

DELIVERING
ISLAND
DREAMS



Aria Kat

2024

HOME *Buyers'* GUIDE

A GUIDE TO BUYING YOUR ISLAND PROPERTY IN
CAYE CAULKER, BELIZE

Welcome



My name is Aria Kat and I'm your RE/MAX agent in Caye Caulker, Belize. I provide comprehensive services for buying, selling, or investing in properties.

What sets me apart is my strong business, marketing and intercultural background and I offer a seamless real estate experience for buyers and sellers. I provide expert guidance on island life, neighborhoods, and amenities, reflecting my commitment through unwavering dedication and reliability.



My passion is helping clients achieve their island dreams and real estate goals with genuine care and dedication. Your goals are my goals, and I am very excited to be an integral part of your island real estate journey!

Aria Kat



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Why invest in Belize?

BUYING REAL ESTATE **AS A FOREIGNER**

Belize is one of the few countries in the world that has full foreign ownership, so foreigners have the same real estate and land ownership rights as citizens. When you buy real estate as a foreigner in Belize, you can purchase a home to live in, a vacation home to rent out, commercial/business properties, industrial buildings, or vacant land.



LANGUAGE & LAWS

The official language in Belize is English. Therefore, it is really easy for English-speakers to communicate in personal and business life. It also means all legal documents are in English, which makes dealing with contracts and other legal matters much easier. Belize is sharing the British Common Law system.



Why invest in Belize?

BELIZE GOVERNMENT

The Belizean political system is a British Parliamentary Democracy. Therefore, Belize is one of the more stable emerging countries with a democratic government.

The growing tourism industry is highly supported by the government, which can be seen in provided amenities and safety measures. In addition, the government supports economic growth and foreign investment.

AFFORDABLE REAL ESTATE

The real estate market in Belize has not stayed stagnant. On the contrary. Prices have consistently gone up over the years, but it is still affordable compared to Mexico, Costa Rica, the Cayman Islands, or the Bahamas.

Ready? Let's dive into the details!





Preparing TO BUY



Getting Started

THE KEY TO YOUR NEW ISLAND HOME

Every real estate-buying process starts with proper research and preparation, asking you the right questions.

- ✓ Determine your goals and the type of property you want
- ✓ Determine the area where you want to live or own a vacation or investment property
- ✓ Find the right local real estate agent to be your sidekick

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LET'S PLAY
this
 or
that

ISLAND HOME or MODERN CONDO

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BUILD A HOME or BUY A HOME

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Getting Started



FINDING THE **RIGHT AGENT**

As you start your island home-buying journey, one of the most significant purchases in your lifetime, having a dedicated agent in your corner who consistently prioritizes your best interests is essential.

A buyer's agent's primary responsibility is to represent you and ensure your protection. On the flip side, a listing agent has allegiance to the seller, aiming to secure the top dollar for their home.

The tremendous value lies in having someone work exclusively for YOUR best interests during the property-buying process.

Getting Started

NAVIGATING THE HOME BUYING PROCESS

Navigating the process of buying real estate in Belize requires dealing with various types of documentation.

With my experience and knowledge, I ensure a thorough understanding of real estate contracts, leaving no room for oversight before you sign on the dotted line. I specialize in narrowing down homes that align with your unique wants and needs, **GETTING YOU THROUGH THE DOOR EFFICIENTLY.**

Let me be your expert "sidekick" in this journey!

PROBLEM SOLVER

I will work hard to protect all of your interests and take on any issues that may arise throughout the entire process.

I work tirelessly to make sure buying your island home is a fun and stress-free process.



Caye Caulker Real Estate News Blog:

THE SUPERHERO SIDEKICK YOU NEED IN CAYE CAULKER, BELIZE REAL ESTATE: **WHY A BUYER'S AGENT IS YOUR ULTIMATE GUIDE**

By: Aria Kat

Hey there, future property buyer!

