

JOHN TAYLOR

LUXURY REAL ESTATE SINCE 1864

SANTA PONSÀ

How to buy a property
IN MALLORCA



AN ARTCURIAL GROUP COMPANY



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How to buy a property in Mallorca?



I Obtain a Foreigner Identification Number (NIE)

To carry out business or financial transactions in Spain – such as buying a property, opening a bank account, or fulfilling tax obligations – a Foreigner Identification Number (NIE) is required.

EU citizens can obtain this number by submitting the appropriate application. For non-EU citizens, it is mandatory to register and obtain prior authorization before being assigned the NIE.

This procedure can be carried out through the Spanish Embassy or Consulate in the country of origin. Alternatively, we offer assistance to obtain the NIE directly within Spanish territory.

II Open a Spanish Bank Account

To purchase a property in Spain and manage recurring payments for services such as water or electricity supply, it is essential to have a bank account with a Spanish financial institution.

We can assist you throughout the account opening process, collaborating with various banking institutions to help you choose the bank that best suits your needs.

III Engage a Lawyer

It is highly recommended to appoint a specialized lawyer during the property purchase process. They will review the legal and planning status of the property, handle administrative procedures, and draft or review the necessary contracts.

We can connect you with attorneys of distinguished reputation and extensive experience in the Mallorca real estate market. If deemed necessary, you may grant a notarized power of attorney authorizing the attorney to act on your behalf.

Additionally, some firms offer complementary services such as accounting and tax advice, which can be especially useful in transactions involving tax implications or asset management.

IV Select a Real Estate Agency

Choosing the right real estate agency is a key factor for a successful purchase. An experienced agency helps you find the right property, acts as a mediator with the seller, negotiates on your behalf, and guides you through every step of the buying process.

At John Taylor, we take a holistic approach that goes far beyond the transaction. We accompany our clients through the entire journey – including after-sales service. Our additional services include interior design, furnishing, renovations, and project management – for a smooth and tailor-made transition to your new home.

V Offer and Negotiation

Once the right property is found, you can submit a purchase offer. The agency will advise you on the current market value and help you formulate a reasonable and competitive offer.

The offer should include the proposed price and the expected timeline for signing the contract. This step marks the beginning of negotiations and is crucial to reaching an agreement between both parties.

VI Property Due Diligence

Once the price and contractual terms are agreed upon, the lawyer begins the legal and planning due diligence on the property. This includes verifying ownership, any encumbrances such as mortgages, and compliance with applicable regulations.

The lawyer also compiles the required documentation to ensure the transaction is legally secure and risk-free.

VII Private Purchase Agreement

Next, a private purchase contract (usually an option or reservation contract) is signed between buyer and seller. This outlines the purchase conditions, including the price, additional costs, and timeline for signing the public deed.

At this stage, a down payment is made, usually 10% of the purchase price. It serves as security for the mutual commitment until the notarial deed is signed.

VIII Apply for a Mortgage

If you do not plan to finance the purchase entirely from your own funds, you can apply for a mortgage. Banks in your home country generally do not finance foreign properties, so it is advisable to take out a mortgage with a Spanish bank.

We are happy to advise you and connect you with banks, mortgage brokers, and tax consultants to guide you through the entire process.





IX Currencies

If you are financing the property purchase with funds outside the Eurozone, we recommend consulting a specialist currency exchange service.

This helps minimize currency fluctuations and bank fees, making the transfer more efficient and cost-effective.

X Public Deed

A notary acts as a public authority for signing the official purchase deed. At this point, the remaining purchase price and any applicable fees are paid.

The property is handed over at the same time – the buyer becomes the new legal owner and receives the keys. Important: Buyers have the right to choose the notary themselves.

XI Land Registry

Every property transfer must be registered with the Land Registry.

Although some notaries offer the land registry management service, this task can also be carried out by your lawyer or a specialised administrative agency, who will handle the process to ensure full legal security of the purchase.

Purchase Costs When Buying a Property in Spain

I Taxes

- *VAT (IVA): 10% on the purchase price of new residential properties. For commercial properties and plots, the standard rate of 21% applies.*
- *Stamp Duty (AJD): Applied to VAT-taxable transactions (for example, new builds), typically around 1.5% of the purchase price.*
- *Transfer Tax (ITP): This applies to resale properties and is calculated progressively.*

| Property Value | Property Transfer Tax (ITP) |
|-------------------------------|---|
| Up to 400.000, -€ | 8% of the property price |
| 400.000, -€ - 600.000, -€ | 32.000, -€ + 9% on the amount above 400.000, -€ |
| 600.000, -€ - 1.000.000, -€ | 50.000, -€ + 10% on the amount above 600.000, -€ |
| 1.000.000, -€ - 2.000.000, -€ | 90.000, -€ + 12% on the amount above 1.000.000, -€ |
| Over 2.000.000,€ | 210.000, -€ + +13% on the amount above 2.000.000, -€ |

II Fees and Charges

- *Notary fees: approx. 0.3% – 0.5%*
- *Land registry fees: up to approx. €2,200*
- *Legal fees: approx. 0.5% – 2% of the purchase price*
- *Agency fees: Up to 6% of the sale price, paid by the seller.*

Ongoing Costs of Owning Property in Spain

I Taxes

- *Property Tax (IBI): Between 0.4% and 1.1% of the cadastral value, depending on the municipality and location.*
- *Waste Collection Fee: Varies based on location, size, and cadastral value.*
- *Income and wealth tax: Depending on your personal situation, consult your tax advisor or lawyer. The current tax-free allowance for wealth tax in the Balearics is €3,000,000 per person.*

II Other Ongoing Expenses

- *Community Fees: Depend on shared facilities and building services.*





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PELOUVERIA
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GROUP PARK

About Us



The John Taylor Santa Ponsa office is a well-established reference in the luxury real estate market of southwest Mallorca.

