

U.S. homeowners look to Mexico for more property

by *Jim_Woodard*

A growing number of U.S. citizens are looking across their nation's southern border, searching for a home or investment property in Mexico.

"There are now about 1.5 million former U.S. residents living in Mexico, and that number is increasing," said Adrian Arriaga, a Texas-based broker and consultant specializing in properties in Mexico. "Mexico is the No. 1 destination choice for U.S. buyers of property in foreign countries."

Compared with prices of U.S. real estate, properties in Mexico are bargains, and there are other incentives for buying a property in Mexico. Cities are rapidly developing. Infrastructures have improved dramatically during the past couple of years, and such developments are continuing. Many growth areas offer outstanding opportunities for real estate investors.

One of the first concerns expressed by prospective buyers relates to legal structuring of Mexican property purchase transactions.

"Generally, the laws of Mexico regarding the purchase of real property are similar to those of the U.S.," said attorney John Vernon. "For example, Mexican law recognizes real estate mortgages and various types of security interests in personal property. Also, in most real estate transactions, Mexican banks can act as escrow agents or trustees.

"However, there are some differences. When Americans participate in their first real estate purchase in Mexico, they are often surprised to learn that title insurance is not widely available. Foreign purchasers should take steps to ensure they have full title insurance. And there is no widespread use of purchase and sale agreements as such documents are understood in the U.S."

It's always a good idea to work with a Mexican Realtor and/or attorney in structuring a real property purchase.

"The good news for investors is you can own property in Mexico free and clear, easily and forever," said Dave Ash, author of "The Boom in Mexico Real Estate." "Having lived in Mexico for six years, I am amazed at the changes and modern times that seem to have flooded into this area. Small fishing villages have evolved into modern cities with American-style life and mega shopping centers."

For individuals and families who are interested in relocating to Mexico, some intensive education in the language and culture of the targeted area is wise before making a property purchase and move. Many of these buyers are looking for a reasonably priced permanent home in a scenic area with mild climate - some for a retirement home. Others want a Mexican residence for part of each year.

There are schools that offer special courses and programs that address those needs. For example, Universal Center for Language and Social Communication, based in Cuernavaca, Mexico, is operated by a group of language instructors seeking an innovative way to teach Spanish within a cultural context. They offer intensive Spanish programs combined with a local homestay. Programs are designed for adults and children.

In addition to language instruction, this school offers community involvement programs and opportunities for independent field work, primarily in Cuernavaca and its surrounding valley.

"Many people who take classes at Universal are thinking about owning a home and living in Mexico," said one of the school's teachers. "One man from San Diego is doing just that. He is retired and wants to buy property in the Cuernavaca area. He was initially interested in coastal property, but now wants to stay in this area.

"A woman student in her 70s is planning to move to Mexico with her husband after purchasing a home here. She's a teacher from Minnesota. They want a warm place where they can retire in comfort. There are many other such examples."

For more information about these programs, e-mail a message to: lwdientes@prodigy.net.mx, or visit Universal's Web site: www.universal-spanish.com/.

Q: How will housing be impacted by the "green" trend in 2008?

A: As we move into a new year, people are becoming more environment conscious and want to surround themselves with eco-friendly possessions. That includes their home.

Housing experts see this trend as having a major influence on the design, construction and decorating of homes in 2008. As energy prices remain high, homeowners are adjusting by adopting green principles to save money. They are creating an eco-chic home that will save money and enhance its value.

Even mortgages are affected by the trend. Major banks are offering "energy-efficient" mortgage loans for

homeowners planning green renovations. Home design companies are becoming more environmentally friendly as well, introducing an array of options that allow consumers to go green without sacrificing style or busting their budget.

Many homeowners are taking their passion for interior decorating outside, turning their backyards into exotic environments. Basic pools will turn into tropical oases and outdoor kitchens will rival their indoor counterparts.

Gardens will grow into jungles. More people are discovering the benefits of growing their food. Home-grown produce saves money and is considered more nutritious than store-bought products, and they're consistent with eco-friendly living.

Selected furniture will be more likely to reflect advancing technology. From nightstands to coffee tables, new designs include innovations such as dedicated storage areas to hide cables and power strips. The world is changing, inside and outside of the home.

Q: What's the best way to prepare a house for sale?

A: Getting a home to appeal to prospective buyers is a key element in today's sluggish market. Buyers want the best possible home to satisfy their needs and tastes; sellers need to market their properties. Both parties are most likely to achieve their objectives if the house is ready to create a positive impression.

One simple but vital action is to declutter the house. Nearly all successful Realtors agree with this recommendation. Remove toys, furniture and decorative items that don't enhance the appeal of the residence. Prospects need to see space where they can envision their own belongings. There are an increasing number of professional "decluttering consultants" who can help in this process, but many homeowners can handle the task themselves. Look at your home from the perspective of a buyer.

When planning a remodeling project, keep in mind the baby boomer generation as they move toward old age. Modify your home in a way that will be appealing to this major segment of home buyers. This might include renovations ranging from the simple things like installing levered handle doorknobs (friendly to arthritic hands) to more complex additions, such as installing stair lifts.

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