



Buying A Home
IN MEXICO

Four questions *most listings skip*

What to ask before you buy a home in Mexico

A FREE GUIDE · FOR BUYERS FROM THE U.S. AND CANADA



A short guide, *on purpose*

Most property listings tell you about the view. Very few tell you who will hold the title, who checks that it is clean, or what the closing will actually cost.

Those four questions are where cross-border purchases go wrong — and they are the ones buyers from the U.S. and Canada ask us most often. This guide answers them in plain language, without legal jargon and without pretending the answers are simpler than they are.

It will take about five minutes to read. It is not the whole process; it is the part of the process people worry about. The full path — eight steps from first call to keys in hand — is summarized at the end.

WHO THIS COMES FROM

Buying a Home in Mexico represents the buyer, never the seller. Our agents are Texas-licensed and bilingual, and we work alongside specialized attorneys, a neutral escrow service in Dallas, and Mexican trust banks. We are paid through the transaction, not by you directly.

One thing before you begin. This guide is informational. It is not legal, tax or financial advice, and every property and every state in Mexico is different. Use it to know what to ask — then ask it, out loud, to someone who is accountable to you.

Trust or *direct deed*?

This is the first thing to establish, because it changes the paperwork, the timeline and the ongoing cost of owning the property.

Mexican law requires a foreign buyer to hold property through a **fideicomiso** — a bank trust — when the property sits **within 50 km of the coast or 100 km of an international border**. Outside that zone, a foreign buyer can take the deed directly.

A fideicomiso is not a lease and it is not partial ownership. The bank holds title as trustee; you are the beneficiary, with the right to use the property, renovate it, rent it, sell it and leave it to your heirs. The trust is established in your name and renewed over time.

WHERE IT APPLIES

Most of the coastal markets buyers ask about — Puerto Vallarta, Los Cabos, Riviera Maya, Cancún, Puerto Peñasco — fall inside the restricted zone. Inland markets such as San Miguel de Allende and Lake Chapala generally do not. We use Monex, Mifel or BIM as trustee banks.

“Is this property inside the restricted zone, and which bank would hold the trust?”

02

— QUESTION TWO

What the *notario* actually does

This is the single most common misunderstanding we see, and it matters.

A Mexican **Notario Público is not the same thing as a notary public in the United States or Canada.** A U.S. notary witnesses signatures. A Mexican Notario is a government-appointed attorney with exclusive legal authority over property transfers.

The notaría prepares the **escrituras** — the deed and title — and the Notario's office records them in the public registry. The Notario also calculates and withholds the taxes owed on the transaction and verifies that the parties have legal capacity to sell and to buy.

THE PART PEOPLE MISS

The Notario gives legal certainty to the transaction itself. The Notario is not your advocate, and does not negotiate on your behalf or represent your interests against the seller's. That is a separate role — which is why we work with specialized attorneys who review the contract for you.

“Who is the Notario on this transaction, and who is reviewing the contract on my side?”

What closing *really* costs

Closing costs in Mexico are paid mostly by the buyer, and they are not a single line item. They vary by state, by property, by price and by whether a trust is required – which is why any number quoted to you before a specific property is chosen is a guess.

What you can do is make sure nothing on this list is missing from the estimate you are given:

- **Acquisition tax** – a state transfer tax, set locally, not federally.
- **Notario fees** – for preparing and recording the escrituras.
- **Public registry** – the cost of recording the deed.
- **Appraisal** – required for the transaction and for the tax basis.
- **Trust setup and annual trust fee** – only where a fideicomiso applies.
- **Permit from the Ministry of Foreign Affairs** – for foreign buyers.
- **Legal review** – your own attorney, separate from the Notario.
- **Inspections and due diligence** – title search, liens, taxes, HOA records.

“Can I see a written closing estimate for this specific property, itemized, before I sign anything?”

04

— QUESTION FOUR

Who reviews *the title*

A property can look perfect and still carry an unpaid tax bill, a lien, a missing permit or an HOA dispute. Someone has to check — before your money moves, not after.

In a well-structured purchase, the contract and the earnest money go into a **neutral escrow account**, never to the seller directly. Price, dates and deposit are held by a third party while due diligence happens. We use TLA Services in Dallas, Texas.

While the funds sit in escrow, this is what gets reviewed:

- Title and chain of ownership
- Liens and encumbrances
- Property taxes and utilities, paid or outstanding
- Construction and land-use permits
- HOA status and developer records
- Physical inspection of the property

WHY ESCROW MATTERS

If something fails due diligence, you walk away with your deposit. That protection only exists if the money was never in the seller's hands to begin with.

Eight steps, *first call to keys*

The four questions in this guide live inside steps six, seven and eight — highlighted below. Here is the whole path they belong to.

01 **Discovery call**

One conversation about budget, timing and purpose. No cost. You leave knowing whether your plan is realistic.

02 **Cash or mortgage**

Financial planning, and an introduction to a lender if financing is needed.

03 **Search and shortlist**

The whole market, with honest notes on each property — including the drawbacks.

04 **See it remotely, then one smart trip**

Photos, video, maps and — where available — a 360° tour. Travel once, to see the real finalists.

05 **Offer, negotiation & contract**

Built on real comparables. The contract is usually drafted by the seller, so your attorney reviews it.

06 **Promise agreement and escrow**

Neutral escrow and full due diligence. → Question four.

07 **Fideicomiso or direct deed**

Depends on where the property is. → Question one.

08 **Closing before the Notario**

Escrituras prepared and recorded, funds released, keys handed over. → Questions two and three.

The full version of each step, with our partners named, is at buyingahomeinmexico.com/process

NEXT STEP

Ask these four *out loud*

If the answers come back clear and in writing, you are dealing with someone who has done this before. If they come back vague, that is useful information too.

A discovery call costs nothing and commits you to nothing. One conversation about budget, timing and purpose — and an honest answer about whether your plan is realistic.

Talk to an advisor

buyingahomeinmexico.com/contact · an advisor replies within one business day, in English or Spanish

YOUR ADVISOR

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