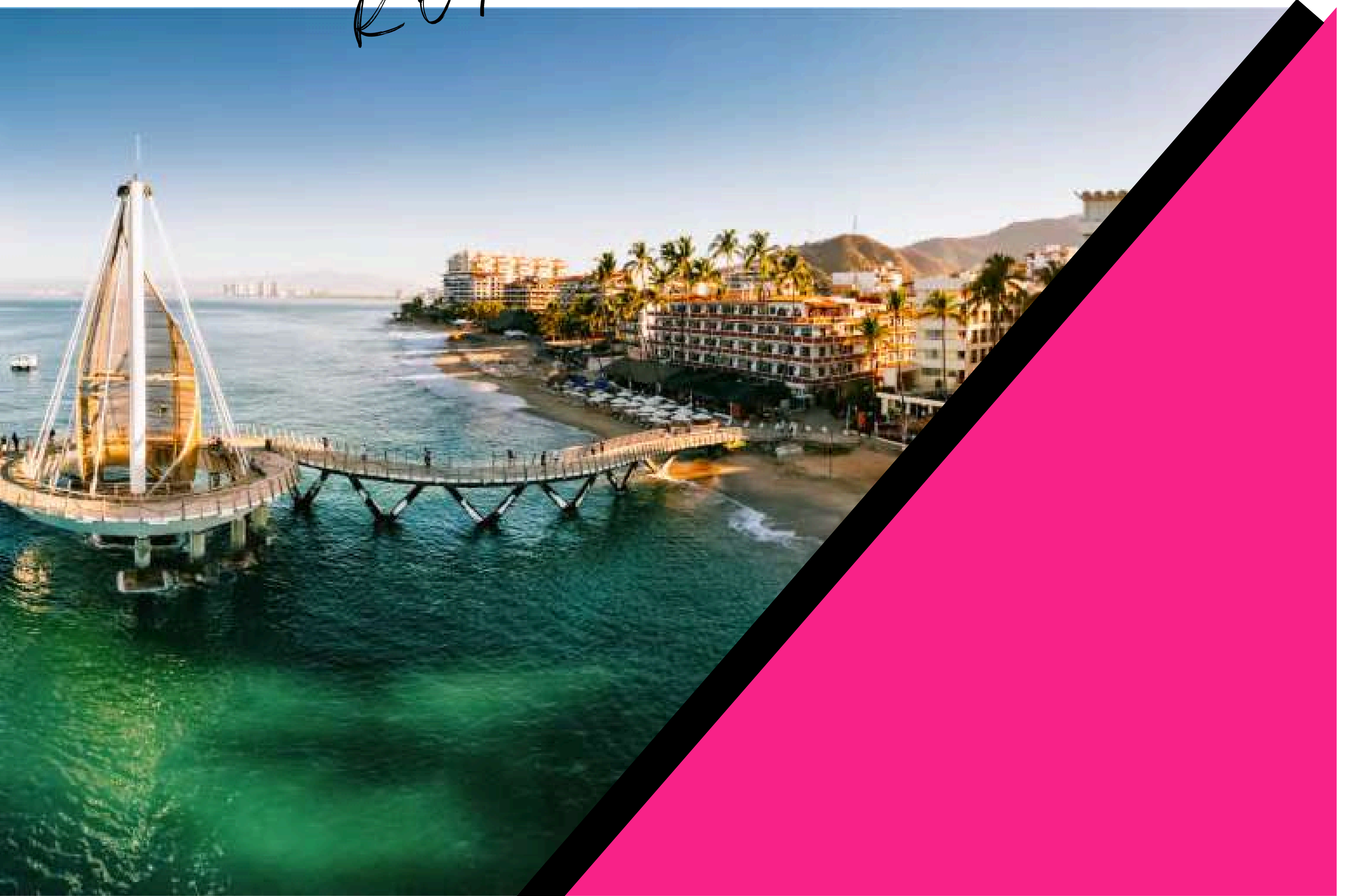
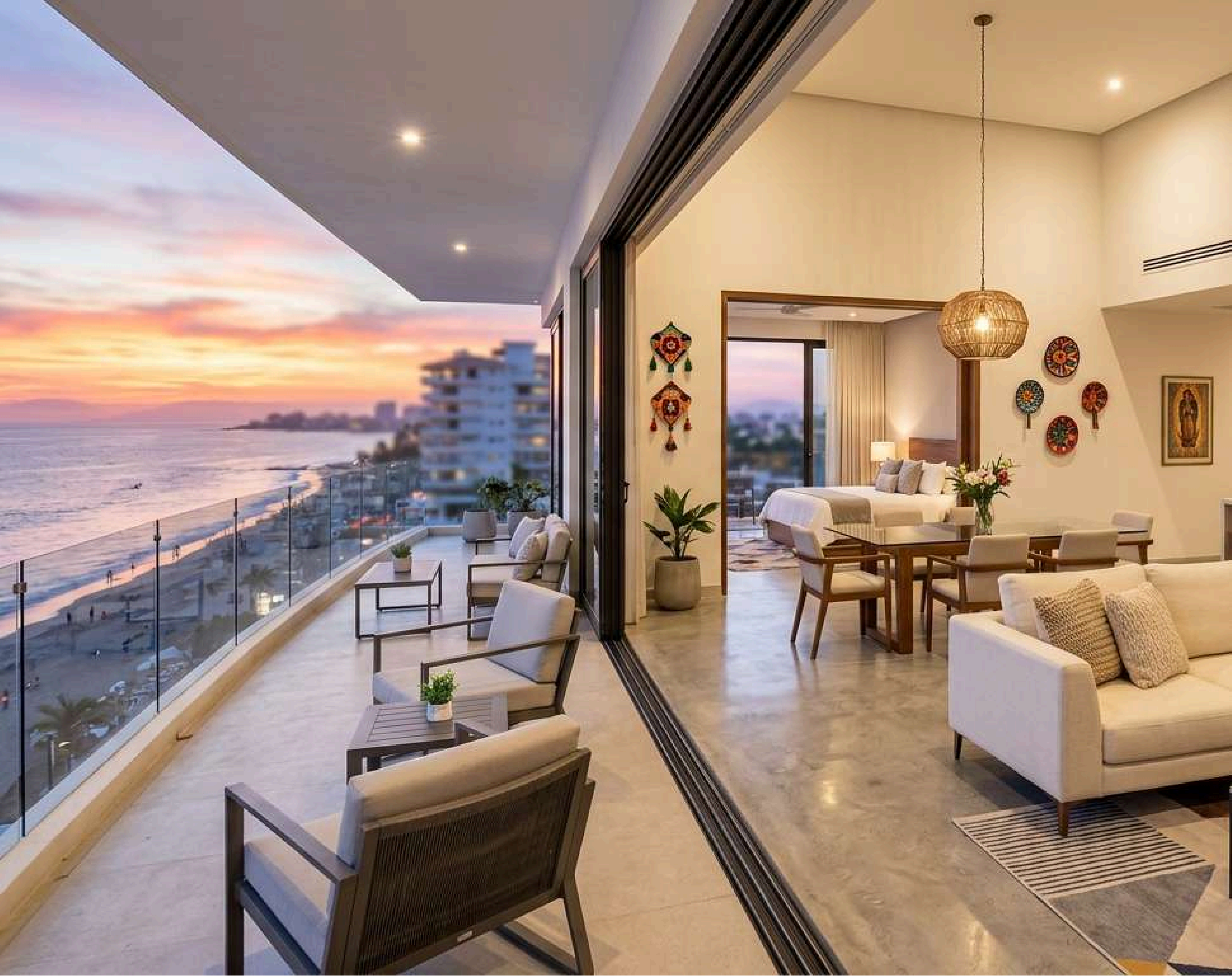
2026

