



# finding accommodation in Catalonia

## the property offer

We should note that the Spanish market has undergone a great change: the country is no longer the European property “Eldorado” of the 1980’s, and it is currently at the top of the list of industrialised countries that have experienced the largest growth in this sector in the last twenty years.

## general features of the market

### the sector

The property sector accounts for 9% of the Gross National Product. There are approximately 30,000 agencies nationwide, almost a third of which are in Catalonia. It is enough to say that the sector is in a very good state...

However, it is lamentable that the sector is distinguished more for its impressive turnover than for the quality of its services. A recent survey carried out by the consumer agency *Consumer* among 56 property agencies in Spain, revealed the lack of transparency in most of them: only 60% of these professionals clearly state the amount of their commission to their customers, and none of them spontaneously provide information regarding the situation of the market at the time of sale, purchase or renting...

### offer

Spain, unlike other industrialised countries and the rest of the European community, has a market in which sales largely predominate over renting. Based on the available figures (1996), renting represents only 14% of the housing stock. This phenomenon is largely due to the preference of Spaniards for purchasing over renting, and has been magnified in the last few years by the lack of investment alternatives in Spain.

The supply of property, including sales and renting, has been a lot lower than the demand since 1996.

Madrid and Barcelona have been the worst hit of Spanish cities. This is obviously the first factor that leads to price increases.

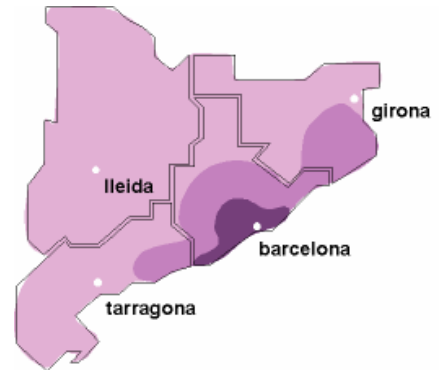
This massive demand is explainable through social-economic facts such as the baby boom or the increase in the number of divorces.

An other significant stimulus is the interest a number of countries have shown in Spain: it has been noticed that nationals from certain European countries, such as England and Germany, increasingly invest in second residences in Spain, which also leads to an increase in the demand; parallel to this, the arrival of foreign workers and students has created a large market for renting, especially in the Catalanian community, national leader in terms of immigration.

Finally, we would like to point out a surprising uniqueness of the rental offer in Catalonia: a quarter of the homes belonging to direct owners are not occupied...

## prices in catalonia

- ZONE 1**  
Badalona, Castelldefels, El Masnou, L'Hospitalet de Llobregat, San Boi de Llobregat, Sant Cugat, Sant Feliu De Llobregat, Sant Joan Despí, Santa Coloma Gramenet, Sitges and all the remaining towns within the greater Barcelona metropolitan area.
- ZONE 2**  
Cerdanyola, Gavà, Girona, Granollers, Martorell, Mataró, Mollet del Vallés, Montcada i Reixac, Prat de Llobregat, Ripollet, Rubí, Sabadell, Terrassa, Viladecans, and Vilanova i La Geltrú.
- ZONE 3**  
Balaguer, Banyoles, Berga, Figueres, Igualada, Lleida, Manresa, Olot, Reus, Salt, Tarragona, Tàrraga, Valls, Vic, et Vilafranca del Penedès.



## sale 2003

	new building	old building
average price	2 150 €/m <sup>2</sup>	1 600 €/m <sup>2</sup>
zone 1	more than 2 550 €/m <sup>2</sup>	more than 1 850 €/m <sup>2</sup>
zone 2	from 2 050 €/m <sup>2</sup> to 2 550 €/m <sup>2</sup>	from 1 550 €/m <sup>2</sup> to 1 850 €/m <sup>2</sup>
zone 3	less than 2 050 €/m <sup>2</sup>	less than 1 550 €/m <sup>2</sup>

## rent 2002 \*

	new building	old building
average price	8,70 €/m <sup>2</sup>	7,20 €/m <sup>2</sup>
zone 1	from 7,50 €/m <sup>2</sup> to 10 €/m <sup>2</sup>	more than 9,60 €/m <sup>2</sup>
zone 2	from 6,90 €/m <sup>2</sup> to 7,50/m <sup>2</sup>	from 6,30 €/m <sup>2</sup> to 9,60 €/m <sup>2</sup>
zone 3	less than 6,90 €/m <sup>2</sup>	less than 6,30 €/m <sup>2</sup>

