



How to Buy a Home in Belize

Step 1: The Dream - Begin Your Search - The idea of living in Belize, a tropical paradise, is enticing. You may imagine yourself living in a beachfront casita or on one of the 450 sun-drenched Cayes of Belize. However, buying real estate in Belize demands the same common sense and judgment you would use in purchasing real estate on your home turf. Finding a local, experienced, trusted Real Estate Professional to assist you in your search is the key to the process. Someone who not only knows the market, but also the process will save you time, money and headaches.

Step 2: The Choice - Whether you are buying a home in Belize for retirement living, as a second home, investment property or vacation home, purchasing real estate is a major investment. Define what it is you're looking for and your budget. Belize has diverse options when buying real estate. Are you looking for beachfront property, a condo or a home, island living or something more mountainous and jungle like?

Step 3: The Offer - After you've decided on your ideal property your trusted Real Estate Professional will draft an "Offer to Purchase" letter which includes buyer and seller details, the legal description of the property, the purchase price and your signature. Normally, a 2% Earnest Money Deposit is included with the signed offer. If the offer is accepted the 2% deposit becomes part of the 10% deposit in Step 4. If no deal is agreed to, the 2% is refunded.

Step 4: The Negotiation and Deposit - If you're lucky, your offer will immediately be accepted but often, the seller responds with a counter-offer. As there is not traditional 30 year mortgage offered by the local banks, owner financing sometimes plays a role in the terms of the negotiating. Once the price of the property and terms are mutually agreed upon, both parties sign the offer. At this point, you will have to provide a deposit of good will, which is usually 10%.

Step 5: The Title Search - Title search is done by a lawyer or your experienced, trusted Real Estate Professional. They will conduct a "Title Search" to find out whether the property has any mortgages, liens, unpaid taxes, etc., and also request a "Survey Plan" for the exact location and dimensions of the property. The lawyer's fee usually ranges between 1-3% of the sale price. This can be significantly reduced to a few hundred dollars if you include it in the fees paid to your trusted Real Estate Professional.



Belize Real Estate MLS

Step 6: The Signing and Transfer of Funds - After the necessary research is done, your lawyer or trusted Real Estate Professional then writes a Purchase Agreement, which is often an amended version of the “offer to purchase.” Once both the seller and buyer accept all the terms of the sale and sign the document, your next step is to transfer funds via bank wire, based on the terms of your agreement. Your lawyer or trusted Real Estate Professional also acts as the escrow agent.

Step 7: The Taxes - A 5% Stamp Duty must be paid to the Government of Belize in order to transfer the property’s title to your name. This fee is paid by the buyer and it’s important to know that The Government of Belize has the right to value your property and charge you based on their evaluation and not the purchase price. Also, the first \$10,000 USD of the purchase price is completely tax-free.

Step 8: The Title Transfer - After Stamp Duty is paid, it’s now time to wait for the title to be transferred into your name. At a minimum, this can take 30 to 60 days to complete. Don’t worry; the wait will be worth it!

Step 9: Reality – The Completion – You Now Live in Paradise! - Once you’re given your title, congratulations! After all that hard work you now own a little piece of Caribbean paradise. You own real estate in Belize!

Special Note - Finding a good real estate lawyer or experienced, trusted Real Estate Professional is key to the process. It is customary for the purchaser to pay all closing costs. Be sure to ask your trusted, Real Estate Professional about them to eliminate any last-minute surprises.

Possible Closing Costs: *Generally, closing costs will be anything from 1% to 3% of the purchase price but this can vary depending on the value of the transaction. This would include title search, preparation of transfer documentation, escrow fees, registration fees, new title fee, bank wire fees, actual title transfer and shipping of new title to the buyer.*



BONUS Section – Taking Title to Property in Belize

Belize is part of the British Commonwealth and has a legal system based on British Common Law. Title to freehold property in Belize is held in one of three ways:

Deed of Conveyance

-The oldest form of title which involves the transfer of land by conveyance and registration. Originating from British Colonial Days, and used in much of the USA, this involves a title search in Belmopan to unearth the chain of title and to uncover any encumbrances. It is sometimes difficult or even impossible to trace old conveyances with any degree of certainty of results, due to the condition of the (Lands Unit) index books.

Transfer Certificate of Title (TCT)

- Ownership by Conveyance can be converted to a Transfer Certificate of Title (TCT). A TCT is a physical title, whereas ownership by conveyance is a registered right to ownership of a particular parcel of land.

Land Certificate

- In 1987, the Government passed the Registered Lands Act and certain areas of Belize were subsequently declared compulsory registration areas. Under this Act, the conveyed properties were re-issued new physical Land Certificates with parcel number designations. The government is in the process of re-registering all freehold lands under the Registered Lands Act to achieve a uniform, nationwide system of land ownership. **Most titles on Ambergris Caye are under the newer and much simplified Land Certificate system.**

A Land Certificate, TCT, or clear Deed of Conveyance, all of which are guaranteed by the Government of Belize, afford you as secure a title as can be obtained in any other Commonwealth country or in the USA.