



BEACHSIDE

B U Y E R S G U I D E

Experience the Mexico Real Estate Team
with a Committed Spirit.

Home Buying Made Simple

Welcome! You are about to embark on the exciting journey of finding your new home. Whether it is your first home or tenth home, a retirement home or investment property, we will make your home-buying journey a great experience. We can help you find the ideal home with the least amount of hassle, and we are devoted to using the expertise and full resources of our team to achieve these results!

Here's what we do: We meet you where you're at... and take you to where you want to be, quickly and efficiently with proven systems, tools, and guidance specifically for buyers in Mexico. Purchasing a home is a very important decision and a big undertaking in your life. In fact, most people only choose a few homes in their entire lifetime. We are going to make sure that you are well-equipped and armed with up-to-date information for your big decision. We are prepared to guide you through every phase of the home-buying process.

This guide gives you helpful information for before, during, and after your transaction. We hope you will find its reference to be an invaluable guide during your home-buying experience.

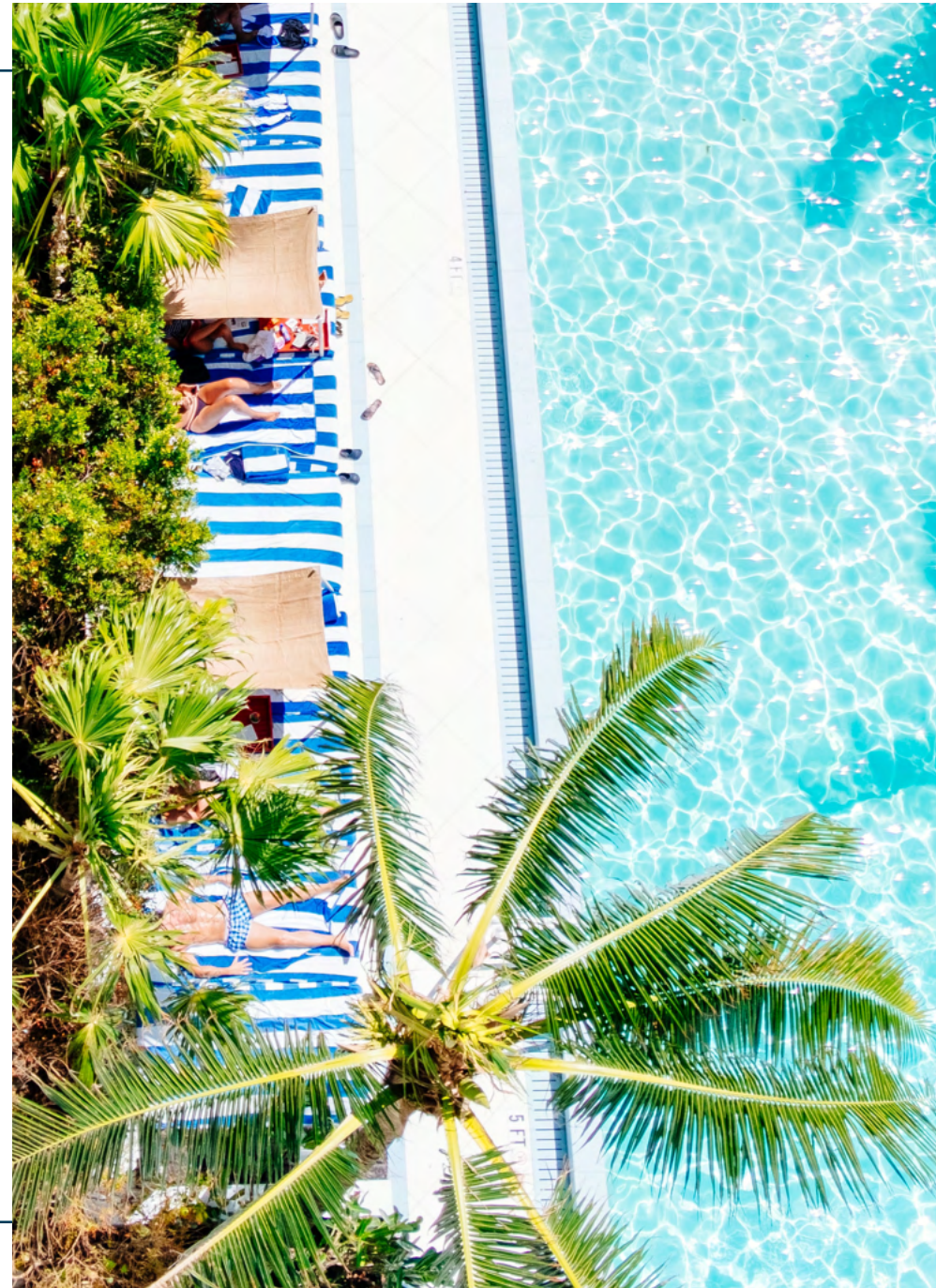
Our real estate business has been built around one guiding principle: **It's all about you.**

We will work with you to understand your unique needs and wishes because buying a home is more than a certain number of bedrooms or a particular zip code. It's about your dreams, concerns, questions, finances, time, and lifestyle – and that's important to us.

