

WELCOME TO PARADISE

STEP-BY-STEP GUIDE TO BUYING PROPERTY IN MEXICO



WANDERLUST
REAL ESTATE + DEVELOPMENT

www.wanderlustlands.com

FALL IN LOVE

It happened to us too. We fell in love with Mexico. We were tired of living the suburban life in the States. After visiting Sayulita and San Pancho, we missed walking everywhere. We missed saying hello to Luli who cleaned the streets just after sunrise on our way to walk the beach. We missed picking up fresh limes, mangos and cilantro at the local fruit stand and Priscilla's secret farm coffee with coconut milk. We missed our kids being able to run freely ahead of us without worry of wayward drivers and busy streets.

We missed the feeling of the sand beneath our feet at sunset every evening. The comradery of the town... the fundraisers, the turtle sanctuary, the festivals, the artisans, the live music, the circus and dance classes for our boys, their schools that not only nurture their natural skills and ready them for the real world; but serve them healthy foods... vegetables for snacks that they not only happily devoured but asked for more! Our kids deserved to grow up here. We deserved to live here.



LOCATION, LOCATION, LOCATION

Our office is only two blocks from the beach and 27 miles from Puerto Vallarta's international airport that offers direct daily flights to and from Los Angeles, San Francisco, San Diego, Orange County, Seattle, Salt Lake City, Saint Lois, New York, Memphis, Phoenix, Minneapolis, Houston, Kansas City, Atlanta, Chicago, as well as Vancouver, Victoria and Winnipeg British Columbia, Panama City and London, UK.

And Puerto Vallarta is our close city where we can go for modern day amenities, but also in a modern-day paradise. Puerto Vallarta has a Costco, Home Depot, a high-end outdoor shopping center featuring H&M, Forever 21, Tommy Hilfiger, Mac Store, Bath and Body works, Calvin Klein, Boss, Starbucks and a number of other cultural boutiques. It is also overflowing with incredible five-star restaurants and exceptional health care with world class hospitals and highly trained bilingual doctors.



BUT IT IS OUR QUAIN T LITTLE CULTURAL BEACH COMMUNITIES THAT ARE THE STARS OF THE BAY OF BANDERAS!

Relaxation, Luxury, Resorts and Surf – **PUNTA DE MITA**

Art, Music, Yoga and Play – **SAYULITA**

Sunsets, Culture, Polo and Philanthropy – **SAN PANCHO**

Calm waters, Quiet and Authenticity – **LO DE MARCOS**

WHAT'S STOPPING YOU?

It is far more affordable than home.

The schools are reputable, colorful, bilingual, filled with cultural events and most are level with American curriculum.

The towns are diverse with people from Argentina, Spain, USA, Finland, Australia, Canada and influential Guadalajara and Mexico city.

The streets sing with live acoustic guitars and songbirds.

The shops are adorable, affordable and full of color, culture and happiness. Art and artists are abundant, and festivals and farmer's markets fill the days.

The food is outstanding... recipes handed down for generations with a rainbow of salsas made one hundred different ways complimented by a never-ending avocado season.

At every mom + pop stand, the guacamole and margaritas are **THE BEST YOU'VE EVER HAD.**

Slow roasted pineapple-topped Al Pastor Street tacos loaded with fresh veggies and salsas can feed our whole family happily... and it is more affordable than us cooking it.

With its diverse, beautiful cultural playground, easy access from everywhere with daily flights from all over the U.S. + Canada, and prime desirable climate... the Riviera Nayarit is really unparalleled. Thousands of ex-pats have already made the Riviera Nayarit their home... so you must be on the right track.



OK, I'M IN! NOW, HOW DO I DO THIS?

You've fallen in love. Whether to move and live or buy a rental property or just invest? How do I make it happen?

We've put together a step by step guide for buying property in Mexico. We want you to love it here as much as we do and share with us the joy and adventure of tropical life, so we've tried to make this as easy as possible for you.

