

Action Items for Listing Mexico Real Estate on HAR MLS Area 82

- 1.) Ensure the integrity of your Mexico client. Just as you would do for a property listing in Houston, it is similarly important to insure that your client in Mexico is operating in an ethical manner. If your client is someone who you do not know, do your homework.
- 2.) Make sure your client has clear title to the property in Mexico. Stewart Title, based in Houston, and First American Title's International Division, based in Ft. Lauderdale, Florida, collectively undertake approximately 90% of all title searches in Mexico. Make sure your client has clear title to their property.
- 3.) You are subject to Mexican laws when operating in Mexico. Work with a Mexican or U.S. Attorney who knows the real estate laws of Mexico. As a REALTOR operating in Mexico, you should consult with an Attorney to insure that you are in compliance with Mexican laws.
- 4.) Insure that your client will grant you an "Exclusive Right to Sell Agreement" for purposes of HAR MLS Area 82. Notwithstanding we are operating outside of the jurisdiction of the Texas Real Estate Commission (TREC), HAR, and TAR, this does not mean we throw away the rule book. We still require an "Exclusive Right to Sell Agreement" to enter a Mexico property, or any international property, into HAR MLS Area 82.
- 5.) Visit the property in Mexico; you need to preview your Mexico listing before presenting it to potential clients or entering it into HAR MLS Area 82. We would not take a listing in Houston without visiting the property; make sure you "eye-ball" your listing before presenting it to potential clients. Your clients will ask you: *"have you seen the property?"*. Do not take a listing on a property that you have not seen.
- 6.) Make sure you have an AMPI and/or CIPS Agent/Broker on the ground in Mexico with whom you can cooperate. You need to have a cooperative Agent or Broker on the ground who can help you show the property to your prospective clients. Make sure you have a trustworthy Real Estate Partner "in-country" with whom you can work to show the property and who can help you move the transaction to closing.

- 7.) Obtain all necessary property information that will be required to enter the Mexico property into HAR MLS Area 82. The same property information that is required for a Houston property MLS Listing is required for a Mexico property listing.

- 8.) Make sure you, as a REALTOR representing your client's property in Mexico, know how you are going to get paid for a closed sales transaction. Unlike in Houston where closings take place at a title company and the title company disburses Agent commissions to the Brokers at closing, closings in Mexico take place at the Notario's office and commission disbursements are handled much differently than in Houston. You need to develop a commission payment plan with your Mexican client.

- 9.) You are subject to Mexico income tax regulations for sales commissions earned on a sale of Mexico real estate. Make sure you understand Mexico's income tax laws as they relate to your sale.

- 10.) The next step is to upload the property information into the HAR MLS system. Make sure you have all of the property information that HAR MLS requires as well as the minimum number of photos.

- 11.) One final tip, advise your Buyer-Client to consult with an Attorney during the due diligence phase of their review of your listing. It is important to advise our clients who are purchasing real estate in Mexico to consult with an Attorney who is expert in Mexico's real estate regulations, tax, and capital gains matters.