Our focus is on your complete satisfaction. We work to get the job done so well that you will want to tell your friends and associates about your experience with us. That's why so much of our business comes from repeat clients and their referrals: good service speaks for itself.

People and authentic human moments are at the heart of what we do. We love connecting the right buyers to the right sellers and investors to the best property for them. It's not only a great way to build a business... it's a great way to build a life.

Let's take this journey together! We look forward to meeting your real estate needs every step of the way.



Looking for a home in Mexico? We've got you covered.

From our Clients:

It's always a pleasure to work with Beachside Real Estate! We have done 3 deals together and I couldn't be happier with the way my needs and priorities have been taken care of. I continue to recommend them to the people I care about. Thank you Beachside! ~ *Joe S.*

From the moment I met the Beachside team, I knew they were the right fit for me. Penny was a wonderful listener as I explained to her what I wanted to find in my new home. I was in a bit of a time crunch so she made every effort to accommodate my schedule and found me the perfect condo. Her knowledge of the market was superb and her assistance in making my first Mexico real estate transaction was crucial for me. I would highly recommend Beachside for all your real estate needs. ~ *Patty C.*

Wayne and Penny and Beachside Real Estate Group is a caring, positive, enthusiastic, insightful and knowledgeable team. We find it very easy to work with them for their respectful professionalism. They have made it a pleasure and a comfort to do all our real estate business with them. ~ *Lawrence*

For almost two years I had been trying to sell my condominium in Punta Mita with no success. As soon as I signed the listing contract with Wayne and Penny, things moved very quickly. They began by collecting all the pertinent information about the property and surrounding area and crafting it into an effective sales description. They arranged a beautiful photo shoot of the property and began aggressively marketing the listing and I soon had offers coming in. Wayne was always available to answer my questions and helped me negotiate a price I was happy with. When it came time for the sale, they guided me through a really complicated international sales process step by step. From beginning to end, Wayne, Penny and the Beachside team were professional, courteous and patient. Very glad I found you guys. Thanks again! ~ *Michael H.*

We really appreciated the thoughtful selection of houses you showed us, within and around our budget. We felt peace of mind working with a locally experienced team that knows the ins and outs of local real estate transactions. You gave us honest advice about future value and rental income to arrive at our best decision. It was important to us that you provided a full team of translators, notaries, lawyers, etc to make sure things went super smoothly. We also appreciated all of the contacts you provided for basic maintenance, immigration as well as assistance setting up utilities. We liked working with you so much we engaged your company twice - so that's a compliment! It was fun working with you, thank you! ~ *Jennifer and Alan*

The bottom line is that the strong commitment we make to ongoing education protects our buyers. Staying current with information gives us the skills and knowledge to be a beacon of integrity and clarity in real estate in Mexico. The journey to property ownership should be ethics in action, let us show you what that difference looks like.

We are honored to have achieved the awards and certifications below, these are all professional organizations where you'll find good things happening in real estate, and they highlight just how meaningful a realtor's expertise can be.





Our Value



Knowledgeable, professional team of realtors and advisors to represent you.



Thorough consultation to determine your unique wants and needs.



Organizing and scheduling viewings based on your criteria.



Personally touring homes and neighbourhoods with you.





Keeping you informed on properties not yet on the market.



Advice on making offers based on market evaluation and expert.



Committed allies who complete your offer contract, present your offer and negotiate on your behalf.



Preparation of all documents and guidance through the escrow process.



Assistance with any post-closing questions.

Purchasing Property in Mexico

Purchasing a property in Mexico is similar to purchasing in other parts of North America, with a few differences.

- **Property Taxes:** Property taxes are much lower in Mexico than other parts of North America. They are typically about \$100USD per year for every \$100,000.00USD of property value. There is a 15% discount if paid before February 15th.
- **The Bank Trust:** Foreigners (non-Mexican) are able to purchase real estate in Mexico. They may directly own rural or urban land in the interior of Mexico with certain limitations on specific agricultural tracts. In the restricted protected zone, a Bank Trust Deed is used. These protected areas include 100 kilometers along all-natural borders, 50 kilometers along coastlines, and all of Baja California. Vallarta and coastal Nayarit are in the restricted zone. The Bank Trust Deed is established through a Mexican bank giving foreign buyers rights and privileges of ownership. As of 1994, the Foreign Investment Law allows these deeds to be established for a term of 50 years and renewable forever. This public deed is called an escritura. In the restricted zone, title can be held in one of two ways: **(1)** the Mexican bank trust is for residential property. **(2)** A Mexican corporation can hold non-residential real estate. Foreign nationals can be the sole and exclusive stockholders of the corporate stock which holds the title to this nonresidential property within the restricted zone. If you hold property as residential and claim it as a fiscal residence in Mexico, you can be eligible to waive partial capital gains tax. Certain restrictions do apply.

