

# Buying a Home in Mexico

It's easier than you may think!

Thanks to changes to Mexican law over the last fifty years, it's now possible to buy property in Mexico even if you're from another country. Plus, there are more reliable resources available than there were decades ago, from lawyers, to escrow companies who will make sure the paperwork is official and the money exchange is smooth.

## FIND

### 01. Narrow down your search

#### Location! Location! Location!

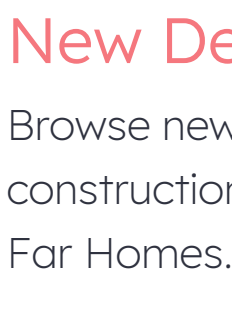
Different towns will have very different atmospheres so you'll want to find the one that suits you.



If you're planning **frequent travel between Mexico and your home country**, you may want to find a location **near an airport**.



If you plan to **stay for long periods of time** you may want to be more focused on the **local community**.



Or if you're looking for an **investment property**, you may want to focus more on areas with **strong tourism**.

#### Brand new, or already built?

Modern designs and sustainable building plans make new construction appealing.



But new developments can sell out before they're completed, so you may need to buy during construction and wait months or years before you can move in.



If that doesn't work for you, you can still find plenty of existing homes in newer buildings, or find a bargain on an older home that needs an update.

#### What can you afford?

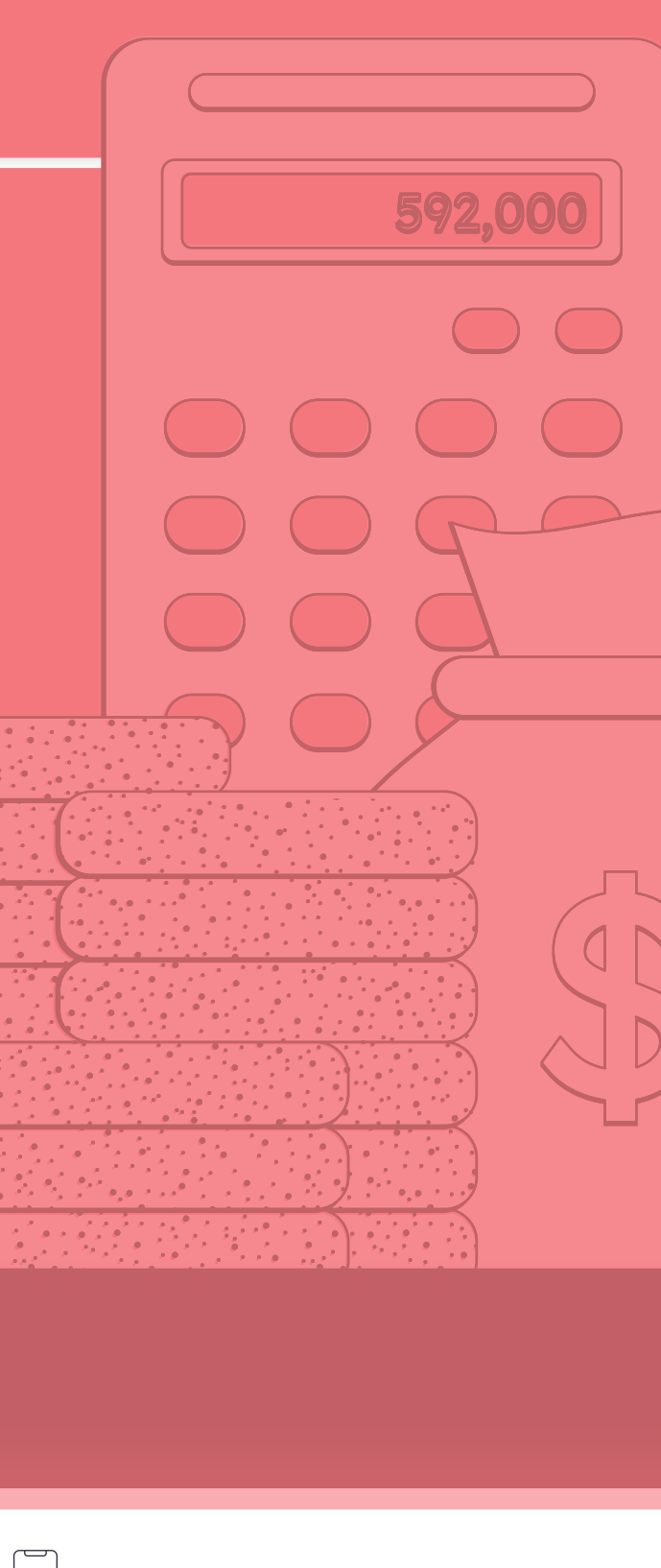
Mexico is a cash economy and buying a home is no different.



