

A guide to Spanish mortgages



Mortgages are available for mainland Spain as well as the Canary Islands and The Balearics.

Eligibility and criteria

- Mortgages are available in Euros and Sterling.
- Available on a Capital & Interest repayment basis (Interest Only is available but on limited schemes for maximum of 5 years)
- The maximum loan to value for a purchase is 65% for both resale properties and 'new build' properties (up to 80% if property is to be main residence).
- The maximum loan to value for a remortgage or equity release mortgage is 60%.
- The maximum term of any mortgage is 35 years (to age 70 maximum) however this varies depending on the type of loan.
- The minimum loan amount is €30,000 with no maximum

Affordability

To qualify for a mortgage in Spain, a calculation is used to establish whether you can afford to maintain the mortgage repayments. This will automatically happen when you complete our enquiry form, and we will not charge you for this service.

Your existing liabilities, including your UK mortgage or rental payments, loans, credit card payments and maintenance are taken into account, together with the proposed Spanish mortgage payments. All this must not typically exceed 35% of your monthly net income. For example if your net joint income is £2500, 35% of this equates to £875. If your only liability is your current UK mortgage payment of say £300 per month, this would leave a balance of £575 for your Spanish mortgage repayment.

The amount that you can borrow is also restricted by the maximum loan to value as mentioned under Eligibility and criteria.

Proof of income requirements

If you are employed:

- Your last three month's payslips
- Your latest P60 and employers reference
- Your last three month's personal bank statements

If you are self-employed:

- Your last two year's Audited Accounts and Tax Returns
- Your last three month's personal bank statements

Other documents will be required and will be confirmed when application forms are sent to you.

For our latest rates and to see the different types of Spanish mortgages on offer, please visit our website or speak to one of our advisers. Our 'quick quote' calculator on our website will enable you to find out how much your monthly payments will be or complete our online enquiry form to receive an Approval in Principle certificate and quotation.

PLEASE NOTE THAT AS THE LOAN IS SECURED ON THE OVERSEAS PROPERTY IT IS NOT COVERED BY THE UK CONSUMER CREDIT ACT OR THE FINANCIAL SERVICES AUTHORITY.