- **The Notary:** The public notary in Mexico is responsible for the transfer of real estate. The notary's responsibilities are much greater than what we are familiar with in the United States or Canada. The notary in Mexico is appointed by the governor of the state and the executive branch of the federal government of the particular state. A notary is an attorney who has additional specialization and has passed an extensive exam. He/she is appointed for life.
- **The Deed (*Escritura*)** is prepared from the purchase-sale agreement. The escritura, as well as all closing documents, are in Spanish. English translations are courtesy translations only. Prior to closing, the notary examines the documents of the seller to verify title. A search of the public records is done to determine further status of the title and the existence of liens against the property. The notary is responsible for the collection and payment of property taxes and government transfer taxes.

If a seller owes capital gains, that is determined by the notary. This tax is collected and paid by the notary, when due. The escritura, or public deed, names the seller conveying and the buyer receiving the property, in addition to the legal description. The terms of the bank trust (fideicomiso) agreement are incorporated into the escritura. There should also be a description of the metes and bounds of the land, and a plat. In the case of construction, there should also be a floor plan or footprint of the building on the land. A buyer should also receive evidence that utility services on the property have been paid to the date of closing.

At closing, the notary meets with the buyer and seller to formalize the transfer by requiring appropriate signatures upon execution of the deed. The escritura is then recorded with the public registry where the property is located.

- **Closing Costs:** The buyer pays closing costs, with the seller paying any capital gains taxes and real estate fees. Closing costs are typically higher than costs for buyers in the United States and Canada. Included in these costs are:
 - Appraisal (*Avaluo*)
 - Cautionary Notice (*Aviso Cautelar*)
 - Provisional Notice (*Aviso Preventivo*)
 - Certificate of No Debt (*Certificado de Libertad de Gravámenes*)
 - Certificate of No Property Tax Debt (*Certificado de No Adeudo Predial*)
 - Fiduciary Fee (*Comisión Fiduciaria*)
 - Copies (*Copias*)
 - Additional Files (*Folios Adicionales*)
 - Property Transmission Payment Forms (*Formas para Pago Impuesto Transmision Patrimonial*)
 - Tax on Legal Instruments (*Impuesto Sobre Negocios Juridicos e Instrumentos Notariales*)
 - Tax on Property Transmission (*Impuesto Sobre Transmisiones Patrimoniales*)
 - Registration in Public Register (*Inscripción Registro Público*)
 - Registration in Foreign Investment National Register (*Registro Naci6n de Inversion Extranjera*)





6 Steps to Home Buying

Getting Started

Before we begin our search to find you a property, there is some information that we need to know, we call this our Home Buyer Consultation. We will ask you some questions to help us get a better idea of your ideal neighbourhood and home:

What type of property are you looking for: House, Condo or Land? Commercial?

1. Number of bedrooms and baths?
2. What area are you interested in?
3. How will you use the home? Part time/full time? Interested in vacation rentals?
4. What features do you most need/want?
5. What is your budget?

We will review your search parameters and demonstrate the Flex MLS portal and app, explain listing notifications and market conditions, and go over scheduling of appointments.

Viewings: If you are here in Mexico, we will set up viewings to show you properties that we think will be a good fit for your criteria. If you are outside of the country, we can send you links to properties and we can also set you up to receive automatic updates when something new comes on the market that is a good fit for what you are looking for.

Step 2 } Financing

We can provide you with a **referral to qualified lenders for financing pre-approval**. Downpayments in Mexico are a minimum 30% and terms are shorter, currently 10 – 15 years.