While there are some mortgage companies in Mexico catering to foreign buyers, interest rates can be high.



If you own a home in the US that has equity, you may be able to fund your purchase through a home equity loan.



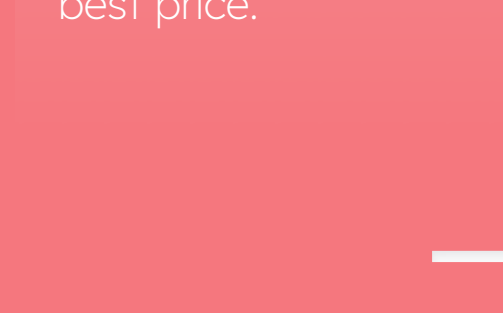
**Destination Guides**  
Compare different locations in Mexico through the Far Homes Destination Guides.

**New Developments**  
Browse new developments that are under construction and available for purchase on Far Homes.

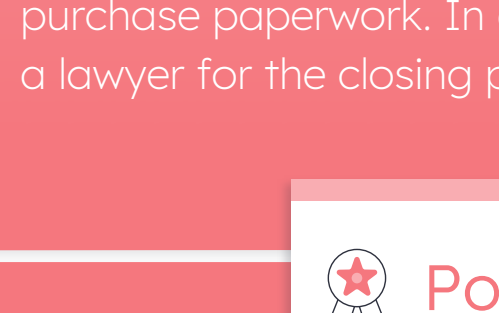
### 02. Find the right fit

#### Get a good agent...

In Mexico, real estate agents are there to help you find the right home, negotiate a price, and write the initial offer to purchase.



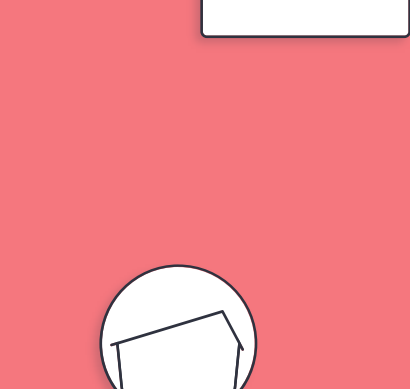
If you're buying an existing home you'll want a good agent to take you on tours, either in-person or on video, and help you negotiate the best price.



If you're planning to buy new construction you may not need an agent since you won't be touring, and most developers have their own purchase paperwork. In either case, you'll need a lawyer for the closing process.

#### ...and get a good lawyer

Once your agent has completed the initial offer, they hand the process off to a specialized real estate lawyer in Mexico who will represent your best interests and manage the closing process.



#### Go on tour

You may not have to travel to Mexico to tour homes in person, but agents will also happily help you with video tours if you're not in the area.



**Far Home Connections**  
Far Homes will connect you with a top agent in the area you're searching, and with a reputable lawyer to represent you through the closing process.

**Power of Attorney**  
We recommend giving your lawyer Power of Attorney so they can sign paperwork on your behalf, so you don't have to attend signings in-person. You can do this anytime you're physically in Mexico.

