



### **Purchasing Property:**

The actual purchase of the land is an easy, uncomplicated process, if performed by a competent real estate broker and with the help of lawyer. Foreigners, as individuals, can own up to .75 of an acre of land per investor. A couple, for example, can own up to 1.5 acres. If you wish to own more than .75 of an acre, you can do so by forming a Honduran corporation. A Honduran corporation is easily formed with the help of a qualified lawyer at a cost of about \$1500.00. When purchasing land in Honduras, it is important to have a good understanding of the documents associated with clear title. To protect your investment, a qualified real estate broker and lawyer should assist with reviewing the documents.

### **Financing-**

Financing is usually by a private owner and becomes part of the negotiating of the offer to purchase. The current rate is 6% – 10% and most owners like at least 50% down but some will accept less. This is done most by an Honduran Corporation/Escrow Share or registered mortgage.

### **Cost of Building-**

Construction is about \$90-1\$30 sq. ft. These are averages and will vary with your home design and the options you choose. Building materials are available both on the island and on the mainland. It's important to interview several builders and speak to their happy homeowners.

### **Utilities-**

Roatan Electric Company, RECO, provides the electricity and is distributed to the majority of the island. Sewage is handled by private septic systems in most cases. Water is often by community wells but would suggest always having a rain water collection cistern. Generators and solar power are also used in outlying areas.

### **Schooling-**

There are a number of private, bilingual schools, located on the island. There is also a public school system.



### **Medical Care-**

There is three hospitals (2 private and one public) on the island and several clinics from which to choose. There are also several very good hospitals on the mainland.

### **Taxes-**

Property taxes are very affordable. Expect to pay about \$405/ \$100,000 purchased annually. If paid early in the year, there is a discount available.

### **Building Restrictions-**

Depending on what you wish to do with you property in Honduras, you will probably have to apply for a permit. This could be as simple as a building permit for a house to something more complicated like a resort. With a house, the main concerns are sewage treatment, height restrictions, and structural integrity. If you plan on building a resort or doing a housing development, you may need to do an environmental study.

### **Political Climate –**

We have a democratically elected, stable Government who wishes to encourage tourism. The municipal governments on the island also wish to encourage tourism. There is a very large U.S. presence on the mainland and Roatan and a Canadians as well on the Island of Roatan.

### **Insurance-**

Insurance for hurricanes, flooding and many other "acts of god" is available. Insurance is about \$500-700/\$100,000 insured per year. I recommend Arlie Insurance.

### **Residency-**

You do not need a Residency number to own property in Honduras. You may want to apply for residency for various reasons including if you plan to spend more than 90 days at a time on the Island. There are several ways to qualify for Residency and can be done in a few months and on average is about \$2000/ person.



### **Crime-**

Crime on the Island is typically "crimes of opportunity". Much like in many towns and cities in North America, it is not advisable to leave valuables in an unlocked unsupervised vehicle. Nor is it a good idea to leave a house vacant for extended periods unless it is in a secure community. You would, however feel safe walking down the street in the evening.

### **Banking-**

There are several banks to choose from on the Island. Many ATMs are available to withdraw LPS (local currency) as Dollars are widely accepted if in perfect condition. Opening a bank account is often not necessary as a property owner when you have a property manager. However, if you decide to spend several months here, Davivienda doesn't require residency but most other banks do require residency.

### **Airlines-**

Roatan has an international airport with direct flights from Dallas, Atlanta, Denver, Minneapolis, Miami and Houston each week. Canada also has direct charter flights from Toronto and Quebec. You can fly to Mainland Honduras and catch a connecting flight to the island daily. For the direct flights contact Sosa or CM Airlines.

### **Travel Documents-**

A valid passport (6 months from expiration) is needed to enter the country.

### **Accommodations-**

There are many fine resorts, B&B's and private houses available on the island. These should be booked in advance to ensure availability. If you are in need of a recommendation or if you need help making arrangements please feel free to contact us. I will be glad to assist you.

### **Working in Honduras-**

You can work in Honduras with the proper work permits. If you have the management skills and investment capital to start a new business, there are many opportunities from which to choose. An attorney can help you acquire a business license and the other pertinent documents.



**Buyer's Closing Costs-**

An Attorney & Notary will be responsible for the due diligence on the title of the property and/or corporation to ensure there are no liens. The same attorney will draft and file all closing real estate paperwork, Power of Attorney, and complete all necessary Registry, Municipal and Federal Transfer tax, and government paperwork including filing for RTN numbers. The average cost for closing is 4-5.75% of purchase price.