do you exist?

A house or flat is not truly complete until it has been issued with a certificate of habitation (*cedula de habitabilidad*). This means that an officer from the local town hall (*ayuntamiento*) has inspected, certified the property as being fit for habitation and it is entered in the register (*registro*) at the town hall. This certificate needs to be there before you complete. The builder legally has four years to get it once the property has been completed. That fact could translate into four years of waiting to have your address recognised by the Spanish authorities. If you don't have a recognised address you may encounter a whole host of problems.

Without a recognised address you cannot sign on the *padrón* (this is a list of property owners held by the town hall). It is very important to register on the *padrón*, especially if you are becoming resident in Spain as this is needed for many things from getting a healthcare card to a local parking permit. The process is simple and does not cost anything. Even if you are not a permanent resident, but own a property in Spain, you should be on the *padrón*. You will not get taxed or have other disadvantages because you are on the *padrón*, as it is just a list of homeowners in a particular municipality. It does

mean your town hall can apply for more money for services because the more people who live in a town the more money local government can get for everything from street lighting and rubbish collection, to hospitals, schools and police.

Without being *empadronado* (registered) at a recognised address you cannot get medical cover on the Spanish Health Service (*Insalud*). They will treat you in an emergency, especially if you have the new European Health Card (which you can get from your home health authority). However, you'll have to pay for non-emergency treatment. Without registration, you may not be able to receive your post, get a telephone line, mobile phone contract, water, electricity or even get gas canisters delivered. All of these things need an address to go on the contract. Showing a key or producing the purchase papers to prove of ownership may not get you very far.

Free lunch (no such thing)

Builders usually supply temporary water and electricity supplies. They pay for it until completion and the issue of the habitation certificate. You then contract for the supply from the appropriate utility company. Does free water and electricity sound attractive?



How about candles in the evening and no shower in the morning?

Builders and developers are in business to make a profit, so the temporary or 'builder's supply' is usually low on voltage or water pressure and can be temperamental. There really is no such thing as a free lunch. If you have been living without water for

a few days in the height of summer, free no longer seems attractive. You might be ready to put up with inconveniences, but if you are planning to let the property out you can be sure your tenants will not be. Make sure it is agreed that water and electricity are connected before completion. Connected permanent supplies should be checked as part of the snagging process. In the same way, drains and water run-offs cannot be checked for proper function if there are no water or sewage connections.

Post completion

Once you have completed, you have only 15 days to notify the builder (recommended to do this by writing by certified mail, with copies to the agent, promoter and anyone else involved) of any defects. If you get this done before completion, you avoid a situation where you have to chase every item to make sure it is done.

You also need to make sure that the repairs or works to remedy a fault do not cause additional problems. If a cracked tile in the middle of the living room floor is replaced and they chip another tile, complain. It might sound obvious, but sometimes it will be up to you to point out that things are unacceptable and damage caused during remedial works must also be rectified. This process can be a real pain and there are professionals that can help.

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