Let's face it, diving into the real estate market can feel like embarking on an epic adventure, especially in a foreign country, such as the beautiful land of Belize. But don't worry, because I've got the perfect sidekick to join you on this thrilling quest - the Buyer's Agent!

In this blog post, I'll unravel the superhero role of a Buyer's Agent in real estate and spill the beans on why teaming up with a realtor in Caye Caulker, Belize is the ultimate power move.

1. **NAVIGATING THE LOCAL MARKET** LIKE A PRO

Ever get lost in a maze of listings, neighborhoods, and property values? And where to start when a country doesn't have an official database such as the MLS (Multiple Listing System) to share information about available properties in Caye Caulker? Well, worry no more! I'll be your walking, talking GPS for the Caye Caulker real estate market. I have all the insider knowledge about what's hot, what's not, and where you should be looking for your dream property.

2. **UNLOCKING DOORS** TO EXCLUSIVE LISTING

You know those hidden doors that lead to exclusive opportunities? Think of a Buyer's Agent as your secret key to accessing off-market property listings in Belize. I have connections all over the island, opening doors to fantastic opportunities that you otherwise might miss.

3. **FINDING THE GEMS** AMONG THE STONES

Let's face it; finding the perfect property can sometimes feel like searching for a needle in a haystack. But fear not! I'm here to streamline your search, ensuring you only come across properties that fit your wildest dreams and budget.

Caye Caulker Real Estate News Blog:

4. **MASTER NEGOTIATORS** IN ACTION

Picture this: You're facing a formidable challenge - a tough seller, perhaps? This is where your Buyer's Agent's superpowers shine! We're negotiation experts, ready to haggle with the best of them. With my powers of persuasion, I'll help you score the best deal for your new castle!

5. THE LOCAL **SIDEKICK YOU CAN TRUST**

Moving to a new country can be like stepping into a fantasy world with unfamiliar rules and creatures. But with a Buyer's Agent by your side, you've got a local sidekick who knows the land like the back of their hand. I'll guide you through the enchanted forest of legal procedures and ensure you avoid any hidden traps.

6. **DEFENDER** OF YOUR INTERESTS

In a world where not all is what it seems, your Buyer's Agent becomes your fierce defender. I'll be your loyal ally, ensuring your interests are protected at all costs. Rest assured, I'll make sure the "evil villains of real estate" don't stand a chance!

7. **THE JOURNEY CONTINUES**

But wait, there's more! Your Buyer's Agent doesn't just vanish after you find your dream property. I'll be with you every step of the way, even after the deal is done. Think of me as your real estate sidekick for life, helping you settle into your new home and introducing you to the community like a true local.

Congratulations, future property buyer! You're now armed with the knowledge of the ultimate real estate sidekick - the Buyer's Agent.

I'll be your fearless guide through the twists and turns of the Belizean real estate market, making sure you emerge victorious in your property quest. So, don your metaphorical cape and join forces with me as your Buyer's Agent in Caye Caulker, Belize to unlock the full potential of your property investment.

Happy house hunting and may your real estate journey be filled with excitement and success!



Real Estate

terms

OFFER

An offer is a preliminary agreement between the buyer and the seller to buy real estate.

EARNEST MONEY

Earnest money or good faith money is the balance of funds that are set aside into an escrow account to show that the buyer is serious and committed to about the purchase.

CONTINGENCY

A contingency related to a property is when the preliminary offer is accepted, pending certain conditions.



Real Estate

terms

CLOSING

A meeting that includes documents, signatures, and everything needed to buy or sell real estate. Closing is when the money is paid and the keys are received.

CLOSING COST

The closing cost is the amount that is paid, in addition to the sale price. This can include: title search, legal fees, taxes, stamp duty, etc.

