



The Spanish Costas
Where to invest where Europeans
holiday and retire...

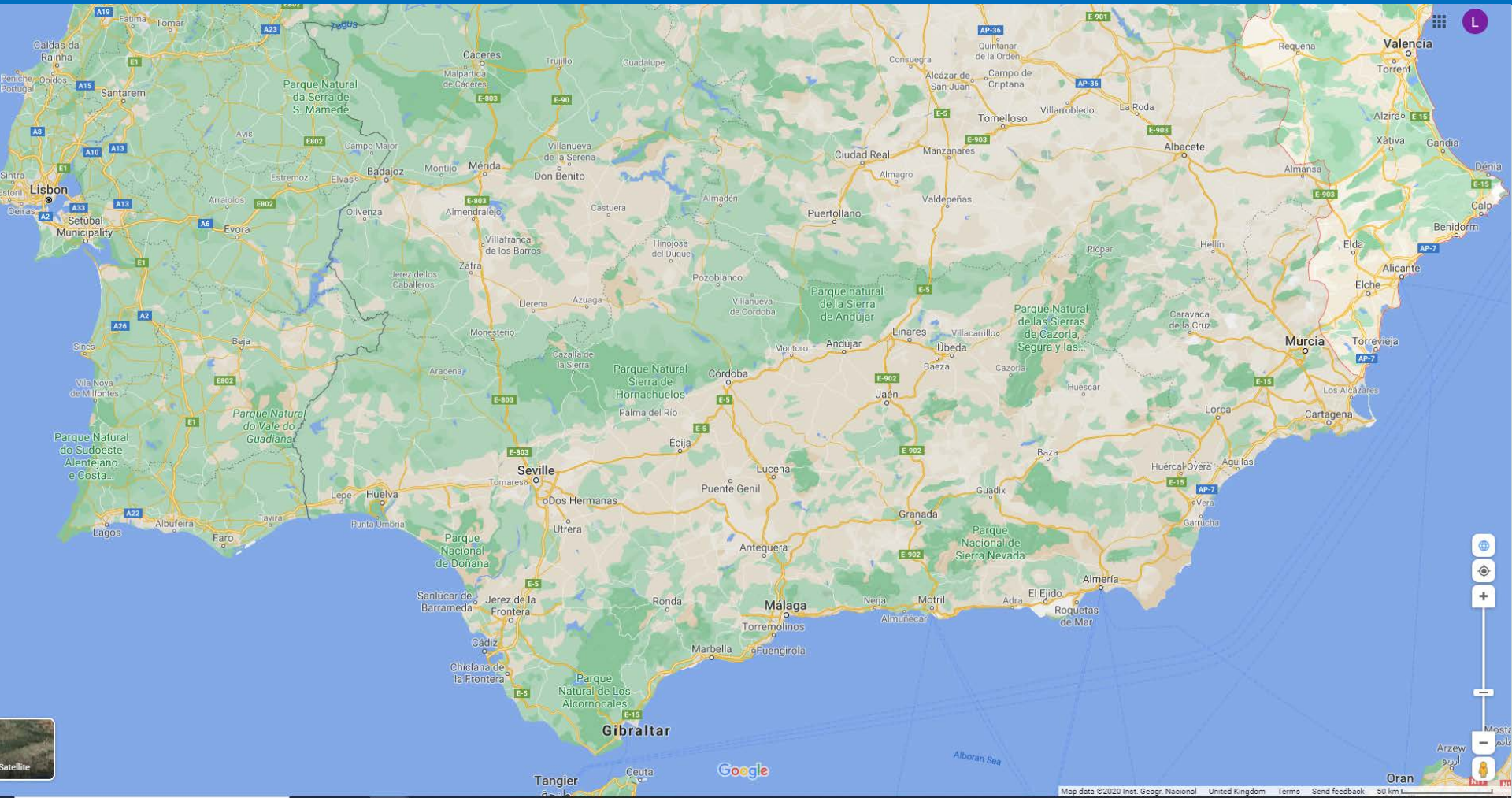
LIVE AND INVEST IN EUROPE, OCTOBER 20-23, 2020

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Iberia in perspective: Spain and Portugal





Spanish real estate market



- The Spanish home market sector is worth \$6 trillion
- Bloomberg reports prices up by 32% since the trough of the last crash, in 2014
- Generally, supply still exceeds demand meaning that prices are more competitive on a like for like basis when compared with other Mediterranean countries
- New builds, which command a premium, are also on the increase (9% increase in 2019), with some being driven by the Golden Visa, however it is unclear if more competition between new and existing stock will occur
- Around 20% of sales are to foreign buyers, mainly British
- 35% of the 82 million tourist overnight stays are in private rental accommodation
- Spain is predicted to be one of the hardest hit economies by the Coronavirus epidemic (economic contraction between 11-14%) and therefore real estate sales show a mixed picture: transactions appear to have increased by 6% (although some element of pent-up demand must be factored into this), but prices appear to have fallen by about 7%



Costa del Azahar (Valencia)



- Airport: Valencia
- Third-largest Spanish city
- Great transport infrastructure, trams, buses, bikes and electric bikes, flat city with miles of cycle and walking paths; very good medical facilities
- Beach city, very large urban beach
- Coastal urban living retirement (best in Europe if you exclude Spanish taxes), entry-level coastal investment (Valencia prices have grown fast)
- Great for: urban redevelopments/refurbs, culture and gastronomy, affordable coastal living, traditional towns
- The cons : difficult access if outside the Valencia city (mainly road, except some towns on rail line, coastal towns very seasonal)
- NB: buyers pay half (3%) of real estate commission



