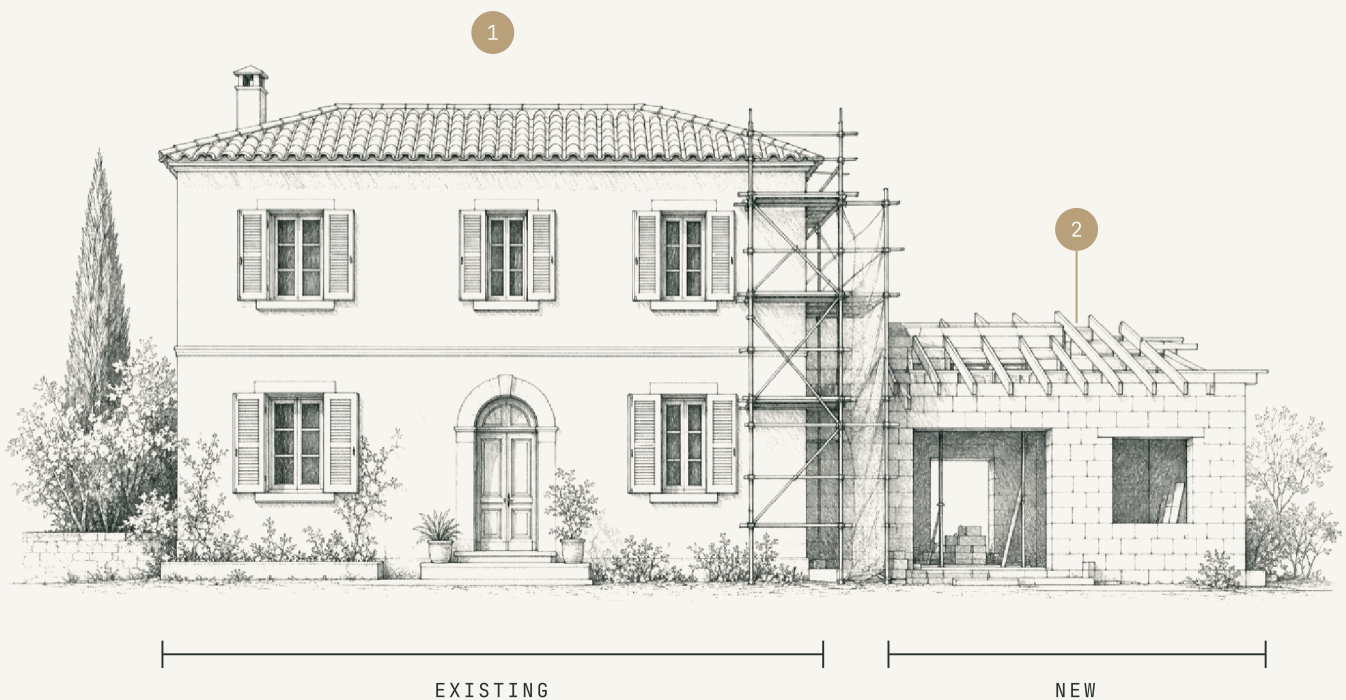


Renovation and permits

In practice a building licence takes 3 to 6 months. Starting demolition early buys you no time at all.



WHAT THIS GUIDE COVERS

1	Is it allowed, and what goes wrong without papers	p. 2
2	Prior notice or building licence	p. 3
3	What a renovation roughly costs	p. 4
4	VAT on renovation work	p. 5
5	What to check before you start	p. 6

BUILDING LICENCE, IN PRACTICE

3 to 6 months

VAT ON RENOVATION, MAIN RULE

21%

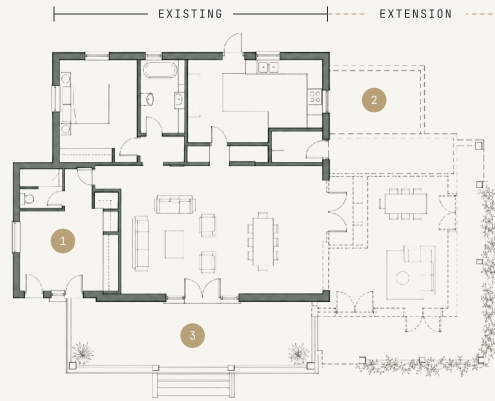
NEW BUILD PER M², EXCLUDING VAT

from around
€2,200

Around €2,420 with 10% VAT

The question everyone asks too late

"Can I actually build or renovate here?" is the question buyers ask most. Buyers usually ask once the purchase is done. The answer decides whether the house will do what you want it to.