TITLE SEARCH

Before purchasing property in Belize, Buyers are advised to conduct a land title investigation to ensure that the property -

- is indeed in the name of the person selling
- is free from liens, mortgages and encumbrances
- that the property tax has been fully paid up to date
- that the property is not engaged in any legal conflicts
- Includes a judgment search to ensure that no court order is registered against the land
- Includes company search (if applicable) to verify the director/secretary of the company



the
Home-Buying
process

1

MEET WITH YOUR **AGENT**

2

FIND YOUR **ISLAND HOME**

3

OFFER, NEGOTIATIONS & ACCEPTANCE

4

PAY **EARNEST MONEY**

5

PREPARE FOR **CLOSING**

6

GET YOUR **KEYS!**



the Home-Buyer's path to closing

FIND A COMPANY / AGENT

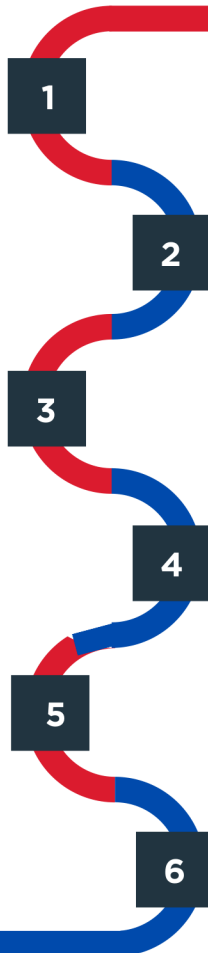
Choose an agent that is professional, works with a reputable brokerage, and puts you at ease

EXPLORE

Browse the internet and other postings, start your research

ORGANIZE MOVE

Set your moving date, plan for the move to Belize



FINANCIAL ISSUES

Get your finances in order and make sure you have the earnest money and the balance available

MAKE AN OFFER

If you have decided which property to buy, make an offer

CLOSING DAY

Get your keys. Congratulations, you did it!

This is a short version of the process. Please contact your real estate agent for a detailed follow-up of the steps.



Frequently Asked

questions

WHAT IS THE FIRST STEP OF THE HOME-BUYING PROCESS?

Determine your budget. Most real estate transactions are cash deals in Belize.

HOW MUCH MONEY DO I NEED FOR EARNEST MONEY?

Earnest money is usually 10% of the purchase price, typically due within 10 to 14 business days of the executed agreement.

HOW LONG DOES IT TAKE TO BUY A PROPERTY?