WHAT NO ONE TELLS FOREIGN BUYERS:

THE REAL GUIDE TO PUERTO VALLARTA REAL ESTATE





Introduction

If you are considering buying property in Puerto Vallarta or Banderas Bay, you have probably already noticed that most of what you find online is either a sales listing or a generic checklist. This guide is neither.

What follows is the same information I would want if I were in your position: an honest, dated opinion on where the market stands right now, a few things that almost nobody explains clearly, and the practical basics every buyer needs. Nothing here replaces personalized advice for your specific situation, but it should leave you far better equipped than when you started reading.

My Take on the 2026 Market: Why I Am Cautious About Pre-Sales Right Now

A quick note before you read this section. This is my personal opinion, based on what I am seeing in the market as of 2026, not a universal rule or a claim about any specific project. Things can and do change, and my view here reflects this particular moment.

For years, the main question buyers asked about a pre-sale was simple: does this developer have a solid track record of finishing what they start? That question still matters, but today it is no longer enough on its own. Two other risks have become just as important, and honestly, harder to see from the outside.

The first is regulatory risk. In recent years, a federal level environmental authorization (in addition to the municipal one that was already required) became a mandatory step for many coastal developments in this region. The criteria for when and how this applies have not always been clearly defined, and enforcement has been inconsistent. This has real consequences. Public reporting has documented over twenty developments closed in Puerto Vallarta for lacking this federal authorization, with billions of pesos in stalled projects, and regional industry leaders have publicly raised concerns about how this uncertainty is affecting investor confidence in the area. This is not something a buyer can evaluate by looking at a glowing sales brochure or a show unit.

The second is financing risk. Given how the market is absorbing new inventory right now, many developments can no longer rely on buyer deposits alone to fund construction through completion. Developers who do not have a bridge loan or fully committed capital in place face a real risk of running out of funds partway through the project.