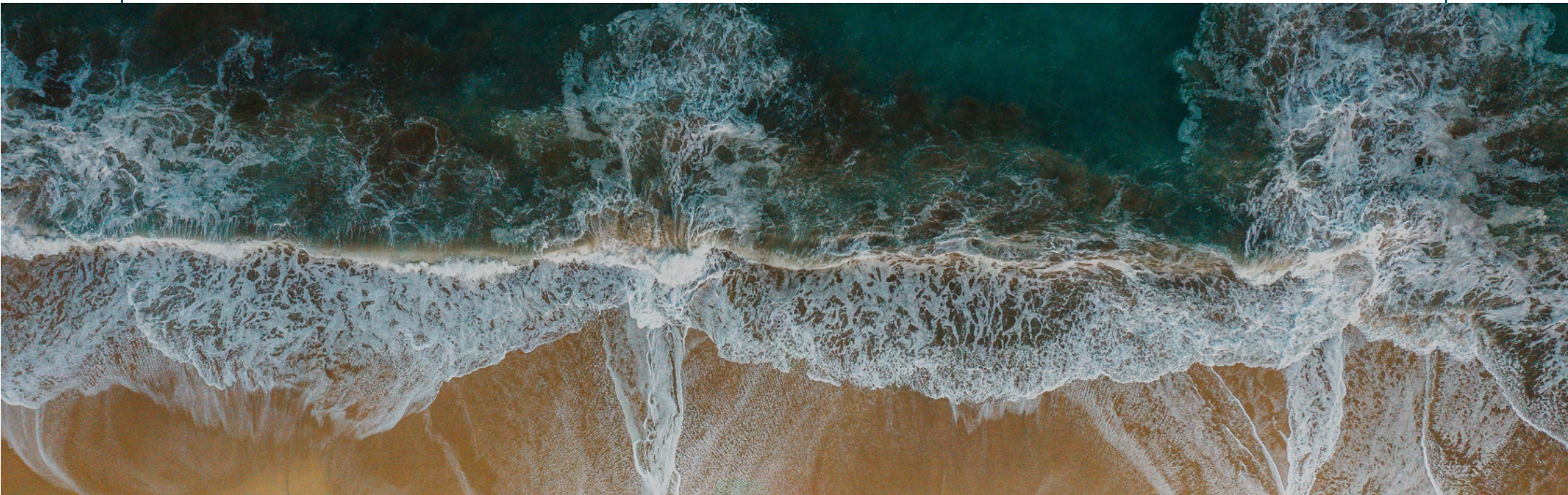
Step 3 } Setting Your Search

We will begin a search for you based on price, location and house-specific criteria provided by you. You **provide feedback about the search results** and tell us which homes are of interest to you. We will **set up showings** and begin viewing your top home choices. We will work together to **narrow down your preferred list** until you find the home you want to buy!



Step 4 } The Offer

We will then discuss and write an offer to present to seller. Negotiation follows and once accepted the agreements are initialed, signed and dated. The offer details all terms of sale, closing date, price, etc, and have one effective date: when all parties signed the offer and all addendums in agreement. The period of due diligence then begins. We always recommend an inspection and allow time to review the report. The seller has a period of time to provide documentation and/or information in order to satisfy these conditions in the offer. As a buyer you have a deadline to order, complete, review and accept or reject the home inspection and you also have a deadline to review legal documentation and/or accept and/or reject them.



Step 5 } **Contract to Close**

Once all conditions are satisfied/removed (usually 7 – 14 days), we will request an escrow account to be opened for you. An escrow agreement will be signed by both buyer and seller and a file number is issued. The buyer pays the cost (\$750.00USD) of opening the escrow account. The buyer will have a deadline to wire a 10% minimum deposit (part of the purchase price) and escrow fee into their new escrow account.

At this point, the closing lawyers initiate coordinating the titling process with the designated Public Notary. An estimate of closing costs will be provided by the Notary and the Buyer must wire a deposit for costs to the Notary or the newly opened escrow account.

Buyer and Seller provide the closing coordinator and/or Notary all required documentation such as: ID's, proof of address, KYC Forms (Know Your Client), and bank trust forms, if applicable. From this point until closing, agents, lawyers, and the Notary -- chosen by the buyer -- work together to get everything done for the closing date.

A few days before closing, Buyer funds escrow account with remaining balance of the agreed purchase price and arranges the remaining 50% of the closing costs to be paid. Utility bills, property taxes and any other expenses owed between buyer and seller will be prorated and agreed upon before or at closing. Letters of transfer for utilities will be signed at closing so the buyer can proceed to have utilities transferred into their name at the local utility office.

Buyer and Seller attend closing or have a legal representative attend for them (with prior notice and acceptable power of attorney written and approved by notary and bank trustee). Signing of the corresponding public deed happens at notary and possession (unless formally changed) is given at closing.

Celebration time!

Step 6 After Closing

Your official registered legal deed is ready about 3 months later. Notary should notify new owners or transaction manager it is ready for pick up. Keep the original in a safe place and have copies for other uses as needed.

After closing, buyers will receive two important xml files and two pdf documents. These are receipts from the notary of costs paid for the property: purchase price and notary closing costs. Buyer will need these records for tax purposes when the property is sold. Keep these records in multiple locations, like cloud, flash drive, hard drive for safety's sake.

Our job does not stop at closing – we will be in touch to see if you need anything! I will also continue to reach out regularly to check-in.



Empowering your next bold move.



www.beachsiderealestategroup.com