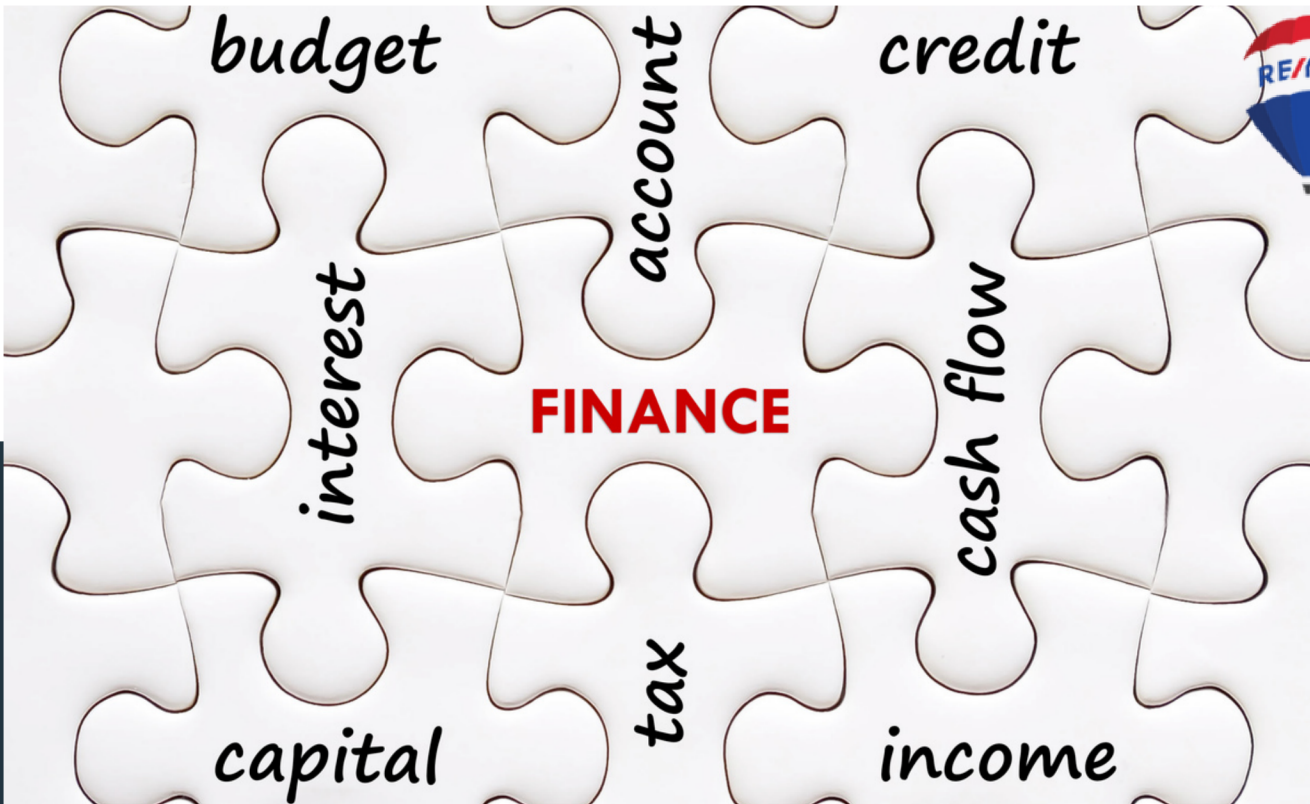
Closing is usually 30 to 45 days after acceptance.

WHAT ARE THE FEES CONNECTED TO REAL ESTATE PURCHASE?

Closing cost is about 10% in Belize. 8% is stamp duty (5% if purchased in the name of a Belize company), approximately 1% legal fees, and the rest is mainly title search, processing fees and courier charges.

WHEN CAN I EXPECT TO RECEIVE THE KEYS TO THE NEW HOUSE?

The keys will be handed over on closing day once the transaction is complete and fully funded.



Financials



Financing Real Estate

in Belize

CASH DEALS

Most real estate transactions in Belize are cash deals, paid in US dollars into an escrow account in the States.

OWNER FINANCING

If real estate deals require financing, owner financing is a good option. However, not many seller's offer owner financing and it is typically a short-term solution, as the owners usually finance over 5 to 7 years with a 25 to 50% downpayment.

DOMESTIC FINANCING

Some people acquire domestic financing in their home country through a line of credit or refinancing their home/mortgage.





Financing Real Estate

in Belize

SELF-DIRECTED IRA OR 401K

Real estate investors (from the US) can hold investment real estate in an IRA or 401K to gain access to capital (without high taxation) and reduce the tax exposure (as long as the investment capital has not been distributed to the IRA owner).

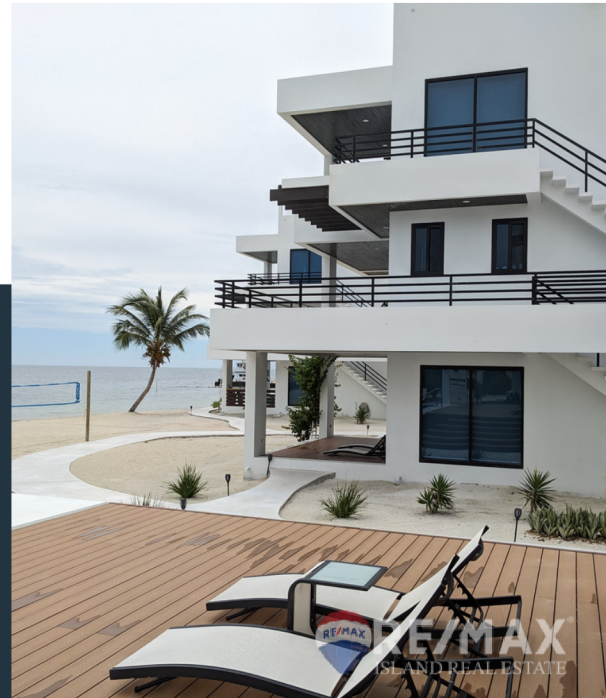
According to the IRS's IRA rules, contributions to Self-Directed IRA accounts can be used to purchase real estate (commercial, residential, or vacant land) inside and outside the United States. This allows investors to use Self-Directed IRA funds or a 401K to invest in real estate in Belize.

