

V  LENCIAGENCY

BUYERS GUIDE
VALENCIA

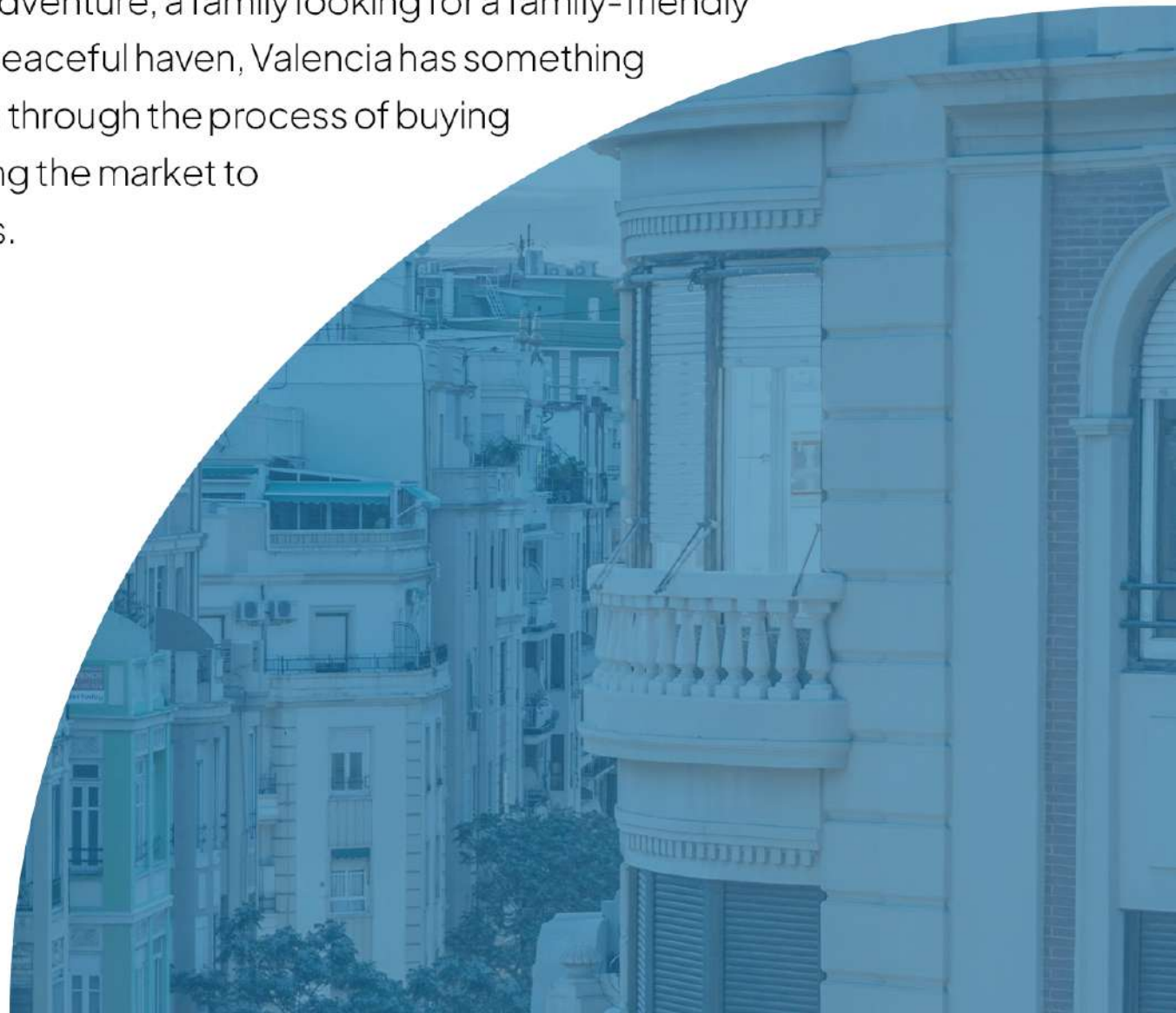


INTRODUCTION

Valencia offers a unique blend of Mediterranean sunshine, rich culture, and a relaxed lifestyle. Whether you're an expat seeking a new adventure, a family looking for a family-friendly environment, or a retiree dreaming of a peaceful haven, Valencia has something to offer everyone. This guide will walk you through the process of buying a property in Valencia, from understanding the market to navigating the legal and financial aspects.

WHY VALENCIA

If you are still assessing whether Valencia is the spot for you, here's an overview of what Valencia is to offer. For the ones already sold on this, you can skip this section and go straight to Relocating vs Investing in Valencia on page X.



For a long time, Valencia has been underrated for what it has to offer compared to other Spanish, or expats hotspots – fantastic climate (300+ days sun per year), beaches, mountains, culture and great food. However, in recent years Valencia has been discovered by many and exploded in popularity. Ranking as one of the top cities globally for expats year after year has definitely helped putting this beautiful place on the map.

