



up on local customs and etiquette. Even if you do feel confident with the language, you should seek experts, locally based bilingual advice before signing any contracts to ensure you understand the terms and conditions in full.

If you are considering starting a business or owning a bar or a B&B, you will need to read up on employment laws. You will also need to get to grips with how the social security and healthcare systems work. You can research this yourself on the internet or speak to professional overseas legal advisers, such as Live Overseas/Key4 International, a company that provides locally based legal advice for several countries around the world (see www.key4international.com).

Of course, you will also have to ensure you are organised before you leave home. This not only involves putting your UK property on the market (which may be difficult in the present climate), but ensuring you have sorted out how you are going to obtain finance for your new property abroad. As your mortgage will probably be in the local currency, you will need to be aware of fluctuations in the exchange rates – and that some areas, like southern Spain, are perhaps more affected by the current ‘credit crunch’ than others, such as France.

Because lending conditions may be more complicated abroad, it may be advisable to apply for

your mortgage well in advance of ending your UK employment, as the foreign banks will need to see that you are solvent before they will be willing to lend to you.

You will also need to wind up your UK tax and financial affairs before you go – for example, you should phone the Pension Service (0845 606 0265) to discover if your state pension can be paid into an overseas bank account. You should ensure that you have sent in your P45 to your local tax office if you are working, and also complete a P85 form for moving abroad, both of which are downloadable from www.hmrc.gov.uk.

Types of properties and associated risks

Buying a property to rent out will be different from buying a property to live in. You may desire to settle in an area that is less in demand for rental purposes, or where there is already a glut of properties in the rental market, so it is essential that you aim for a property that will give you good returns in the short term until you are ready to relocate there permanently. It is a good idea to check with local estate agents to find out what is a reasonable, locally comparable rental price for your property.

If, for example, you are interested in buying a property in France and letting it out until you are able to retire there permanently, you may discover that, under French property laws, you cannot easily get rid of your tenants. You also need to be aware of French inheritance laws, which include an automatic 50–50 property split between spouse and children.

Or you may be attracted to an area where the properties look like bargains – say, a Black Sea coastal resort – and discover that what seemed a pristine beach apartment has become a giant building site with a huge oversupply of new-built properties with low resale value and reduced rental returns.

A frequent problem with off-plan retirement developments – especially ones in newer EU countries such as Bulgaria – is ensuring that the building company is regulated and that the work will be completed on time. It is essential to scrutinise contracts to ensure you understand all the terms and conditions, such as the deposit required and whether it is refundable, what is included in the price and when stage payments are required.

Some property development companies offer a ‘try before you buy’ scheme, which may be one way to be sure whether you really like a place before you commit to it for the long term, but you should always check any agreements to ensure you know what you are liable for.

Research, research, research

With so many issues to consider, it may seem that preparing to move abroad is like trying to walk

“You must be aware that you are moving to another country, and nothing is going to be exactly the same as you have experienced at home – language, lifestyle, culture, religion, medical care, shops – in fact, anything.”

Mike Budding, retiree, Spain

blindfold across a series of moving rocks over a fast-flowing stream. However, if you find out as much as you can before you go, and keep abreast of developments, this need not be disastrous – in fact, it could be a tremendously positive and exciting time for you and your family; the beginning of a whole new adventure. The only problem may be keeping your old neighbours from moving in next door. ■

CONTI'S TOP 10 TIPS FOR HASSLE-FREE BUYING OVERSEAS

- Never sign a contract you do not understand – if an English-language version is available, ask your solicitor to check it is a correct translation.
- If you need mortgage finance, obtain an ‘Agreement in Principle’ for your mortgage before agreeing to purchase the property, and (where possible) seek to include an ‘opt out’ clause if the loan is not agreed.
- Get specialist advice – this includes independent solicitors, valuers, architects, surveyors and so on. They should be proficient in the country’s laws and processes, and know all the specifics involved in buying property there.
- Always undertake an independent and thorough valuation of the property, regardless of its age, to highlight any potential problems.
- If buying from a developer, check their track record and get references from previous buyers.
- Check who holds the full title to the land or the property – is it you, or the developer? Also, make sure you are not inheriting any debt on the property.
- Research the area you plan to buy in thoroughly for basic amenities. Above all, ensure that good transport links are already in place and are likely to remain.
- Open a bank account in your new country and ensure a Certificate of Incorporation (if relevant) for money you import from home. Set up standing orders to pay local bills and taxes.
- Always factor in getting (at least 10%) to cover extras when budgeting for your new home – this includes finders’ and solicitors’ fees, notary fees, land taxes, national and local taxes, insurance and so on.
- Check out the inheritance and capital gains tax laws of the country where you are buying to be aware of what you may be liable for.

Source: Conti’s Mortgages Overseas – see www.mortgagesoverseas.com