

Real Estate Issues

For many Canadians, owning their own home is part of their dream of an ideal retirement. This is also a practical issue since good rental accommodation is expensive in many popular destinations, especially as furnished homes are often the norm for expatriates. While it is prudent to rent for a time before you decide on a particular location, purchasing a condominium or a house is an option you may want to consider.

Property Ownership

Purchasing property in some countries can be risky because of the difficulty of obtaining clear title. Careful research and professional legal representation are essential to avoid falling victim to unscrupulous operators. In some countries, you can also buy title insurance.

The right of foreigners to purchase certain property is restricted in some countries. In Mexico, for example, Canadians and other foreigners require special permits to purchase land. They cannot own land within a 100-km zone along the national borders or a 50-km zone along the coasts. In addition, they cannot own mineral or water rights. They may, however, set up a bank trust called a *fideicomiso*, with certain restrictions, to hold property for them.

It is difficult for foreigners who are not locally employed to obtain conventional mortgage financing in most countries. If you still have Canadian residency status, your Canadian bank may extend a personal loan based on your Canadian assets and your credit rating at home, but in general the terms are not nearly as favourable as they are for mortgages.

Condominiums

In principle, condominiums offer many advantages to retirees. External maintenance is handled on a shared basis, and it is relatively safe to leave units unoccupied for fairly extended periods. On the other hand, condominiums can entail serious risks in countries that have little experience with administering the relevant laws. You cannot assume that condominium bylaws drafted by property developers will actually be enforceable. Indeed, some restrictions, such as those prohibiting occupancy by children, may contravene local laws.

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Travel

Visit other parts of the country in which you are living. This will raise your awareness of local history and culture and make you feel more at home.