However, contributions to offshore real estate IRAs are subject to additional rules. For example, while the property in your IRA can be rented to others, you can't rent it out to your family and the property won't be available for your own personal use as it has to remain strictly an investment.

Another advantage is that the rental income from an offshore Belize real estate investment through IRA is deferred and can be made tax-free if

purchased using a ROTH IRA, an individual retirement account that offers tax-free growth and potentially tax-free withdrawals in retirement. So, in theory you could collect decades' worth of rental income and not pay US tax under this set up. You only need to worry about taxes when you distribute the income from the property to yourself in the future.

I highly recommend to consult with a tax professional in the U.S. to discuss the advantages and disadvantages in detail.





Financing Real Estate

in Belize

LOCAL BELIZE BANK FINANCING

Local banks in Belize offer financing for real estate, but it is not easy - especially for foreigners. Interest rates and terms with Belize banks are different from what people are used to at home. Typically banks in Belize offer interest rates in the range of 10-18% interest with fixed terms of only 12 months. So, when you get financing from a local bank in Belize, the loan is closed every year and renewed at the new rate.

In addition, when borrowing or lending from a local Belizean bank, it will be in Belize dollars. Most real estate transactions in Belize are in US dollars, so local financing is challenging.

Furthermore, the approval process is lengthy and sellers don't want to wait that long, because local banks in Belize will often only lend money to Belize residents or citizens.



Financing Real Estate

in Belize

OFFSHORE FINANCING

As a Belize permanent resident or citizen, you can borrow U.S. dollars from an offshore bank.

Interest rates with international banks in Belize are much higher than most people are used to in their domestic markets at around 12% to 18%, and most offshore banks, when lending to clients who are not Belize residents or citizens, require a high degree of collateralization with a high down payment of often 50%.

Local Belize bank financing and offshore financing are, for the reasons stated, not the best options for real estate deals in Belize, however, for the sake of completeness, mentioned in this guide.





Financial

must haves

EARNEST MONEY

The earnest money is due shortly after the offer is accepted, so be prepared to make the payment, according to the purchasing agreement, of around 10% of the purchase price.



PURCHASE PRICE PAYMENT

Since most real estate transactions are cash deals, make sure you have the money to pay the balance of the purchase price or have your financing option in place when you sign the agreement, the latest by closing date.

CLOSING FEES

Be ready to handle expenses such as attorney fees, stamp duty, and other processing fees.

INSURANCE

Homeowners insurance is not required in Belize, unless you buy property with owner financing. In this case, the seller will most likely ask that you purchase homeowners insurance.



Finding Your

ISLAND HOME



Buyer

questionnaire

CONTACT INFO

BUYER NAME

ADDRESS

PHONE

EMAIL

CO-BUYER NAME

PHONE

EMAIL

WHAT'S YOUR PRICE RANGE (USD)?

ARE YOU SELLING YOUR CURRENT HOME?

YES NO

DETAILS

WHAT ARE YOU INTERESTED IN?

HOUSE CONDO

VACANT LOT COMMERCIAL

AREA

SOUTH CAYE NORTH CAYE

BATHROOMS

BEDROOMS

IF YOU ARE MOVING TO THE ISLAND, WHEN?