Our multilingual team provides tailored, exclusive, and discreet service – adapted to the needs of each individual client.

Thanks to in-depth market knowledge, we accompany our clients through all phases of the buying or selling process. We specialize in exceptional villas, apartments, and estates. At John Taylor Santa Ponsa, we combine professionalism with personal service – for a real estate experience built on trust and quality.

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Our Services

Services that turn your property dreams into reality

We focus on three key areas of the real estate sector: sales, rentals, and valuations of exclusive properties. At the same time, we understand that every client has unique needs. That's why we constantly expand our offerings with bespoke products and services. This ongoing development allows us to provide customized solutions that reflect the individual nature of each case – ensuring comprehensive support through every stage of the real estate journey.

PROPERTY SALES



Our sales service is designed for owners looking to sell their property with maximum efficiency, discretion, and market positioning. We support you from the initial valuation to selective marketing, conduct qualified viewings, and negotiate transparently. Our bespoke sales strategy, combined with the international reputation of the John Taylor brand, delivers optimal results in the most exclusive market segments.

TAILORED BOUTIQUE SERVICE



Our boutique search service is tailored for buyers with the highest standards for exclusivity, discretion, and personal service. We identify properties that fit your specific needs and guide you through the entire purchase process – from selection to notarial deed – with utmost professionalism and attention to detail.

NEW DEVELOPMENTS



Our premium new developments service features exclusive projects in top locations. We collaborate closely with leading developers to ensure the latest trends and highest quality standards.

PROPERTY VALUATION



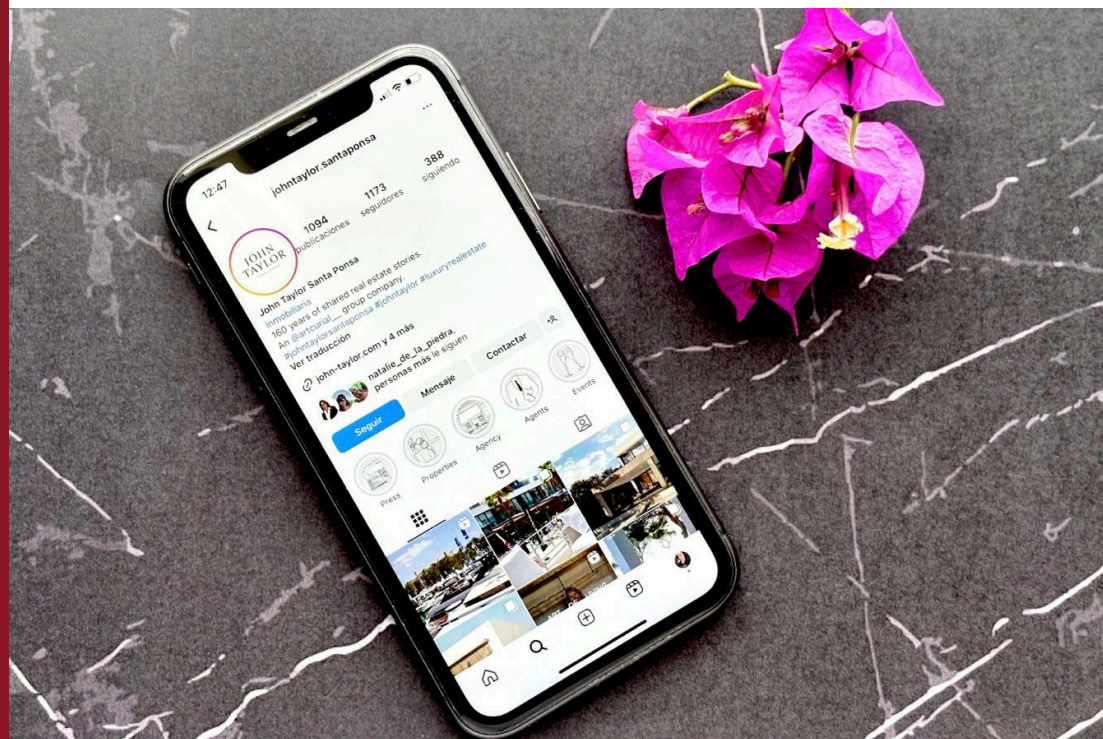
Our precise and individual market valuations are based on thorough assessments of both the property and the market. Thanks to our extensive experience and personalized approach, we guarantee a fair and realistic valuation that optimizes the process of buying, selling, or renting.

MARKETING



Our distinctive marketing highlights the unique value of each property with personalized and innovative strategies. We use high-impact visual tools and targeted campaigns to create an emotional connection with buyers and accelerate results.

Our Social Media Channels



At John Taylor, we understand the importance of digital presence in today's world.

That's why our social media platforms are designed as dynamic tools to stay connected with our clients.

Through these channels, we share the essence of our brand and offer exclusive insights into the most exceptional properties in Mallorca's southwest.

We invite you to discover our outstanding and exclusive content across all digital platforms.



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John Taylor Santa Ponsa



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Deauville
Lubéron
Alpilles
Fayence
Megève
Mougins
Paris - Triangle d'Or
Paris - Rive Gauche
Paris - Ouest
Around Paris
Porto-Vecchio
Saint-Jean-Cap-Ferrat
Saint-Tropez
Saint-Paul-de-Vence
Valbonne
Lyon

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Madrid - Chamartín
Madrid - Chamberí & Centro
Madrid - Pozuelo
Menorca
Palma de Mallorca
Santa Ponsa

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