

HOW TO BUY A HOUSE IN GUADALAJARA AS A FOREIGNER



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1. Form of Ownership: Direct Ownership

Unlike Puerto Vallarta or the Riviera Maya, in Guadalajara you can directly own the property title in your name (public deed) without needing a bank trust. However, you will need to sign the Calvo Clause, an agreement with the Ministry of Foreign Affairs (SRE) where you agree to be considered a Mexican national with respect to the property and waive your right to invoke the protection of your foreign government in legal disputes concerning the property.



2. Steps in the Purchase Process

Offer and Purchase Agreement:

Once you've chosen a house, you'll sign a purchase agreement (promissory purchase agreement) that defines the price, payment terms, and conditions.

SRE Permit:

Your notary or lawyer must obtain a purchase permit from the Ministry of Foreign Affairs (SRE).

Due Diligence:

It's essential to verify that the property has a Certificate of No Encumbrances (no debts or mortgages) and that it's not ejido land.

Closing Before a Notary Public:

In Mexico, a Notary Public is the legal official who formalizes the transaction, calculates taxes, and registers the deed with the Public Registry of Property of Jalisco.



3. Costs and Requirements

Closing Costs:

Be prepared to pay between 5% and 8% of the property value in closing costs, which include the Property Acquisition Tax (ISAI), notary fees, and registration fees.

Documentation:

You will need your valid passport and immigration document (such as a tourist or temporary/permanent resident FMM).

Taxpayer Identification Number (RFC):

While not strictly required to purchase, obtaining your Federal Taxpayer Registry (RFC) is highly recommended to facilitate tax payments and future service procedures.



4. Financing

Most foreigners purchase with cash, as Mexican banks typically require residency and a solid local credit history to grant mortgages. If you need financing, you can explore cross-border loans or direct financing with developers for pre-sales.