Everything You Need to Know

Start with how you want to live

Before you even start comparing listings, it helps to get honest with yourself about a few things.

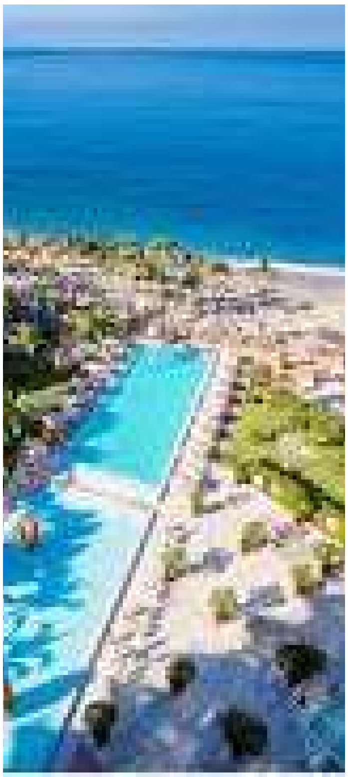
Do you want a managed community with amenities, or a standalone home without HOA fees and rules? Do amenities like a pool, gym, or security actually matter to your day to day life, or would you rather put that money elsewhere? Are you someone who wants to walk to the beach, or would you rather spend your days around a pool and only see the ocean from a balcony? Do you need a yard for a pet? Do you want restaurants and nightlife within walking distance, or a quieter, more local neighborhood where you can buy fresh produce every day from a nearby market?

None of these questions have a right answer, but they matter far more to your long term happiness with a property than most checklists acknowledge, and they are exactly the kind of thing worth discussing openly with your agent from the first conversation.

Everything You Need to Know

FINANCING OPTIONS

Most transactions in this market are done in cash, but financing does exist for foreign buyers, and it is worth knowing the real numbers. Interest rates typically run around 10% to 11%. Lenders generally use your credit score from your home country to qualify you, so your existing U.S. or Canadian credit history matters here too. There are minimum requirements to keep in mind, properties usually need to be valued at $300,000 to $400,000 USD or more, and some lenders will finance up to about 70% of the property's value, meaning you would still need to cover the remaining 30% yourself.



ESCROW

Escrow holds your funds until all contract conditions are met, and it is common in this region, but it is not legally required, and its usefulness depends heavily on your own situation, particularly whether you already have a Mexican bank account. It is also worth knowing that escrow is not a legally defined figure under Mexico's anti money laundering law, and outside touristic areas of the country it is barely used at all. Some developers no longer accept it given current fund traceability requirements. Discuss the right option for you with your agent.

Everything You Need to Know

MAKING DECISIONS

The legal process itself, offer, deposit, paperwork, closing, generally takes 60 to 90 days when a fideicomiso is involved, and follows a fairly standard path once you are working with the right agent and notary. Rather than walk you through every procedural step here (your agent will do that in detail when the time comes), let's spend this space on the questions that actually shape your decision.

EVERYDAY COSTS

There are two separate property related taxes. Predial is the recurring annual property tax, averaging around 0.2% of assessed value in this region. The acquisition tax (transfer tax) is paid once, at the time of purchase, and its exact rate depends on the state and even the municipality, so confirm the specific figure with your notary.
You must also consider your yearly trust fees. More or less $500 USD plus taxes, per year.

And Yes, foreigners can open a Mexican bank account, though non residents have more limited options and the process is usually done in person.

What Nobody Tells You

THE DOCUMENTS YOU WILL BE ASKED FOR, AND WHY

- The documentation requested from you is not a preference of your agent, it responds to Mexico's Public Registry requirements and to anti money laundering regulations overseen by the UIF (Financial Intelligence Unit), which apply to every real estate transaction in the country regardless of nationality.
- As part of the standard KYC (know your client) form used industry wide, you will be asked to provide your social security number from your home country. This is not unique to Mexico, it is a standard international practice for verifying identity in real estate transactions, and your information is specifically protected under Mexican law, explained below.
- Mexico's own identifier, the CURP, only applies if you hold permanent residency, most foreign buyers never need to obtain one. The RFC (Mexico's tax ID) also only applies to permanent residents, and while it is not required to buy, it is worth knowing about, since it can help you access tax benefits when you eventually sell.

YOUR INFORMATION IS PROTECTED BY LAW

Mexico's Federal Law on Protection of Personal Data Held by Private Parties (LFPDPPP) legally requires any agent, bank, or notary handling your data to provide a privacy notice, protect your data from being shared with unauthorized third parties, and face real financial penalties for failing to do so.

