

ASK A REALTOR

BY: MICHAEL GREEN, BOARDWALK REALTY

Q: I just bought a condo in Nuevo Vallarta and the seller says we need to go to a Notary public. Why is this? We already have a signed contract of sale; does this have to be notarized? John R. New York

A: There are profound differences between a Notary public in the US and the Notario Publico in Mexico. In the US, the public Notary might be a bank clerk, secretary at the office, or practice any other occupation. In Mexico, the Notario Publico must have a law degree, verifiable experience, pass a rigorous exam and is appointed for a lifetime term by the governor of the state. Typically there is a Notario Publico for approximately every 30,000 in population. In Mexico, all legal documents, such as deeds, wills, powers of attorney, constitution of corporations, establishment of trusts and other legal transactions must be made before a notary public in order to be valid. If the document is not notarized by a Mexican notary public it is not legal! You should think of the Notario Publico here along the same lines as a Judge in the United States. As part of the closing process, the Notario Publico will verify the following official documents, which are required by law for any transfer: A no-lien certificate from the public property registry, based on a complete title search; A statement from the treasury or municipality regarding property assessments, water bills and other pertinent taxes that might be due; An appraisal of the property for tax purposes. The Notario Publico is also authorized to calculate and collect any Capital Gains taxes generated by the sale. The Notario will also issue an electronic invoice after the sale. Although this may look like "gobbledegook" to you, this electronic file is a VERY important document; it is used to verify your purchase price and set a basis for your capital gain tax should you ever sell your property. Any sales since January 2014 are required to have this invoice or CFDI; otherwise your basis will be zero. So if you purchased a property since 2014 and do not have this electronic invoice, call your Notario now, request it and keep it in a safe place! The Notario Publico also is in charge of registering your new deed with the public registry, and issuing a preventative notice of the sale with the Registry. Customarily, the Notario fee is paid by the buyer of a property as part of their closing costs. It is important to remember that the Notario Publico is an independent third party to your transaction. He will not be able to advise you on details in your contract such as: price, location, financing, and terms of sale. For that reason, I hope you

have already sought the advice and counsel of an AMPI Realtor, who can act as your advocate. Many AMPI Realtors have formed strategic alliances with a Notario Publico liaison. These bilingual attorneys can assist with many of the above tasks at no additional expense to the buyer. Best of all, they live or die by the concept of "Customer Service", making them an invaluable part of your closing process! Thanks to Jessica Riedesser at Riedesser y Asociados for help with this answer.

Do you have a question about Real Estate in Puerto Vallarta? Just ask!

Michael Green is the Broker of Boardwalk Realty. Active in local and national Real Estate boards; published author and acknowledged expert on Puerto Vallarta Real Estate, Mike moved here in 1997 to take advantage of the unsurpassed lifestyle PV offers. E mail Mike at: Michael@boardwalkrealtypv.com