MOST IMPORTANT IN A HOME:

DEAL BREAKERS IN A HOME:

ADDITIONAL NOTES:



Picking

the perfect home

Before you start house hunting, it is essential that you know what you are looking for. Define the type of property that aligns with your island dreams. Are you planning on moving to Caye Caulker, or looking for a vacation home? Are you envisioning yourself in a simple island cabin, or rather in a modern condo? Are you planning on running a hotel business in Belize? Or do you want to buy vacant land for investment, or do you want to build your dream island home?

To help you decide, consider the following factors -

this or that?

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LET'S PLAY

this
or
that

BUILD A HOME or BUY A HOME

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Picking

the perfect home

NON-NEGOTIABLES

List all features that you absolutely need or want in your house. Consider factors such as proximity to the village and transportation. Are you planning to walk, ride the bike, or buy a golf cart? Also, determine the desired home size and number of rooms.

This will help you determine the type of property that best meets your lifestyle.

SAFETY

Caye Caulker is overall a safe place to live. Crime on the island mostly consists of opportunistic petty theft. However, it gets dark early, so think about how comfortable you would feel going home in the dark when you have to ride your bike all the way “up north” or “down south”.

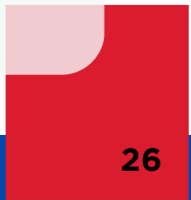




Notes

DATE:

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Make an offer

You found your island dream home and are ready to make an offer. So, once you submitted the offer, I will write the Earnest Money Deposit And Agreement For Sale. We'll meet or Zoom call to review your offer together. After thoroughly understanding the details, I will submit to the seller.



Now the seller will have three options:

ACCEPT THE OFFER AS WRITTEN

If the seller agrees with the terms and the offered price, they will return the executed agreement.

DECLINE THE OFFER

If the seller doesn't agree with the offer and believes it doesn't meet their expectations for further negotiation, they can decline the offer. This usually happens if sellers feel offended by lowball offers.



Make an offer



COUNTER OFFER

If the seller agrees with most terms, but wants to adjust a few details or negotiate the offered price, they can counter with new terms.

Negotiations can continue and go back and forth until both parties come to an agreement or decide to walk away from the deal.

OFFER IS ACCEPTED!

You will sign the purchase agreement and you are now officially under contract. This period is called the contingency period. Now title search, or anything else built into your purchase agreement will take place.



Final Steps & CLOSING



Final Steps & closing

HOME INSPECTION

An official home inspection is not required in Belize, yet recommended. If you want a detailed report for a property, we can hire a civil engineer from the mainland to come out and inspect the property at a cost of around \$600 for the home inspection. The major issues to be inspected are appliances, HVAC, electrical and structural integrity.

NEGOTIATE A FINAL OFFER

If your offer was contingent on favorable results of the home inspection, you can negotiate a final offer if there is a problem. When negotiating a final offer for a property, it is crucial to take into account current market and property conditions, assess the urgency for the sale, and maintain realistic expectations to formulate a fair and reasonable offer. Flexibility and willingness to compromise are key elements in achieving a mutual beneficial agreement.



