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BELIZE REAL ESTATE

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Transfer of Land in Belize

- a. The Land Laws of Belize are derived mainly from the Common Law and English Statutes of the 19th century. The Law of Property Act, Chapter 190 is similar to the Real Property Act 1925 of England in many ways. Other relevant statutes include the Registered Land Act, Chap 194 (1977). This statute governs all land transactions of Belize. You can read all the laws of Belize at www.belize-law.org.
- b. There are two types (categories) of Land in Belize. They are: (a) Undeclared Land & (b) Declared Land).

Transactions (transfers) done for Undeclared Land in Belize has to be recorded at the Titles Registry. On the other hand, transactions done for Declared Lands are to be registered at the Land registry. Both Registry offices are located in Belmopan (Cayo District).

The Law of Property Act also allows for acquisition of property to take place in the instance that one has settled on a land for more than 30 years. In addition to mere settlement, one has to have continuous undisturbed possession of land for 30 years. If the Supreme Court finds that possession is established, they may issue a declaration of Title in respect of said easement, right or privilege to the individual putting forward the claim. Such claims are not prevalent; however, it is good to know that such acquisitions are possible.

- c. Property purchasers can take title to freehold property in Belize in one of three different ways. They are: (a) Deed of Conveyance, (b) Transfer of Certificate, and (c) Land Certificate.



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The Conveyance or Transfer Exercise

(i) Deed of Conveyance:

The oldest form of title ownership is by a Deed of Conveyance. Ownership by way of conveyance is a registered right to ownership of property. Ownership by conveyance can be converted to a Certificate of Title via an application for first registration. Any subsequent buyer is issued a Transfer Certificate of Title. It should be noted, however, that a Deed of Conveyance is a valid legal title once an attorney has confirmed that the seller has good title to the property.

(ii) A Transfer of Certificate:

A Transfer Certificate of Title is a physical title to a particular parcel of land. This form of ownership is secure. It is more costly and time consuming to transfer title on a Transfer Certificate of Title than on a Deed of Conveyance.

(iii) A Land Certificate:

A Land Certificate is an absolute title and applies to property purchases in new or specially designated areas. The Government is in the process of re-registering all freehold lands under the Registered Land Act of 1987 to achieve an eventual uniform system of nationwide land ownership. However this will take time, as some areas have to be re surveyed.

- a. The Conveyance or Transfer exercise commences with either the Vendor or the Purchaser or between one of the parties and a Real Estate Agent. As the Real Estate Agent, Buy Belize represents both the Vendor and Purchaser and guarantees satisfaction to both parties.
- b. The first step in the transfer process is the creation of the Sale Agreement and Purchase Agreement Contracts. These contracts set out the basic terms on which the property is to be transferred. This agreement is not always needed for a transfer to take place; however, it does help to guarantee and expedite the Transfer / Purchase to take place. Note:



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That these contracts are not conveyance documents and do not transfer the property.

- c. Next, Buy Belize Real Estate will carry out the Title Search Services at the request of the purchasers. In order to do this, one of our representatives will venture to Belmopan (to the Lands Titles Office) and carry out a search on the property documents. This will allow us to find out all the information concerning the property being transferred. We will be able to discover whether or not the property has any liens, unpaid taxes, mortgages associated with it or if there were any claims on the property at some point in the past. This search will also allow us to discover whether or not there is any form of restrictive covenant or encumbrance in respect of the property for sale. This is a very time consuming process which may take many hours, if not weeks as the searcher will have to browse through all the Volume & Folio of the Title in order to check whether the Title reflects correctly.
- d. We recommend that a property Title search be conducted by the Purchaser for all properties.
- e. The Ideal arrangements are for the vendor and purchaser to attain an Attorney together as this can save time and money. Both the vendor and purchaser can have a single attorney prepare and file the Transfer documents. Or the Purchaser can have his own personal attorney oversee said documents. This will however be at the purchaser expense.
- f. The Purchase & Sales Agreement Form sets out the following details
 - i. The names, address and occupation of the parties.
 - ii. If there is more than one Purchaser, the manner in which the purchasers will hold the Land as joint Tenants or Tenants in common.
 - iii. Description of the Land, dimensions, location and Volume & Folio numbers of the Title (Registered land only).



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- iv. Purchase price should be written in figures and words.
- v. The amount or percentage of deposit required from the purchaser. (Usually 10%)
- vi. The Balance is due at the date the Transaction is expected to be completed.
- vii. The Purchaser may be liable to forfeit his deposit if he fails to complete the purchase at time stated in the agreement. (e.g.) there can be conflict between making time essence and other provisions, if therefore both provisions are to be inserted, they must be skillfully and carefully worded by an Attorney to avoid conflict.
- viii. Our Company will be responsible for preparing, executing and lodging the Transfer documents and finalizing it.

The Transfer Document

Transfer documents range according to the details of the property being purchased - whether it is a declared or undeclared land parcel. These documents include: (a) First Certificate of Title, (b) Transfer Certificate, (c) Deed of Conveyance and (d) Land Certificate.

Our Company will do the necessary checks and gather the necessary approvals that are necessary to carry out the property transfer. If there are two or more purchasers, then the document must state the manner in which the new owners will hold the property, for example, whether as joint tenants or tenant in common. Note: Tenants in common does not provide true legal ownership to the purchasers in Belize.

The Transfer is usually accompanied by the following

1. The original Land Title.
2. Discharge of mortgage or discharge of a charge.
3. Recording or registration fees and stamp duty.

Our company will also ensure that the various documents are signed and stamped by the Justice of the Peace in Belize when



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necessary. Note: The Purchasers do not have to be in the country for the transfer to take place. We will explain the details of this at our office in Belize.

Costs

There are certain basic minimum costs which must be met by both parties when it comes to property transfers in Belize. These are: Stamp Duty, Recording of Registration Fees, Property Taxes, and the Real Estate Company Expense. The property taxes are to be incurred by the sellers while the other fees are to be paid by the purchaser. Most of the cost incurred by the purchaser applies to property recordings, registration, leases, mortgages and miscellaneous charges.

Other services that may bear additional charges based on the request of the purchaser include: Title search, valuation report, and the discharge of existing mortgage, or the registration of new mortgage:

Stamp Duty

- a) 5 % of the Declared Property Value

Note:

When purchasing property in Belize

- a) Title insurance is not necessary.
- b) There are no capital gains taxes.
- c) The Government Stamp Duty is a 5% charge on the declared purchase price of the property at the time of transfer of title.
- d) Registration Fees: \$30 BZE dollar for the Title Document