Unsurprisingly, this has been having an impact on the property market – currently at all-time highs, with no signs of stopping. Both property and rental prices are experiencing strong growth as demand outweighs supply of quality homes.

Now let's dive a bit deeper into what it's like to live in Valencia and what it has to offer.



VALENCIA CITY

Most expats gravitate to areas in or around the city center or Jardín del Turia (also, El Río), which is a magnificent park surrounding the Northern part of the city. Within the city center, El Carmen and Russafa are popular spots with El Carmen being in the heart of the historical center and Russafa, a hipster neighbourhood filled with bars and restaurants on the southside of the city center. **Overall, Valencia city has many appealing neighbourhoods and depending on budget and whether you wish to immerse yourself with the locals or prefer city life, with exception of a few neighbourhoods, you can hardly go wrong.**

For a deep dive of our favourite neighbourhoods



LOCAL MARKETS

Valencia's markets are a feast for the senses, offering everything from fresh produce to handmade crafts.

- **Central Market:** One of Europe's largest indoor markets, this architectural gem is a must-visit for foodies.
- **Colon Market:** This renovated market has transformed into a stylish space with trendy shops, restaurants, and bars.
- **Russafa Market:** A smaller, more local market with a focus on fresh produce and local products.



A Passion for Festivals

Valencians are known for their love of celebrations and festivities. Las Fallas, declared an Intangible Cultural Heritage of Humanity by UNESCO, is the most famous. This extravagant festival features giant illuminated sculptures, fireworks, and music, culminating in a spectacular burning of the creations.

La Tomatina

The world's biggest food fight, held in the nearby town of Buñol.

La Tomatina is an annual festival held in the town of Buñol, near Valencia, Spain. It's famous worldwide for its unique and chaotic celebration: a massive tomato fight!



Las Fallas: A Fiery Fiesta in Valencia

Las Fallas is not just a festival; it's an explosion of colour, sound, and passion that encapsulates the spirit of Valencia. Celebrated annually from March 15th to 19th being the main days, this extraordinary event is a must-see for any visitor. If you live in the city center during this period, beware that from 1st-19th of March the Masclèta, a spectacle of firecracker detonation takes place and the city experiences large volumes of partying visitors, both locals and tourists.



Cuisine: A Flavourful Experience

Valencian cuisine is a delight for food lovers. Fresh seafood, rice dishes, and hearty stews are staples. Paella, the region's most iconic dish, is a must-try. Horchata, a refreshing drink made from tiger nuts, is a popular local refreshment. For you who enjoy fine dining, Valencia city and province have numerous Michelin Star restaurants.



Vibrant Nightlife: The Good, Without the Bad and Ugly

Fortunately (or not), Valencia is not known for its “party scene”. This tends to avoid “bad tourism” that other popular spots in Spain suffer from during the summer. However, Valencia offers a diverse nightlife scene to cater to all tastes. Whether you're looking for laid-back bars, lively clubs, or trendy cocktail lounges, you'll find it here.

- Russafa: This trendy neighbourhood is a hub for independent bars, live music venues, and creative spaces.
- El Carmen: The historic district offers a mix of traditional taverns and modern cocktail bars.
- Marina Beach: For those seeking a beachside party atmosphere, the Marina Beach area has a variety of clubs and beach bars.





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Modern Valencia: A Dynamic City

Beyond its rich history, Valencia is a modern city with a thriving arts scene, innovative architecture, and a strong focus on sustainability. The City of Arts and Sciences is a prime example of the city's forward-thinking spirit.

In essence, Valencia offers a captivating blend of old and new, tradition and modernity. Its welcoming people, delicious cuisine, and vibrant culture make it an unforgettable destination.

RELOCATING VS INVESTING IN VALENCIA

Deciding whether to relocate to Valencia or simply invest in property and/or use it as a holiday home is a significant decision with different implications for your lifestyle, finances, and future plans.

Here's a breakdown of key factors to consider:

RELOCATING



Lifestyle

Want to experience the Mediterranean lifestyle firsthand, enjoying the climate, culture, and cuisine? With 300+ days a year of sun, outdoor living and activities are part of your daily routine. City life, beach bum, or being in nature, Valencia has it all.



Community

You'll need to build a social circle, immerse yourself in the local community, and potentially learn a new language.



Career

Compared to other western countries, you may find that the job market in Valencia isn't very strong and trails cities like Barcelona and Madrid. Having said that, if you're one of the lucky ones who can work remote, are a digital nomad, are retired, or wish to venture to start your business here, Valencia is a perfect place to settle.