You will need some guidance, as the buying process is completely different from any other country.

THAT'S WHY WE ARE HERE

We've not only done it before for ourselves, but we trained under the best, made mistakes, learned the ropes, built our integrity, made some friends and made it our business.

We are small, and we like it that way, but we have a vast network of agents and private listings in our ever-growing circles. Now we are here to assist you on your journey, and help our community prosper and grow at the same time.



LET'S START WITH THE BASICS...

QUESTION: Can foreigners own land in Mexico?

ANSWER: Absolutely.

Mexico passed the Foreign Investment Law in 1973, allowing foreigners to buy real estate anywhere in the country except for 100km from the border and 50km from the coast. In 1993, the law was amended to allow for purchase within restricted areas through a *fideicomiso*—a trust agreement established with a Mexican bank.

A *fideicomiso* allows a foreign buyer to hold property with all the rights and privileges of a citizen. With a single *fideicomiso*, you can hold multiple Mexican properties, own them in perpetuity, and will the property to your beneficiary. Plus, you can easily transfer the trust to another foreign buyer, should you wish to sell. You have all the rights to the land and no one can say otherwise.

A *fideicomiso* is good for 50 years and is renewable thereafter (by you or your beneficiaries). It can be held by one or more individuals or by an entity (an LLC, for example). It is something that you pay yearly to the bank with the amount of around \$450 - \$600 USD. The bank to hold your trust is chosen by the buyer and we can recommend excellent banks for you.





I NEED SOMEONE TO REPRESENT ME!

You must have a million questions. Real questions that need honest answers from someone with experience that you can relate to and rely on. Choose someone you feel comfortable with. Use them for every showing in the area because every realtor has access to all properties throughout the entire bay, so whoever you feel competent with... use them for everything.

We, at Wanderlust, have been in your shoes. We know how daunting it may seem to purchase property in Mexico and even to make that big move or start that new business!

We are here for you and want to find the right property for you, whether we represent it or not. You will be our neighbors, so it's important to us to develop these relationships and ensure quality service with integrity and warm hospitality.

Choosing one agent to work with saves you time and effort, as you can tell them about properties you like, and let them do the leg work of calling the agents and setting up showings. This also makes sure that you are seeing properties that are not only right for you, but also legal to purchase. It is important to choose a real estate professional that knows these Mexican laws and know what to look for in the paperwork to make sure that the property you are interested in, is in fact sellable.

All Wanderlust agents are AMPI trained and operate with integrity and professionalism that comes with the AMPI name and are disciplined with their detailed contracts. AMPI is the National Real Estate Professionals Association that since 1956 groups under its Statutes and Ethics codes the professionals dedicated to the real estate industry.

All listings at Wanderlust are either titled properties or have sellable Bank Trusts (Fideicomiso) and will not work with listings that are not. All of our agents and broker are well educated in Mexican real estate laws and know what to look for in the paperwork to make sure that we are doing what is right for you. We also aren't going to just show you our listings, but will open up the entire inventory of the Bay of Banderas to you with the Vallarta multiple listing service. We want to find the property perfect for you and have an expansive network of agents ready to help us do just that.

We also happily donate 1% of all commissions to the local community center, Entré Amigos, to make sure that our community continues to prosper with the inevitable growth of our area.

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LET'S LOOK AT SOME PROPERTIES!

When setting up showings with your Realtor, it is important to make sure you give yourself enough time to see the properties. It is nice to give the realtor at least 24 hours notice so they can set it up with the managers or owners of the properties. You can view all the listings on our website, and we also can represent you for ALL properties listed on the MLS (multiple listing service) in which we are happy to share with and show you.

Showings can be a long process, depending on what you are looking for and if you are unsure on budget, size or location. Our agents will bring cold drinks and comfortable cars and take taco breaks when needed. Our hospitality extends far past our cozy office.

I LOVE IT. LET'S MAKE AN OFFER!