\* not furnished

## prices in Barcelona

### ZONE 1

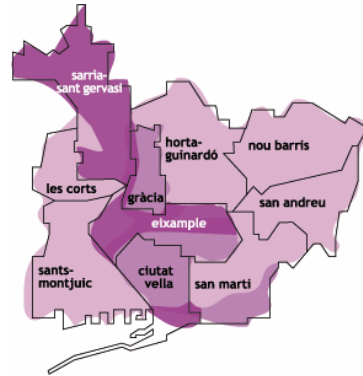
■ Sarrià, Sant Gervasi, Les Corts (north), L'Eixample (nord), Ciutat Vella (P<sup>o</sup> Colom and P<sup>o</sup> Joan de Borbó).

### ZONE 2

■ Les Corts (south), L'Eixample (south), Ciutat Vella (except from Raval, Ribera, Barceloneta, P<sup>o</sup> Colom and P<sup>o</sup> Joan de Borbo), Gràcia and Sant Martí (sea front).

### ZONE 3

■ Sants Montjuïc, Ciutat Vella (Raval, Ribera, La Barceloneta), Sant Martí (all the district except for the sea front), Sant Andreu, Nou Barris, Horta Guinardó.



## sale

	new building	old building
average price	3 207 €/m <sup>2</sup>	3 179 €/m <sup>2</sup>
zone 1	4 600 €/m <sup>2</sup>	3 750 €/m <sup>2</sup>
zone 2	3 250 €/m <sup>2</sup>	3 100 €/m <sup>2</sup>
zone 3	2 800 €/m <sup>2</sup>	2 750 €/m <sup>2</sup>

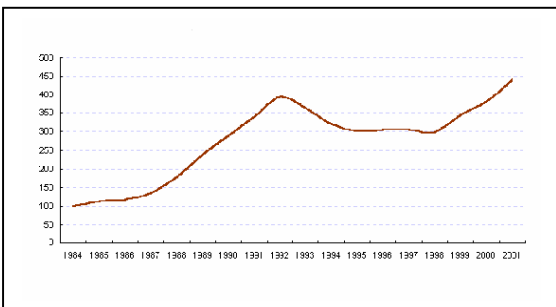
## rent \*

	new building	old building
average price	10,90 €/m <sup>2</sup>	9,70 €/m <sup>2</sup>
zone 1	from 12 €/m <sup>2</sup>	from 11 €/m <sup>2</sup>
zone 2	10,60 €/m <sup>2</sup>	9,70 €/m <sup>2</sup>
zone 3	9,40 €/m <sup>2</sup>	8,50 €/m <sup>2</sup>

\* not furnished

## evolution of rental prices in Spain from 1984 to 2001

rate 1984 = 100



## features of the accommodation

Finding a detached house for sale or to rent in Barcelona is practically impossible, the most commonly found houses being semi-detached. Outside Barcelona, since supply is equally limited, waiting lists are long.

However, there are luxury apartment blocks that offer common swimming pools and gardens.

You may also opt for a pleasant alternative for city accommodation: the *ático*, apartments built on the roofs of buildings.

This kind of accommodation allows you to have a large and often impressive roof garden, in the heart of the city.

It is easier to find unfurnished than furnished accommodation to rent.

The vast majority of old apartments have a layout in which the rooms lead into each other, in buildings laid out around a central patio.

Therefore, the part that opens onto the outside is bright, and the rooms opening onto the patio (normally the kitchen and bathrooms) receive less daylight, but, on the other hand, they are quieter and especially, protected from the heat in the summer. It is common in these apartments to find one or several bedrooms with no windows.

Kitchens are generally not very large compared with the size of the houses, but they are often adjoining to the galley, a room where meals can be eaten with the whole family.

Parquet floors are rare, the most common alternative in old apartments being the *baldoza*, pretty patterned tiles.

Accommodation with central heating is relatively rare in Spain due to the mildness of the climate.

However, a heating system is far from useless in the winter, and apartments are normally fitted with individual gas or electric heaters.

As for renovation, owners reform the kitchen and bathrooms almost systematically, although their taste does not always coincide with that of the tenants...

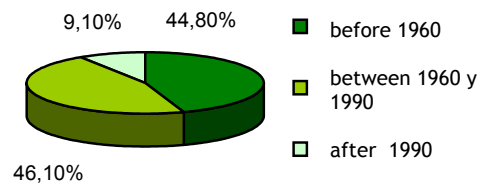
Turning on the water, electricity, gas and telephone meters is relatively expensive: the total is almost €700! Only new accommodation, to rent or for sale, is connected by the property promoters before moving in.