## BUY

**Timing:** typically 60-90 days from signing offer to purchase until you get the keys.

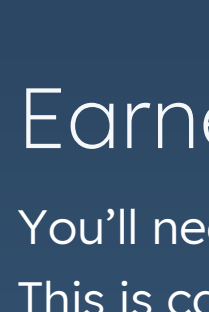
### 03. Offer to purchase

#### Negotiation and offer

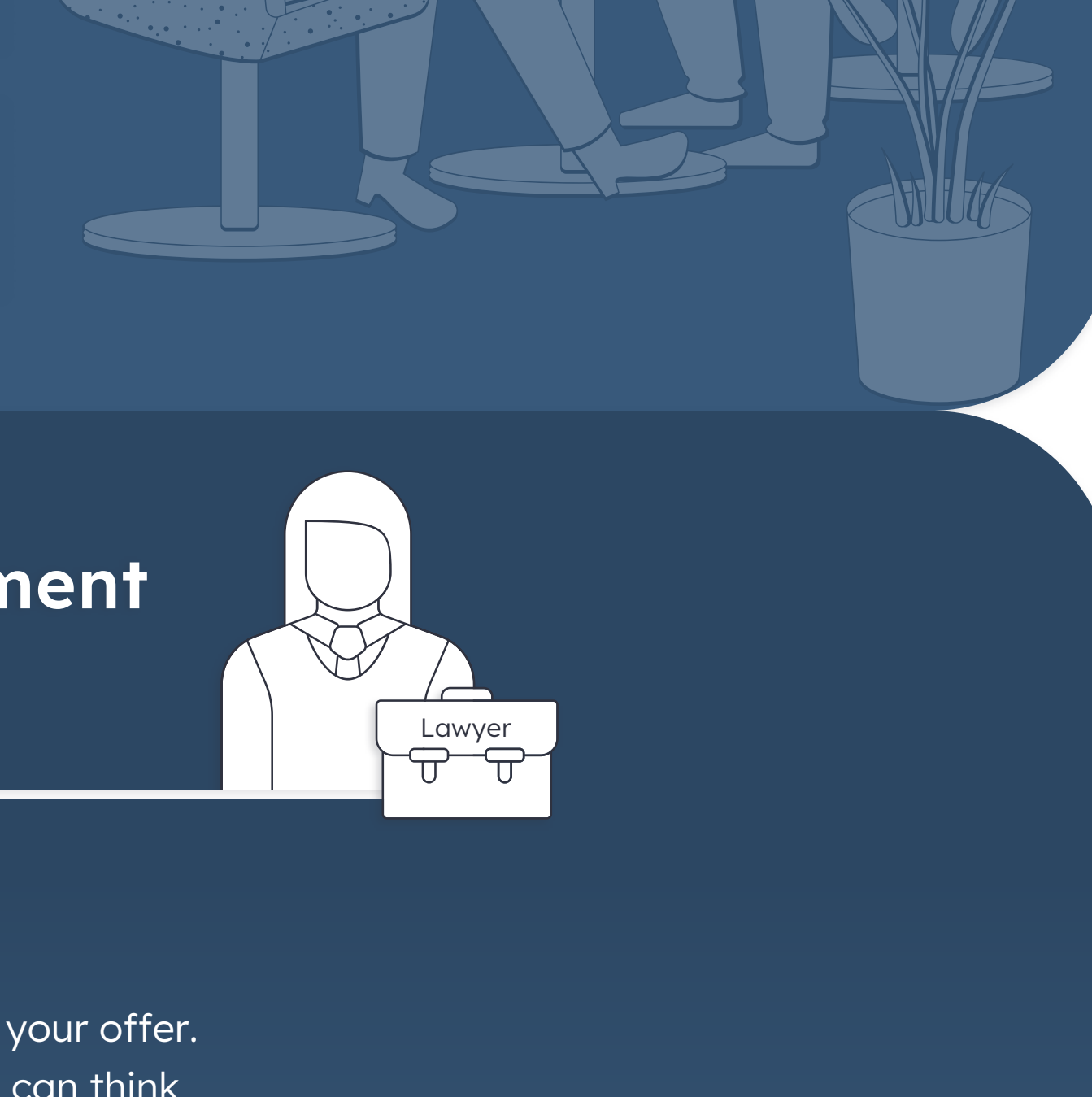
When you're ready to buy, your agent will negotiate with the seller, draft an offer to purchase, and get both the buyer and seller to sign.