Cost of Living

Even though we have been experiencing higher cost of living everywhere, Valencia is still surprisingly affordable and very well positioned compared to other expat hotspots.



Visa and Residency

It's important to understand the requirements for obtaining a visa and residency permit if you're not an EU citizen. There are several Visa's available - as one of the few remaining countries in Europe you can obtain a Golden Visa, or Visa by investment scheme (€500,000+), however it's a topic of discussion that is changing rapidly, so keep a close eye on changes here. Compared to other western countries, you may find that the job market in Valencia isn't very strong and trails cities like Barcelona and Madrid. Having said that, if you're one of the lucky ones who can work remote, are a digital nomad, are retired, or wish to venture to start your business here, Valencia is a perfect place to settle.

INVESTING



Growth

Valencia city and province have experienced strong growth over the past years, resulting in strong capital appreciation, high rental yields, increase in building of new developments and inflow of international investors. Still, it's important to understand the factors driving this and being familiar with markets that outperform others.



Short term rental market

The short-term rental market has experienced unprecedented growth and offers high returns. This type of investment does require active management or outsourcing this to a management company. Due to its growth and perceived result of causing higher rent prices for locals, the local government



Ways of Investing

Depending on your background, experience, do it yourself or outsource and budget there are many routes you can take. Buy land in up-and-coming areas for long term appreciation, flip houses, tourist rental, or want to invest more passively.



Passive investing

There is an increasing number of companies offering projects where you don't own the property but participate in its success when it's being resold or rented. These offer typically higher yields up to 15%, however beware of the risks associated with these. Urbanitae is one of the leading companies in Valencia offering such investment opportunities.



Valenciagency present the best investment opportunities available in the market
Growth trends in prime areas:

⇒ **Prices** – last records from June all time high at €2.554 – an increase of 14,7% YoY + strong uptrend growth – compared to Barcelona €2.696 and flat

- o CIUTAT VELLA €3,536 up 11.7% all-time highs
- o L'eixample €3,764 up 12.1% with neighbourhood Russafa leading the chart with 17% YoY growth
- o El Pla del Real €3,439 up 20,1% no sign of stopping, all time high

⇒ **Premium areas and Price developments outside city center:**

- o Los Monasterios, Alfnach €2,460 up 12.3%
- o L'Eliana €2,059 up 5.6%, however driven exclusively by Zona pueblo (inner city) with 17.4% growth
- o La Cañada, Paterna at €2,184 strong growth up 13.3% from last year



Cost of purchase

10% ITP (Transfer tax and stamp duty) + notary + agency fees + financing if applicable (all-in around 15% of purchase price).

There are exceptions to this if the transaction is between companies 2%

3% - 3% buyer seller

Currency exchange

The Process

First you obtain your NIE (Número de Identificación de Extranjero), it's the local equivalent to your social security number. Without it there is very little you can do in Spain when it comes to financial transactions. You can apply for a NIE at the Spanish consulate in your home country or at a police station in Spain after arrival. If you choose to obtain it in Spain, we advise to use an intermediary for a swift turnaround at low costs.



Opening a bank account.

If you need a mortgage, consider this can take quite some time as banks have a different department dealing with international mortgages, you don't communicate with them directly and require quite some paperwork. The maximum you can borrow as a foreigner is 70%. For additional investment or holiday homes, this rate can drop to 60%.

1

Finding a home

You can do this yourself (idealista most popular platform to research, however, beware that this process can be quite daunting. The real estate market in Spain is largely unregulated, without centralised standardisation when it comes to certification, no MLS, making the quality, experience vary greatly.

As Valencia has grown enormously in polarity with expats only in the last few years, most local agencies don't offer multi-lingual support, or the experience you're used to. This can mean countless unheard calls or emails, or difficulty communicating if you do not speak Spanish. We expect this will change over the coming years as more expats continue to move and invest in Valencia and international will open their doors

2

An alternative to doing this process yourself, you can work with a Real Estate Personal Shopper (REPS). You can see the Personal Shopper as buyer's agent plus benefits (no pun intended). They know the market well; understand the process and pitfalls and will help you find your dream home and make sure all necessary steps to closure are diligently followed.

The key benefits are that you typically don't pay more than you already do when doing all of this yourself. The REPS will either charge a fixed fee, or the equivalent percentage of the purchase fee of 3%, which you typically don't pay again when you find your home. REPS are independent and not limited to the listings their agency has on offer but will explore all available properties on the market and collaborate with other agencies.

For more information, see [here](#)

3. Hire a lawyer – it's crucial to have a "buyers" lawyer representing you to navigate through the legal complexities and protecting your interests.
4. Notary signing the public deed where both buyer and seller must be present or represented by a lawyer with power of attorney.
5. Paying taxes and transfer utilities. If you're not intending to spend more than 182 days of the year in Spain you are subject to non-resident tax.