What Nobody Tells You

BENEFICIARY VERSUS CONTROLLING BENEFICIARY, TWO VERY DIFFERENT THINGS

- A beneficiary is the person you designate to inherit your property's fideicomiso rights if something happens to you. You can name a spouse, multiple children in equal shares, parents, an unrelated friend, or an unmarried partner. With a properly designated beneficiary, your family does not need a Mexican will or a probate process to inherit your property; the notary simply confirms their identity and issues a new deed in their name.

- One honest detail worth knowing now, so it never catches anyone off guard later: issuing that new deed does have a cost, it is not free.

- To be equally clear about the other side of this: if you do not name a beneficiary and also have no Mexican will, this does not mean the Mexican government takes your property, that is a myth. What it does mean is that your heirs would need to go through a probate process (juicio sucesorio) to claim it, which takes longer and costs more than if a beneficiary had simply been named from the start.

- A controlling beneficiary is a completely different concept, tied to the source of the purchase funds, not inheritance. If the money used to buy comes from someone other than you (a spouse, parent, or child), that person must be formally identified, since Mexican law requires funds to be traceable to a verifiable legal source, such as employment income, investments, or the sale of another property. Notaries carry legal responsibility here and can refuse to formalize a transaction if the source of funds cannot be verified.

What Nobody Tells You

THE NOTARY IS NOT YOUR PERSONAL LAWYER, AND THAT IS BY DESIGN

- Unlike a notary public in the U.S. or Canada, a Mexican notario is always a licensed attorney who passed a demanding competitive exam. But their role in your transaction is to remain impartial to both buyer and seller, not to represent your individual interests, that is what an independent attorney is for, if you want one.

- Notary fees are set by an official annual arancel notarial, not by the notary's discretion, though it is still worth getting quotes from a couple of offices, since some offer their own discounts.

- One detail almost nobody mentions: Banderas Bay spans two states, Puerto Vallarta in Jalisco, and Bucerias, Nuevo Vallarta, and Punta Mita in Nayarit. A notary can handle a transaction for a property in a different state than their own license, as long as signing takes place within their authorized territory, though an additional fee applies in that case. If your search spans both sides of the bay, ask your agent and notary about this early.

Finding the Right Agent for You

Here is something most real estate guides will not tell you, because it does not sound like a sales pitch. The best agent in the world is not automatically the best agent for you.
The most highly rated one is not always the right fit for every person who walks through the door, because at some point, something either clicks between two people or it does not, and when it does not, neither side gets the best outcome, no matter how impressive the credentials are on paper.

The same is true when choosing who guides you through buying property in a country that is not your own. You can and should check credentials, certifications, reviews, and results. But once you have done that homework, pay attention to something less measurable: whether you feel genuinely heard, whether the conversation feels like a real exchange rather than a pitch, whether your questions get honest answers even when the honest answer is inconvenient.

Finding the Right Agent for You

How real estate agents work differently here

This is worth understanding before you choose anyone to work with. In the United States, becoming a real estate agent requires a license, continuing education, and liability insurance, all enforced by a regulatory body. In Mexico, none of that is legally required. Literally anyone can start selling real estate here, with no training, no exam, and no oversight, and many do.

This is exactly why AMPI (the Mexican Association of Real Estate Professionals) exists. It is important to be clear about what AMPI is and is not. It is not a government institution, and membership is not legally required to sell real estate in Mexico. It is a professional association that agents choose to join voluntarily, and that choice matters. AMPI members commit to ongoing training, follow a code of ethics, and give clients an avenue to raise concerns through the association if something goes wrong, none of which exists for an unaffiliated agent.

It is also worth knowing that oversight is slowly increasing at the government level too. Mexican authorities, through PROFECO and official regulatory standards (NOMs), have started paying closer attention to how real estate services are provided, though this is still developing compared to the U.S. system. Until that framework matures, choosing an agent who has voluntarily committed to a professional standard, rather than assuming any agent is automatically qualified, is one of the most protective steps you can take.

A little about me

AMPI CERTIFIED AGENT

I want to close this guide the way I opened it, honestly, and without a pitch. So here is simply who I am, so you can judge for yourself whether this feels like the right fit.

I have lived in Puerto Vallarta for 22 years, long enough to watch this city grow and transform in ways that are easy to miss if you only visit occasionally. I spent part of my career working within Century 21, and part of it working directly with developers, which means I have seen this market from both sides of the table, the buyer's side and the builder's side. That perspective shapes how I evaluate a property, and how honestly I can tell you when something is not the right fit for you, even if that means recommending you wait. I am a certified member of AMPI, and I take that commitment seriously.

I am not writing this to convince you that I am the right agent for everyone. I am not. I would rather you read this entire guide, feel whether it resonates with how you think about this decision, and reach out only if it genuinely does. If it does not, I hope this guide was still useful to you, and I mean that.

Sincerely

Zenny

More than properties, a way of life.

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