This can be done digitally if you're not in Mexico at the time.



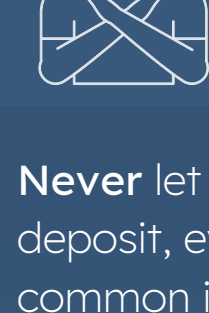
Unlike in the United States, your offer isn't official at this point even though you have a signed contract.



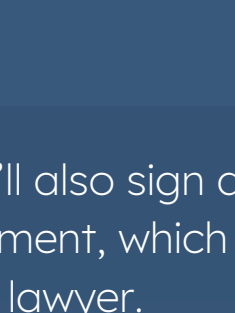
### 04. Deposit & purchase agreement

#### Earnest money

You'll need to put down some money to lock in your offer. This is called earnest money in the US, and you can think of it like a deposit.

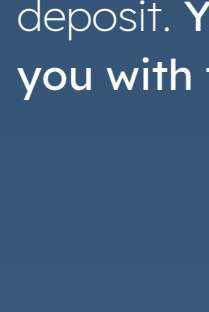


In the US, earnest money can range from 1% - 3% of the sale price. In Mexico it's quite a bit more - you'll need to put down 5% - 10% of the sale price.

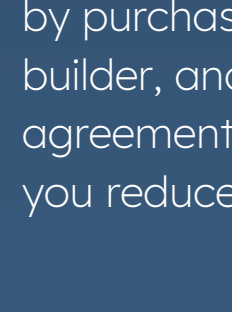


The money will go toward the final sale price, but the seller keeps it if you back out for any reason that isn't covered in the contract.

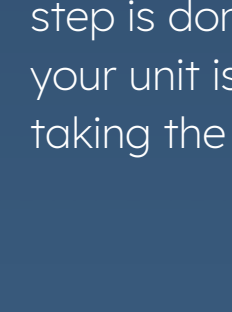
#### If you're buying an existing home



**Never** let the seller hold your deposit, even if you hear it's common in Mexico. For your protection you should always use an escrow company to hold this money.

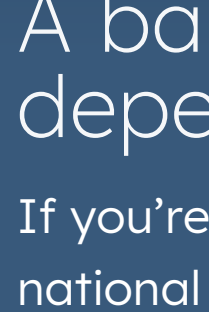


At this time you'll also sign a purchase agreement, which is drafted by your lawyer.

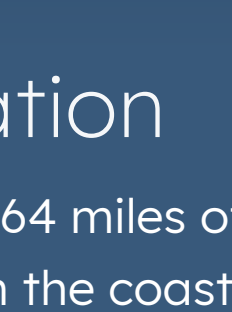


Once the money is deposited and the purchase agreement is signed, your offer is official!

#### If you're buying new construction



The developer will hold your deposit. **Your lawyer will help you with this process.**



While this does add some risk, by purchasing from a reputable builder, and having a deposit agreement outlining the terms, you reduce the risk significantly.

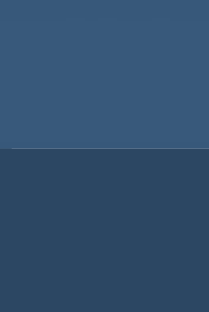


For new construction, once this step is done, you'll wait until your unit is complete before taking the rest of the steps.