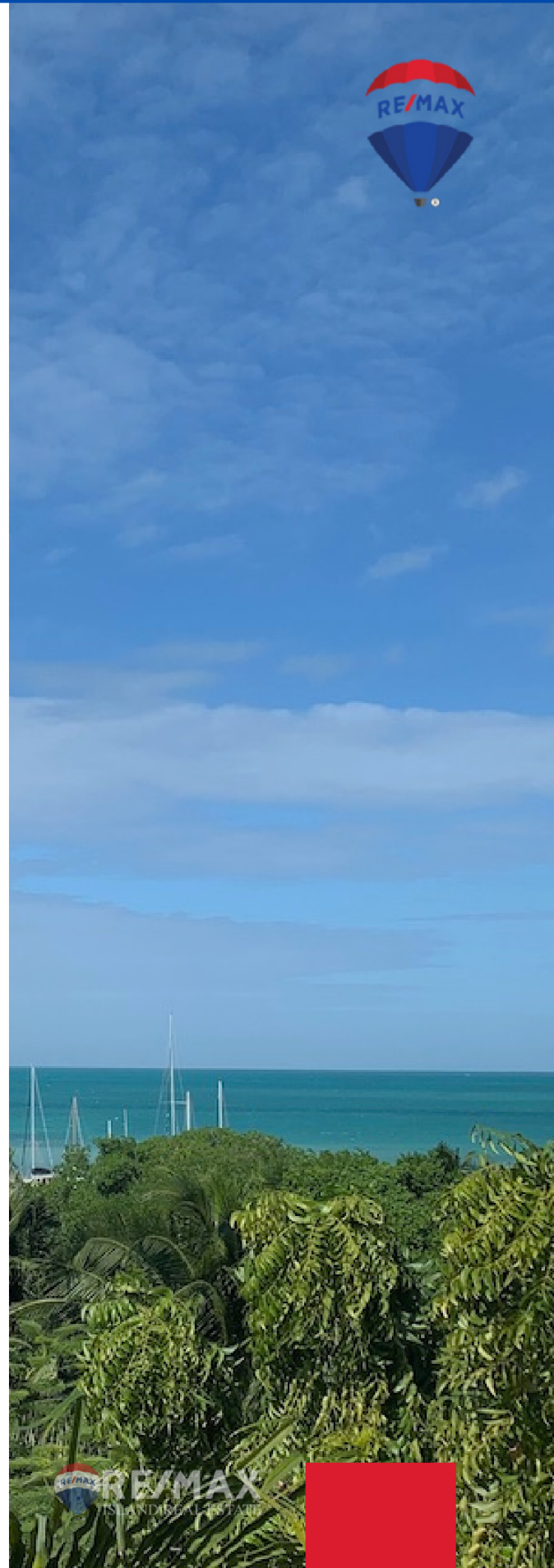
Final Steps & closing

DOCUMENTS

The real estate attorney will need a legible copy of your passport and a recent utility bill showing your mailing address to prepare the transfer documents. If you purchase property in the name of a Belizean company, additional documentation is required.

FINAL PAYMENT

Make sure you wire the final payment to the escrow account provided by your real estate attorney in time for closing date.





Scheduling

your move

You typically don't need a Belize visa to invest in real estate in Belize, but if you consider moving to our beautiful island, an important step you'll need to take is understanding the visa requirements.

BELIZE VISA OPTIONS

Belize offers several types of visa options, each designed to suit different purposes and circumstances. From the 30-day tourist visa, that can be renewed every month by visiting an immigration office and paying the monthly fee, to a permanent resident visa.

To learn more about Belize visa types, visit the comprehensive visa guide in my blog on www.REMAXCayeCaulker.com

MOVE TO BELIZE

If you give up your residence in your home country, don't forget to cancel utilities and have your mail forwarded to either a family member, a friend, or a PO Box. Mail will not be forwarded to Belize. Change your address at your bank and other institutions where you might have investments.



Closing

day

CLOSING DAY

Closing is the process where you sign ownership paperwork and receive the key to your new home. Typically it takes four to six weeks from signing the agreement for sale to closing. During this time, purchase funds are held in escrow to ensure your money is securely held until the transaction is complete.

FINAL WALKTHROUGH

If you wish, we will schedule a final walkthrough of the home within 24 hours of closing to assess the property's condition. This is usually the case, to verify if the seller completed any agreed upon repair work.

Key points to focus on during the walkthrough include:

- ✓ Ensure all appliances are functioning properly
- ✓ Run water in all faucets and check for any potential leaks
- ✓ Run AC units to verify they are cooling properly
- ✓ Flush toilets





Closing

day

CLOSING COST

Closing cost can fluctuate based on your property's purchase price, if you purchase as a company or an individual, inspection, and lawyer fees. Typically you can anticipate a closing cost of around 10% of the property's sale price.