In Spain, electrical appliances work at 220 volts. The sockets have round pins.

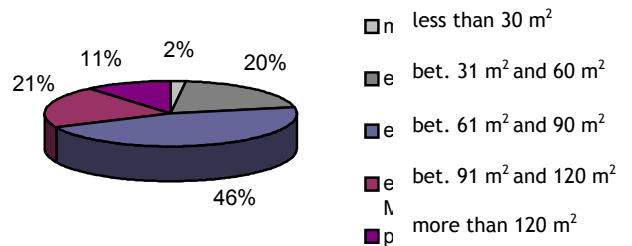
Devices with other voltages can easily be used with adapters you will find at electrical stores.

Hertzian broadcasting is provided in PAL-G (UHF). The video format is also PAL.

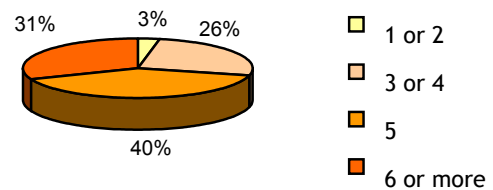
### age of the house



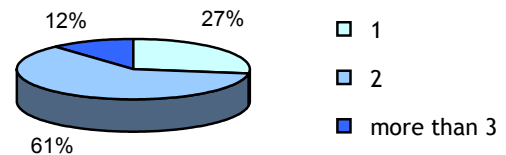
### surface area



### number of rooms



### number of bathrooms





## Rental contracts

### conditions

Rental contracts are signed for one year and are renewable yearly and in a tacit manner for up to five years.

Generally speaking, the 1<sup>st</sup> year of rental is compulsory for the tenant, but after that, he may terminate the contract with a prior notice of 15 days to 2 months, depending on the owner.

The owner must renew the contract on a yearly basis, until the five-year term expires, unless he requires such accommodation for personal use.

The owner may not increase the amount of rent to be paid during the term of the contract, but the tenant must pay an annual increase, calculated according to the CPI (*consumer price index*), unless any clause in the contract stipulates a set price for the entire duration of such contract.

This increase is calculated on a monthly basis and applied at the end of the year to the monthly rent for the following year. The owner must inform the tenant of this in writing, referring to the publication of the index by the *Instituto Nacional de Estadística (National Statistical Institute)* at least one month before application.

In Spain, verbal rental contracts are legal and valid... but not recommendable; in Catalonia, the law makes it possible to demand a written contract.

It is neither compulsory nor common to sign an inventory of fixtures before moving in to the accommodation, but it may be carried out at the request of the tenant.

### repairs and maintenance to the property

The owner is obliged to rent the property in perfect conditions, clean and with the contents in a perfect state.

During the first month, the owner is fully responsible for any breakage or malfunction of any piece of equipment and is obliged to carry out the repair within the shortest term possible.

After this 30-day period, the sole responsibility of the owner is to repair any structural problem in the house (water seepage, broken drainpipes, etc.). Nevertheless, the tenant is obliged to repair any damage caused by normal wear and tear of objects such as blinds, plumbing, etc.

At the end of the contract, the tenant must leave the property in perfect conditions, although he is not obliged to paint it, faded paint being considered as normal wear and tear.

### expenses when signing the contract

The following amounts must be paid when signing the contract:

- the rent (*renta*) for the first month or the ratio of days left in the month
- a deposit (*fianza*) of one month's rent for unfurnished accommodation and two months for furnished accommodation. This deposit will be returned to the tenant at the end of the contract if the property is in perfect conditions and if all the invoices relating to its use have been paid. The owner must hand over this deposit within a maximum term of 30 days after the day the tenant moves out.
- the commission of the property agency, which is generally equivalent to 1 month's rent or 10% of the annual rent + 16% VAT.

Administrative expenses of lesser importance must be added to this amount, regarding the official printing of the rental contract or registering the accommodation in the rented property registry (*Registro de la Propiedad*).

### insurance

Normally, the owner will have an insurance policy to cover fire and accidents, but it is the responsibility of the tenant to insure his personal goods and the contents of the apartment.

However, the owner is not legally obliged to underwrite an insurance policy, in which case, it is the responsibility of the tenant to insure the apartment and its contents against fire and accidents.

The responsibilities of each of the parties must be clearly stated in the contract.