

Amor Property Newsletter February 2009



San Felipe, Baja California

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Your San Felipe Connection

Buying Property



Laws regulating ownership of real estate in Mexico are different from those in other parts of the world largely due to Article 27 of the Mexican Constitution of 1917, which prohibits foreigners from owning residential real estate within 30 miles (50 km.) of any coastline or 60 miles (100 km.) of either border. These areas are known as the “restricted” zones.

To allow foreigners to purchase vacation or retirement homes in these zones, and bring in much needed dollars, the Mexican bank trust, or fideicomiso, was established in 1973. The trust places legal title in the name of a Mexican bank under a permit from the Secretary of Foreign Relations, so the bank may administrate the property on behalf of the buyer/beneficiary, who enjoys the same rights of ownership as does a Mexican national.

Under the 1993 Foreign Investment Law, a corporation established in Mexico is considered Mexican under the law, even if all shareholders are foreign. Thus a Mexican corporation with 100% foreign ownership can acquire property in the restricted zone. This applies only to non-residential property: a hotel, restaurant or other type of business. It is a violation of the foreign investment law to place a retirement or vacation home in the name of a Mexican corporation.

Buying property in a foreign country can be a challenging process, especially if you're not fluent in

the language, culture and customs. Amor Property will help you navigate the process, from negotiating with the seller to dealing with the Mexican government on your behalf.

Owning property in Mexico by foreigners has been possible since 1994 through the North American Free Trade agreement. The most common form of ownership is through a Fideicomiso (fee-day-com-ee-so), also known as a bank trust. A fideicomiso is much like a Living Trust through a Bank in the United States. It is a renewable and irrevocable 50-year trust that is the legal equivalent of fee simple, or deeded ownership, the form commonly used in the United States.

The fideicomiso is granted by the Mexican Government through the Ministry of Foreign Affairs. The property title is then delivered to a Mexican bank, which acts as a trustee. The beneficiary of the trust (the owner) has the right to lease, mortgage, sell, inherit, will and improve the property, the same as any other Real Estate owner in Mexico.

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Did you know...

For decades, Mexico has been revered as one of the premier vacation destinations in the world. With more than 6,300 miles of coastline, stunning architecture, rich culture and beloved cuisine, it's no wonder that this colorful country plays host to thousands of vacationers every year.

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February's Recipe

Simple Garlic Sea Bass



This is a wonderful yet simple way to prepare sea bass. The garlic butter sauce blends nicely with this mild flavor of this light and flaky fish.

Prep Time: 10 minutes
Cook Time: 15 minutes

Ingredients:

- * 2 pounds sea bass
- * 3 tablespoons butter
- * 1 1/2 tablespoons extra virgin olive oil
- * 1 tablespoon fresh Italian parsley, finely chopped
- * 2 cloves garlic, minced
- * 1/4 teaspoon garlic powder
- * 1/4 teaspoon paprika
- * 1/4 teaspoon onion powder
- * lemon pepper and salt to taste

Preparation:

Combine onion powder, garlic powder, paprika, lemon pepper, and salt in a small bowl. Sprinkle on both sides of fish. To prepare butter sauce, combine butter, garlic, and parsley, in a small saucepan. Remove from heat once butter has melted. Preheat grill for high heat. Place fish on lightly oiled grate, cook for 7 minutes. Turn fish and coat with butter sauce. Cook for 7 more minutes. Once fish flakes easily, remove from heat, and drizzle with olive oil.

Serve with choice of vegetables. Cabbage makes a great bed for the fish.

Featured Listings

Home of the Month



Located in Playas de San Felipe, this home has 3 bed, 2 1/2 bath. It has been completely renovated and has amazing park-like grounds perfect for entertaining. \$430,000!

Lot of the Month



El Dorado's Golf Course Community of La Ventana del Mar features some of the most

amazing homesites in San Felipe. Our featured lot is trapeziod shaped and has preliminary home design included with the purchase. Best deal in La Ventana for only \$75,000!

Don't miss out on these spectacular values! Call Amor Property for more information today at US: (760) 494-3639 or MX: (686) 577-0611.

Visit our website for over 100 listings! Many have been reduced within the last couple months for IMMEDIATE SALE!

Buying Property *(continued from page 1)*

The process for obtaining the fideicomiso requires the completion of several documents, as well as an appraisal, survey and confirmation that no lien exists, the taxes are current, and the Seller is the true owner – this is similar to a preliminary title search in the U.S.

Amor Property guides you through the process, providing translation into English, reviewing the documents and performing the required property investigations, and coordinating the documents with the bank trust. The signing of the ownership

documents is done with a government official, known as a Notario. Upon approval, your ownership is then registered with Department of Public Registry and the property is yours!



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