CLOSING TABLE

If you are in Belize for closing, the meeting will be joined by -

- ✓ Your agent
- ✓ The seller
- ✓ The seller's agent
- ✓ The real estate attorney / title company representative

TO BRING TO THE CLOSING MEETING

- ✓ Your passport
- ✓ Copy of the sale contract
- ✓ Proof of funds to cover the remaining costs

RECEIVE YOUR KEYS -

Congratulations!



Apply For

a hotel license

If you purchased property as a vacation rental business, you will need to apply for a hotel license with the Belize Tourism Board (BTB).

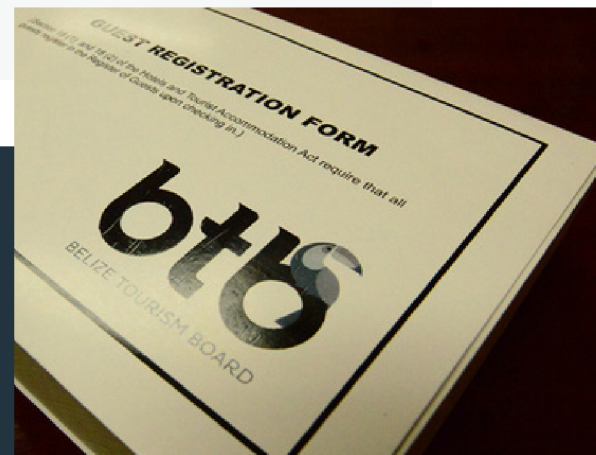
The licensing of accommodations insures that the said property has been certified to operate under the Laws of Belize.

All accommodations in Belize must meet tourism industry quality standards and meet the requirements set forth in the Hotels And Tourist Accommodation Act, Chapter 285 of the Laws of Belize Revised Edition 2011 and the Hotels And Tourist Accommodation Act, Chapter 285S Of The Laws Of Belize Revised Edition 2003.

(www.BelizeTourismBoard.org)

REQUIREMENTS

BTB requires a series of documentation and inspections. It's a process that usually takes between 3 and 6 months, depending on how quickly you can provide the required inspection reports to the BTB.



HIRE A RENTAL MANAGEMENT COMPANY

If you are planning on hiring a rental management company, I'd be happy to give you recommendations who to work with. They also can help you with obtaining the hotel license for your vacation rental.



Bonus -

6 TIPS TO BE A SMART HOME BUYER



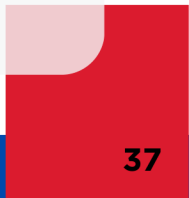
- ✓ Interview multiple real estate professionals. You want to make sure they are professional, communicate well, and will be a good sidekick for your real estate buying adventure!
- ✓ Gather information on the prices of other properties on the island. Avoid being misled into overpaying.
- ✓ Establish whether you or the seller will be responsible for covering any potential repair cost. If it's your responsibility, make sure you can afford to address them.
- ✓ Do not allow anyone to persuade you into spending more money than you have in your budget and are confident to afford.
- ✓ Never sign a blank document or a document with blanks. If information is added after your signature, you could still be held to the terms of the contract. Insert N/A (not applicable) or cross through any blanks.
- ✓ Read through everything carefully and ask questions. Don't sign anything you don't understand. Consider seeking the expertise of a real estate attorney to review your contract.



Notes

DATE:

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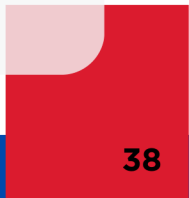




Notes

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LET'S WORK

Together

From understanding the local market to negotiating on your behalf and providing ongoing support, having a real estate agent that is knowledgeable, experienced, and understands your needs is essential in the home buying process. I'd love to help you find your island home and start your new chapter!



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