1 what stands there now, assuming it was ever permitted · 2 the extension: new volume, so a building licence · 3 the terrace, which also needs a licence

QUESTION 1 Plot coverage How much of the plot may be built on. If that is already used up, nothing more can be added, however large the garden.	QUESTION 2 Height and setbacks Distance to the boundary and the road, and the number of storeys. This often decides whether an extension can go on that side.	QUESTION 3 Is what is there in order Does the Cadastre match reality, and is everything permitted? If not, the renovation starts with putting that right.
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All three can be checked before the purchase is final. Our building surveyor goes through them during the survey: the condition of the house, and whether your plan fits it.

WORK DONE WITHOUT PAPERS, AND WHEN YOU FIND OUT

NO.	WHAT YOU COME ACROSS	WHEN YOU FIND OUT	WHAT IT TAKES
1	Extension without a licence	On resale or renovation	Legalise it if it fits, otherwise demolish
2	Cadastre differs from reality	At valuation or sale	Update it with an architect's certificate
3	No certificate of occupancy	When connecting water and electricity	Apply for one; only works if the property complies
4	Pool not registered	At valuation	It does not count towards the value

Age legalises nothing: an extension that has stood for 20 years is not permitted because of it. Without a certificate of occupancy, water and electricity cannot go into your name, confirmed by our legal adviser, September 2026. None of the four shows up at a viewing. More in guide 06 (The papers that must be right).

Two routes, and the line is drawn at the structure

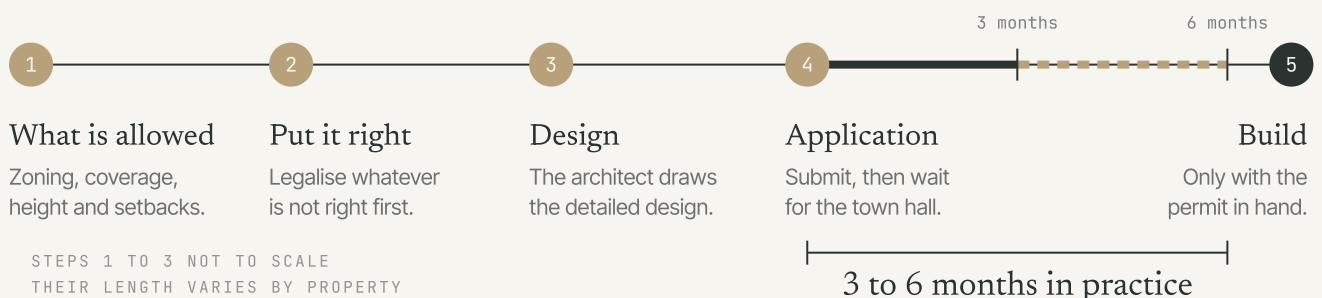
Small work inside the existing walls only needs a prior notice: the *declaración responsable*. If the work touches the structure, the volume or the use, it needs a building licence: the *licencia de obras*.

