

RELEVANT INFORMATION ABOUT REAL ESTATE IN COSTA RICA

Unlike some other countries, it is not required to have CR citizenship, CR residence, nor even have permanent presence in the country to own land in Costa Rica.

In Costa Rica, the Constitution and the Laws protect private ownership of land, and foreigners enjoy the same rights as CR citizens, with the following exceptions: a) property given or sold to CR citizens as part of government aid programs and b) the concession land.

All properties are duly registered within the Registro Nacional (National Registry) and all relevant information about the title information and the survey maps must be duly recorded. Any modification in the status of a title or any claims that might affect it must also be noted on the title making possible to verify it.

Before buying land in Costa Rica you should get proper advice from a CR real estate Attorney, who will conduct a proper "Due Diligence" within the National Registry, Municipality and other Government offices. This is to verify that there are no liens on the property, the easements or encumbrances that can affect it, and that any and all taxes and dues are duly paid and current. Also, will be checked if the property has legal access to water and electricity, if there are zoning restrictions, conduct a house inspection and/or a survey verification, among other relevant matters.

Although, as indicated before, foreign ownership is fully permitted, it is advisable to purchase property through a CR corporation. Doing so, allows the purchaser to have flexibility, liability protection, and can help with the following: i) Estate and tax planning (if ownership is properly structured the foreigner can avoid for his/her heirs the probate procedure in CR.) Also, the regulations on corporate taxes, regarding write-off expenses, are a bit more flexible than the personal ones) and ii) With representation, thru the corporate books the owner can grant a special POA (Power of Attorney) for the diligences or acts required, thus not requiring the physical presence in Costa Rica of the property owner.

With the current Immigration law, the property (condo, house or lot) you purchased allows you – as well as your family - to apply for CR residency as an "investor". The real estate investment requires to be at least US\$ 200,000.00 dollars and you must also comply with the other requirements established in the Immigration law.

GM Attorneys is a premium boutique Law Firm with offices in Flamingo Beach, Tamarindo and San Jose.

[Website](#)

[Mail](#)

[Linkedin](#)

[Facebook](#)



DUE DILIGENCE: PURCHASING A CONDOMINIUM IN COSTA RICA

In Costa Rica, all real properties are duly registered within the Registro Nacional (National Registry) and all relevant information about the title and the survey maps must be duly recorded. Any modification in the status of a title or any claims that might affect it must also be noted on the registry, making it possible to verify said title.

Before buying any real estate in Costa Rica, potential buyers should get proper advice from a Costa Rica real estate attorney, who will conduct a proper and full Due Diligence (DD). The purpose of this DD is to verify that there are no annotations, liens, easements, or encumbrances affecting the property, confirm that any and all taxes, dues, and utilities are duly paid and current, ensure that the property has legal access to water and electricity, determine if there are zoning restrictions or Covenants, Conditions, and Restrictions (CC&Rs), and appraise any other relevant matters. The real estate attorney's office will conduct the research and verifications with the National Registry, Municipality, Department of Social Security, Tax Office, and other government offices. Hiring a licensed contractor to perform a home/condo inspection alerting the buyer of any potential problems that need attention or repairs is also highly advisable.

When purchasing a condominium, the DD shall also include CC&Rs or Condo Bylaws, existence of the Homeowner's Association (HOA) legal and accounting books—duly legalized, the last three HOA minutes, breakdown on the approved budget, dues per month, any extraordinary assessment/due approved, proper registration of the HOA legal administrator's term, any lawsuits against or in favor of the HOA, the HOA's insurance policy, voting rights set up, common and private areas of the HOA, survey map for fully-built condos, parking space assignment: titled or common use for condo owners, pet policies, and Master Condo bylaws for condos that belong and are subject to a Master Condo complex.

Before the end of the DD period and based on the DD report, purchasers can negotiate with the seller for necessary repairs or credits for repairs, accept the real property in its present condition "as is", or cancel the sale.

GM Attorneys is a premium boutique Law Firm with offices in Flamingo Beach, Tamarindo and San Jose.

[Website](#)

[Mail](#)

[Linkedin](#)

[Facebook](#)