Costa Blanca (North)



- Airport: Alicante
- Coastal town living and retirement (among best weather in Europe)
- Reasonably flat with hills further back so many coastal towns accessible, yet interesting visual topography
- Large expat communities (British, Benelux, German, Scandinavian), slightly segregated
- Great for: variety of environments from small villages to tourist hot-spots, upmarket coastal living, sophisticated eating (many Michelin starred restaurants) at excellent value for money
- The cons : distance to airports and shopping, Benidorm's reputation, coastal towns very seasonal

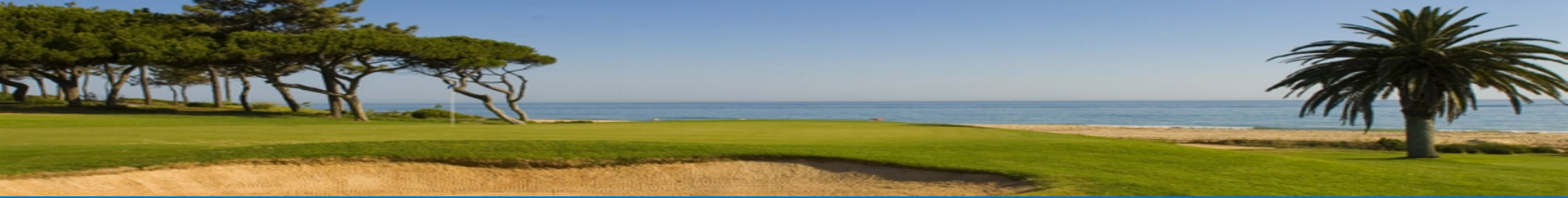




Costa Blanca (South)



- Airport: Alicante or Murcia
- Entry-level retirement living
- Very flat in most places so walking is easy
- Plenty of leisure options and amenities
- Good healthcare options
- Large expat communities (British, Dutch, German, Scandinavian), but also sometimes a sense that foreign and Spanish locals do not mix
- Great for: cheap coastal (up to 15 minutes) inventory, low to mid-level tourism, bars/restaurants/night life
- The cons: fewer options for those looking for quiet, more upmarket lifestyle, many densely constructed urbanisations



Costa del Sol (South/West)



- Airport: Málaga
- Coastal city living retirement (best in Europe if you exclude taxes)
- Large expat communities (British, Benelux, German, Scandinavian), generally upmarket feel
- Good healthcare options
- Great for: sea views due to the proximity of the mountains to the sea, variety of environments from small villages to tourist hot-spots, upmarket coastal living, popular for Golden Visa
- The cons: most the central Costa del Sol is very hilly, so a car is required or a more expensive property on the coast is the solution; Torremolinos' reputation, highway expensive tolls and coastal road crowded and dangerous



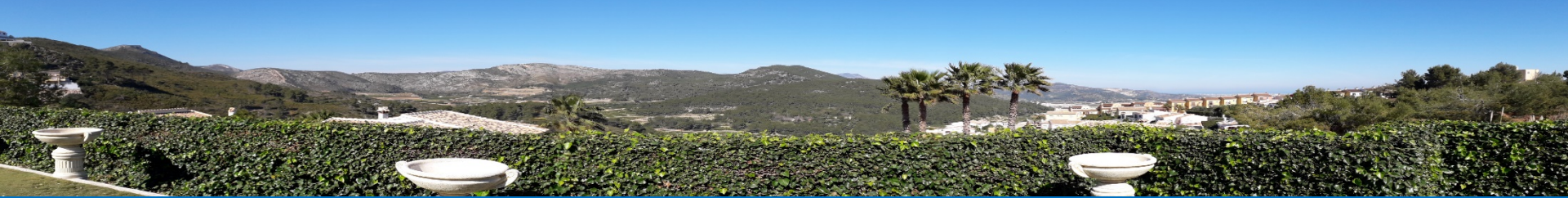
T2 apartment purchase/rental by region



- Costa del Azahar (Valencia): cheaper cost of living; history and culture; population concentrated in a few key locations; Valencia city seen big price increases: Valencia city: from €50K, fr. €500/mo. Valencia province: from €35K, from €400/mo.
- Costa Blanca (North): more upmarket than south; new/modern product. from €50K, from €400/mo.; Coast: from €50K, from €500/mo.
- Costa Blanca (South): mass tourism. Good amenities and services, large expat communities. from €35K, from €350/mo.
- Costa del Sol (South/west): greater reputation and well-known (Marbella, Puerto Banús etc), large expat communities from €75K; fr. €500/mo.



ALERT! Premium locations = premium prices. Do not ask for a sea view and expect entry-level prices



Residency solutions for non-EU citizens



- Golden Visa
 - €500K +VAT
- Non-lucrative visa
 - What is required?
 - Proof of income, from pensions, investments (some types of real estate income considered)
 - Health insurance
 - Proof of funds in local account
 - Criminal clearance from country of residence
 - MOST IMPORTANT: rental contract or proof of ownership
 - Rent OR buy
 - Limitations
 - May not work or generate income in Spain
 - Visa application times can be long (and longer during Covid times)
 - Varying interpretations of income requirements by local consulates



For more information



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