

# A firm foundation for the future?



## Invest for the future, Buy that Second Property

### The Spanish property market is going from strength to strength and now represents an ideal opportunity to:

- Invest for the future
- Buy that 2nd property
- Re-locate to sunny Costa Blanca
- Simply retire

The Spanish property market is still going from strength to strength and now represents an ideal opportunity. You can still get a lot for your money in the Southern Costas and Murcia regions.

So why are so many choosing a home on the sunny Southern Costa? Well, the year round sunshine is a compelling reason in itself as the regions boast the finest winter climate in mainland Europe. It's good for your health both physical and fiscal!

There's ample opportunity to attract rental income throughout the year. Spain is the most well established holiday destination for European tourists, with the summer vacation season running from May to October. But what about those winter months? Well, thanks to the proliferation of first class 18 hole golf courses, the golf season runs from October to May, attracting golfers looking for fairways under fair skies in midwinter. There are several championship standard golf courses in southern Spain, making it a favourite destination for any keen golfers.

If golf is not your bag, there's skiing in the Sierra Nevada just a two hour drive away and there's plenty to interest the culture vulture with the splendours of Madrid, Barcelona, Valenci, Alicante and Murcia right on your doorstep.

The southern Costa and Murcia regions are a firm favourite with families looking to relocate, whether to raise children in a healthier environment, or for retirement, because they offer such high standards of education and healthcare.

Local and national government have invested heavily in the infrastructure to make the Southern Costa as attractive as any European mainland city. This has bolstered the property market, which remains undamaged by the uncertainty affecting investments and properties elsewhere. Property in Spain now offers amazing returns on investment, with many buyers reporting above average returns on their investment. So whether you are

thinking about a holiday home, relocation, retirement or pure investment, you really should investigate the opportunities the Southern Costa and Murcia have to offer.

The biggest returns are made by those bold enough to buy 'off plan'. That means selecting a house or apartment within a development, before it's built. You get to choose the best property to meet your needs, the best view, the best location and so forth. You also get the very best price. Developers offer properties 'off plan' at prices lower than the market price for the finished properties and that's where you make your extra profit.

Typically you would pay a minimum deposit of 30% of the purchase price and if required, get a mortgage to finance the balance based on the market valuation. Today's low interest rates in Spain make borrowing less harrowing and your property should increase in value the moment it's complete. You may wish to sell immediately and realise your investment. On the other hand, having selected the dream home with views of the sea and golf course, you may wish to make your investment work a little harder by renting to holiday tenants and keep as a long-term investment.

#### Example:

Purchase Price Euro 75,400  
Deposit 30% = Euro 32170  
Market Value = Euro 115,600  
LTV = Euro 80,920 = 100%

As with everything in life, it pays to do a little homework and despite all the positive indicators there are still hazards to avoid. If something sounds too good to be true, then the chances are it isn't true. So do take

advantage of the Inspection Visits offered by the more reputable developers. OCGR offer regular trips to would be purchasers, who can visit a number of developments and quiz the developers to make sure there are no hidden extras or other disappointments in store.

It's all too easy to get bedazzled by the sun dancing on the azure seas, so do establish a budget and stick to it.

If for instance you really value the views a particular home offers, make sure no other development is planned that will obscure it. Buying a frontline golf property is a good way to ensure that stunning views will remain unaffected.

OCGR will also introduce you to English/Spanish speaking lawyers, who will explain the legalities in detail. There are many questions you will need to put to them including the tax implications of rental income, or capital gains tax on reselling at a profit.

Familiarise yourself with the facilities the region has to offer. Make sure you are within reasonable travelling distance of shops, transport, medical facilities and schools.

Those seeking a new permanent home in the sun will benefit from advice on local customs and etiquette to make the adjustment from one culture to another more comfortable.

If you are buying to rent, you will also appreciate their advice on running a property portfolio.

Spain continues to be the most popular European country for European residents buying overseas, so it makes sense to invest in this market now. Even if all the predictions for growth should prove wrong, the worst that can happen is ownership of a wonderful second home in a beautiful setting for you and your loved ones to enjoy.

You can visit OCGR on one of our Exhibitions, or visit [www.ocgr.co.uk](http://www.ocgr.co.uk) where we can show you the benefits of buying 'off plan' and guide you through the process of managing a property portfolio, as well as providing free advice.

**Please remember: Your home is at risk if you do not keep up repayments on a mortgage or other loans secured on it.**



For a comprehensive range of properties go to [www.ocgrinternational.com](http://www.ocgrinternational.com)

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