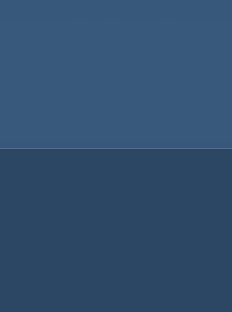
### 05. Fideicomiso

#### A bank trust depending on location

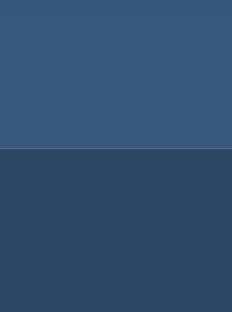
If you're buying property within 64 miles of a national border, or 32 miles from the coast, you'll need to buy it in a bank trust, or fideicomiso.



By setting up the fideicomiso, the bank trust will become the legal owner of the land but you, the buyer, are the beneficiary with all the rights to sell, lease, or pass your property on to your heirs.



The trust is good for 50 years, so you won't have to worry about renewing for quite a while. If the home you're buying is already in a fideicomiso, you may take ownership of the existing one, which can save you time and money.



Your lawyer will manage this process, which usually takes 60-90 days.

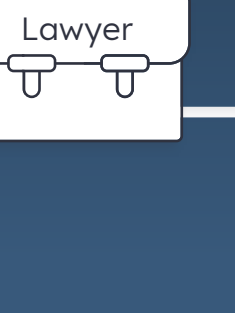
### 06. Inspection

#### Most properties are sold as-is

Inspections in Mexico are uncommon.



Historically there haven't been inspectors available in Mexico even if you wanted to get one done, but the industry is slowly starting to emerge.

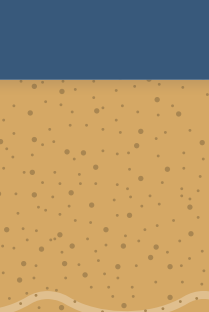


You should expect that you won't be able to do a formal inspection, but if you're considering a house with a lot of deferred maintenance or other potential issues, **ask your agent if there's someone available to take a look.**

### 07. The Notario

#### The notary agent

A notario or notary will get involved as a neutral third-party to close the deal.



In Mexico, notaries are experienced attorneys who meet certain criteria, and represent the governor of the state in real estate transactions. **A notary must be involved to ensure the transaction is valid.**



Typically the buyer and their lawyer will choose the notary, though there are situations where your lawyer may recommend letting the seller choose. In either case, **the notary acts as a neutral third party.**



The notary will gather documentation such as passports and visas, property deeds, permits, and utility and tax receipts, and will ensure all legal documents and processes are followed to transfer the property.

**Power of Attorney**  
If you haven't given your lawyer Power of Attorney, you'll have to travel to Mexico to sign the closing paperwork. Otherwise your lawyer will sign on your behalf.

## MANAGE

### 08. Get your keys & get registered

#### You've closed!

Your purchase isn't official until it's registered with the government.



But as soon as the paperwork is signed, you'll get your keys, and can move in or start renting it out while waiting for that to happen.



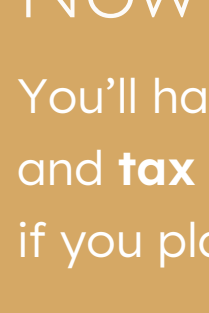
About three months after close, your ownership will be registered with the Mexican government, making it official.



### 09. Post-Close Tax Assessment

#### Sometimes...

Occasionally the Mexican Tax Authority performs an appraisal after you buy.



If the appraisal comes back significantly higher than the purchase price, a 20% Appraisal Tax will be assessed on the difference and that bill will be due 15 days after the appraisal, so it's good to have a little cushion in case that happens.

### 10. Plan for ongoing ownership

#### Now that you're a homeowner...

You'll have to make sure you're keeping up with **utility and tax bills, property maintenance, and guest rentals** if you plan to rent your property.



**Property Insurance**  
You can get property, liability, damage and earthquake policies for relatively inexpensive prices in Mexico, with policies that pay in US dollars to protect your investment.

**Property Management**  
If none of this sounds fun to you, let Far Homes manage your property for you.

# far Homes

Far Homes is here to help!

Visit us at: [farhomes.com](https://farhomes.com)  
Or call us at: 1-888-777-3270

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