ROUTE 1 • OBRA MENOR Prior notice You notify the town hall before you start. Provided the notice is complete, the law lets you begin the moment you file it. If something essential turns out to be wrong or missing, the town hall stops the work. What this route allows is limited: small work, no intervention in the structure, no added volume and no change of use.	ROUTE 2 • OBRA MAYOR Building licence The town hall has to make a decision. The law gives it 2 months for new build and demolition, 3 months for a listed property, 1 month for a plot division and 2 months for everything else. That is the decision period, not how long the file takes. In our experience it runs to 3 to 6 months. Building can only start once the licence has been granted.
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TYPE OF WORK	ROUTE	WHAT YOU SUBMIT
New build	Building licence	Detailed design by an architect
Extension or extra storey	Building licence	Design with structural calculations
Removing a load-bearing wall, altering the façade	Building licence	Design with structural calculations
Building a pool	Building licence	Design and site plan
New bathroom or kitchen	Prior notice	Description, sometimes a drawing
Painting, tiling, plumbing	Prior notice	Description

Indicative and not a complete list. Which category a job falls into differs from one town hall to the next; we check that with the town hall itself, project by project.

FROM PLAN TO BUILDING, STEP BY STEP

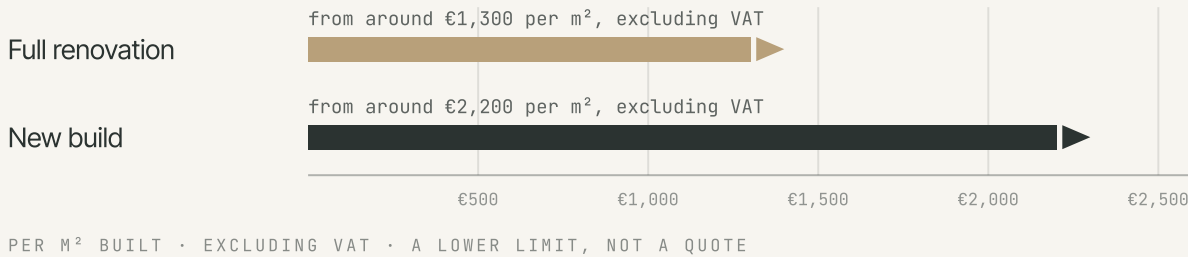


SILENCE DOES NOT GRANT A LICENCE

If the town hall lets the deadline pass without deciding, the application normally counts as refused in the *Comunitat Valenciana*, and for new build national law says the same. Silence also never gives you anything that conflicts with the zoning rules. A prior notice, too, only takes effect once it is complete.

From around €1,300 per m²

That is where a full renovation starts, **excluding VAT**. It is a lower limit, not a quote.



WHERE THE FIGURE GOES UP

The level of finish: kitchen, sanitary ware, tiling and detailing. That is where the figure per m² climbs.

WHAT IS BEHIND THE WALL

Around €1,300 per m² is a lower limit. What comes on top is the condition of the property: plumbing, wiring and damp only show once the tiles are off **3**.

IN THE DRAWING

1 sanitary ware and pipes • **2** tiling • **4** units and worktop

JOB	PER M ² , EXCLUDING VAT	PER M ² , WITH VAT	ROUTE
Full renovation	from around €1,300	around €1,573 at 21%	Depends on the work
New build	from around €2,200	around €2,420 at 10%	Building licence

Both are lower limits, an indication rather than a quote. Page 5 sets out when the reduced rate of 10% applies. New build is per m² built; landscaping and a pool come on top, and the route a job takes is on page 3.

ONE JOB RATHER THAN THE WHOLE HOUSE

JOB	FROM, EXCLUDING VAT
Bathroom	from around €8,000
Kitchen	from around €15,000
Pool	from around €35,000

Starting points, not quotes. What a job comes to is decided by the level of finish you ask for. On renovation work the VAT is usually 21%.

WHAT THAT COMES TO ON A WHOLE HOUSE

A full renovation of 200 m² at around €1,300 per m² is €260,000 excluding VAT, or €314,600 with 21% VAT.

A new build of 250 m² at around €2,200 per m² is €550,000 excluding VAT, or €605,000 with 10% VAT.

Our own worked example at the lower limit, to show the order of magnitude.

Renovation carries 21% VAT, unless three things line up

A renovation carries the standard VAT rate of 21%. The reduced rate of 10% exists, but it is the exception: you only get it if all three conditions apply at once. A new build you commission does carry 10%.