If you want to make an offer on a property, we draft up an “offer to purchase contract” in which details of the payment, inventory, and deadline are detailed. They are custom documents prepared by each agency in double column format – English and Spanish – about 12 pages in length. Although probably in a different format than what you may be used to, the purchase agreement covers everything you would normally expect to be in a well-written real estate agreement: the parties, the price, the deposit and payment terms, due diligence, default provisions, etc. Your agent will know if the offer you are giving is within what the seller will entertain. They will do all the communicating and leave the final word with you.



YOUR OFFER IS ACCEPTED!

If your offer is accepted, then we move forward with the certified contract, and the earnest money deposit of 10% to be put into Escrow.

WHAT IS ESCROW?

An escrow is a contractual arrangement in which a third party receives and disburses money for the primary transacting parties, with the disbursement dependent on conditions agreed to by the transacting parties.

The contract will reveal how much to put in escrow as a good faith deposit... this number is normally 10%. We use an escrow company called Armour Secure, an International company that is neutral between the two parties. No money is released until after closing and the funds are completely safe within the escrow company.

This is beneficial for several reasons. The buyer can put the funds into the escrow account a few days before closing to ensure that we are ready to go. And the escrow company will disperse the funds to all the different entities that are receiving the funds, in the case of multiple sellers, commissions, etc. instead of the buyer having to do multiple transfers. Only through acceptance and signature of both buyer and seller can the funds be released.

After an accepted contract, we will open escrow, and sign an escrow agreement between the buyer and seller.

In most cases, an offer contract, once accepted, merely takes the property off the market legally for typically 10-14 days, sometimes longer, to do the due-diligence before the escrow deposit is made. After all contingencies are satisfied, a non-refundable 10% deposit is made into the Escrow account. Sometimes we'll see a refundable deposit for however many days, depending on the discrepancies in the contract.

There is no financial risk to sign a contract until your escrow deposit is made and any and all contingencies are removed.

After the deposit, we must allow 45-60 days for the notary and lawyers to work on the transfer of title.

LET'S CLOSE THIS THING!

Now the Notary (a fully staffed team of real estate lawyers who handle all title transfers) have reviewed the documents, and several new documents will be produced.

Your property should already come with the following:

1. **PREDIAL:** a document noting the area of the lot and the amount of construction done. This is also the annual property tax payment document.
2. **FIDEICOMISO OR TITLE** (your deed to the property).

There are several Notaries to use in the Puerto Vallarta area, and we have our favorites that work efficiently and professionally. We also use a closing coordinator who is a professional bi-lingual real estate lawyer paid by us for you and is at your disposal throughout the process.

The notary will then choose a closing date. Normally it is within 45-60 days of an accepted offer. The timing really depends on the banks. The banks we use are usually efficient and quick except in the case of creating a new trust, which could delay longer. It could be an additional 30 days for a new trust. Most sellers will just transfer their existing trust.

A few days before closing, the balance of the funds are to be transferred by the buyer into the Escrow account to ensure that we are ready to go. The buyer will need to provide a proof of transfer at the closing table before any legal exchange can happen.

Once the closing date arrives, you (or your power of attorney, if you can't be there physically) and your agent will arrive at the notary's office for a series of document signings until the property is legally yours.

The process can take anywhere from 40 minutes to three hours, depending on the complexity of the transfer.

The signing documents include:

1. transfer of utilities
2. payments of liquidations to employees
3. signature of distribution letter of funds from Escrow
4. signature on the final deed for transfer of title

It takes about three months to get your original copy of the deed, but at the moment of signing, the property **belongs to you** because it is publicly registered that day by the Notary. The notary will then call your agent for you to pick up your original deed when it is ready.

WELCOME TO PARADISE!

Congratulations! You are now the proud owner of property in Mexico! Keys are exchanged and it's time to nestle our feet in the sand for a sunset celebration over tacos and Margaritas!

