

# Suggestions for Lot Survey Option # 1 Buyers

## Belize Residential Real Estate Purchase Process

### -- Important Information for Lot Buyers --

- You should hire a lawyer in Belize to help you with your closing.
- Although closing-related costs will vary in each lot sale based on facts and circumstances, you will be responsible for them. They may total anywhere from approximately \$8,000 - \$25,000 (US), or more.

More details about buying Belize real estate and the closing process:

### The role of an attorney in Belize

While property sales transactions in Belize can vary based on unique facts and circumstances, the process to buy land and acquire title to a lot follows typical process steps. Thorough consideration should be given concerning whether to proceed with the land purchase *before* entering into a written sales agreement to do so, but it will also be necessary for buyers to conduct additional due diligence, gather and evaluate information, and prepare transaction forms *after* entering into the agreement in order to prepare for closing, when the sale will be completed. After closing, buyers must also file documents with, and pay related fees and costs to, the Government of Belize in order to record the purchase and formally transfer the land with a fee-simple title in their name.

Because the process steps generally require specialized knowledge and expertise, it is highly recommended that buyers hire a Belize real estate lawyer and/or other real estate professionals as may be necessary to provide them with advice and assistance. While the Receiver cannot recommend or endorse any Belize law firms or professionals, the following attorneys do assist buyers with real estate purchases in Belize and may serve as a starting point for consideration:

### Sol I. Espejo

Website: <https://courtenaycoye.com>

Email: [sespejo@courtenaycoye.com](mailto:sespejo@courtenaycoye.com)

Telephone: +501-223-1476

### Jose M. Alpuche

Website: <https://alpuchelaw.com>

Email: [jose@alpuchelaw.com](mailto:jose@alpuchelaw.com)

Telephone: +501-223-1194

### Mikhail Arguelles

Website: <https://realestatelawyer.bz>

Email: [mikhail@attorneysinbelize.com](mailto:mikhail@attorneysinbelize.com)

Telephone: +501-223-6798

Before making a decision to enter into a reformed contract, consumers are encouraged to consider available information resources, including maps, surveys, and other land and development area materials, located in the **Helpful Resources** section of the Receivership website at: [www.SanctuaryBelizeReceivership.com](http://www.SanctuaryBelizeReceivership.com). Consumers may also want to travel to the development area and inspect the property either before signing a reformed contract or prior to closing, and should coordinate those visits in advance by contacting Ms. Claudina Arjona at [officeadm41@gmail.com](mailto:officeadm41@gmail.com). As part of any decision to enter into a reformed contract and proceed to closing, consumers should also plan to carefully evaluate the status of the development area and the features and dimensions of the lot, as well as to conduct their own due diligence related to title by obtaining a title search report based on the review official Belize government land records at the Land Registry Department.

Among other ways to accomplish title searches, an experienced Belize real estate lawyer can help you perform a title search to validate lot ownership and ensure that there are no liens or encumbrances on the property, as well as to consider whether title insurance may be available. The lawyer can also assist you in preparing the necessary transfer documents to be executed in connection with the closing to complete the sale, and to be filed by the buyer with the Government of Belize after the closing. These closing documents typically include:

- Form 15 (Rule 22) General Registry Act and General Registry Rules: Application for Transfer of Title to Land, Estate, Interest, Power of Right;
- Form 17 (Rule 23) General Registry Act and General Registry Rules: Memorandum of Transfer on Sale of Portion of Land, Estate, Interest, Power or Right in a Certificate of Title;
- Form 18 (Rule 23) General Registry Act and General Registry Rules: Affidavit of Seller of Land; and
- Form 19 (Rule 23) General Registry Act and General Registry Rules: Affidavit of Buyer of Land.

In addition to the preparation of these transfer documents, the lawyer can also help you provide Belize Central Bank Notice for the purchase of the lot, which is another requirement to be completed before the lot may be transferred to the buyer.

While closings can be conducted in Belize on a scheduled closing date, neither the buyer nor the seller needs to be in Belize to complete the closing. The transfer documents can be signed and witnessed by a notary public outside of Belize, and then delivered to Belize by courier service (e.g., FedEx) or other means to complete the closing process steps. After closing, the lawyer representing the buyer can also assist with the delivery and filing of the transfer documents to the Belize Lands Registry, so that the transfer may be recorded and an original title may be prepared for the buyer thereafter. Buyers should be aware that it may take several months, or longer, for the new title to be issued by the Belize Lands Registry.

## Closing costs and taxes

Those consumers electing to enter into reformed contracts to proceed with the purchase of their lots will be responsible for paying all costs associated with the purchase under the reformed contract, including any principal payments required according to the terms of the reformed contract, as well as professional and administration fees, and any other monies due to the Government of Belize. Wiring instructions will be provided to the lot buyers and all required purchase price and closing costs (in US dollars) must be received at least 10 days prior to the scheduled closing date for application at closing.

In ordinary real estate sales in Belize, closing costs can generally range from between 1% and 2% of the sales price when relying on real estate lawyers and/or other professionals. Here, factoring in the discounted purchase prices under the US District Court's July 14, 2023 Order and the history associated with the development areas, among other things, adjusted purchase prices to complete the sales transactions under a reformed contract may not serve as a helpful baseline to estimate these costs.

Regardless, for these lot sales, buyers can expect that closing costs may range from anywhere between approximately \$1,500 (US) and \$4,000 (US), or more, depending on the facts and circumstances and engagement of professionals for services related to:

- Receiving guidance on reformed contract terms and conditions;
- Conducting due diligence and carrying out a title search;
- Preparing transfer documents in advance of closing and coordinating closing activities;
- Providing Belize Central Bank Notice for the lot purchase;
- Filing transfer documents after closing with the Government of Belize, and arranging for the payment of required fees, duties, and taxes;
- Obtaining title for the buyer;
- Bank fee charges for wire transfers;
- Escrow fees for the collection of fees, duties, taxes, and other funds;
- Courier or other document delivery expenses; and
- Seller professional fees and administrative costs.

In addition to these costs, buyers will be responsible for paying a one-time stamp duty (or transfer tax) to the Government of Belize in connection with the transfer of the lot. Generally, non-Belize national buyers are required to pay 8% of the total sales price (excluding the first \$10,000 of that sales price, which is exempt). Here, factoring in the discounted purchase prices under the US District Court's June 14, 2023 Order to complete the sales transactions under a reformed contract, for purposes of calculating the stamp duty the lot transfer amount will be based on all actual principal payments made by the buyer to the defendants to acquire the lot before the reformed contract, as well as any required additional principal amounts paid by the buyer under the reformed contract to complete the sale and proceed to closing. However, it is important to be aware that the Government of Belize reserves the right to reassess the stamp duty if it determines the transfer price does not accurately reflect the value of the lot, and in any such cases the buyer will be responsible for paying any additional stamp duty assessment after closing.