WHEN A RENOVATION QUALIFIES FOR 10%

CONDITION 1	CONDITION 2	CONDITION 3
Who commissions the work A private individual who lives in the home. An owners' association also counts. Letting the home out or using it for a business puts you outside the rule, even if only in part.	Age of the home The work starts at least 2 years after the home was completed. If the home is newer, the reduced rate does not apply.	Materials from the contractor What the contractor supplies in materials is no more than 40% of the contract sum. Above that, the whole job goes to 21%.

All three at once, from Ley 37/1992 article 91. If one of them fails, 21% applies to the whole job. Materials delivered to you without installation always carry 21%. A major rehabilitaci3n falls under a separate rule, with its own requirements on the nature and scale of the work; we look at that project by project.

A COMMISSIONED NEW BUILD STAYS AT 10% If you build to order, with a contract directly between the client and the contractor, the rate is 10%. That holds as long as at least 50% of the built area is residential. Ask your contractor up front which rate they apply and why. That belongs in the quote, not just on the final invoice.

RENOVATION, MAIN RULE

21%

ONLY UNDER THE THREE CONDITIONS,
AND ON A COMMISSIONED NEW BUILD

10%

WORKED EXAMPLE, AMOUNTS EXCLUDING VAT	MATERIALS VIA THE CONTRACTOR	RATE	VAT
Renovation of €40,000, home 20 years old	€12,000 (30%)	10%	€4,000
The same renovation, more materials via the contractor	€20,000 (50%)	21%	€8,400
Commissioned new build of €300,000	not relevant	10%	€30,000

Our own worked example based on the published rates, not a figure from the tax authority. The €4,400 difference between the first two rows comes entirely from the share of materials. A new build on your own plot is covered in guide 05 (Buying a plot and building on it).

BUILDING OVER 50 YEARS OLD The owner must then have a statutory report on the condition of the building: the Informe de Evaluaci3n del Edificio. It is valid for 10 years and also needed for renovation grants.
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NOT THE SAME AS OUR SURVEY

That report is the owner's obligation. Our survey assesses the home for you, the buyer.

What to have ready for the first conversation

	WHAT	WHY
☐	Address or plot number	That lets us look up the zoning and the plot coverage
☐	What you plan to do	Whether it is an extension, a pool or just finishing work decides the route
☐	The year it was built	A building over 50 years old needs a statutory building report
☐	Licences for the extension and the pool	Anything not permitted has to be put right first

WHAT OUR BUILDING SURVEYOR FINDS MOST OFTEN, ACROSS 50 SURVEYS A YEAR

1 Damp and ventilation	2 Papers that are not in order	3 Wiring or plumbing	4 Roof or pool
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TREE's own figures, 17 September 2026. All four affect what a renovation really costs; more in guide 03 (The building survey).

Already got a property in mind?

Send us the address or plot number and what you plan to do.

We will find out whether it can be done, which route it takes and roughly what it will cost.

[Book a call](#)

CALL

+34 865 76 03 63

EMAIL

info@tree.es

TOPIC	SOURCE
Permits, prior notice, deadlines and silence	Decreto Legislativo 1/2021 (articles 232 to 242) and Real Decreto Legislativo 7/2015 (article 11)
VAT on renovation and new build	Ley 37/1992, article 91 and article 20
Report on older buildings	Decreto 53/2018 of the Generalitat Valenciana
Renovation and new build per m ² , and single jobs, excluding VAT	TREE's own figures, 18 and 19 September 2026
Lead time for a licence, and the surveys	TREE's own figures, 17 September 2026
Certificate of occupancy when connecting water and electricity	Confirmed by our legal adviser, September 2026

General information, not building or legal advice. Amounts are indications excluding VAT, not a quote. What is allowed on a specific property is set out in that municipality's zoning plan. This guide is reviewed every quarter.

THE TREE GUIDES SERIES

01 Buying in Spain	02 What it costs	03 The building survey	04 Renovation and permits	05 Buying a plot and building on it
06 The papers that must be right	07 After the keys	08 Inheritance and wills	09 Renting out	10 Mortgages for non-residents