

BUYING A PROPERTY

Sunny Villa Real Estate is more than excited to help you buy your property/land, free of cost. ^{1 2 3 4}

Once you decide on buying a property, you can set an appointment for a viewing with one of our agents. Buyers must consider legal fees which are approximately 1% to 2% of the purchase price (plus 17.5% VAT) and Local Mortgage Down Payment - usually a minimum of 10%. It is advised that you consult your financial advisor^{5 6 7 8}.

Here are a few other things you must consider:

- Consider pre-qualifying with your lender so that you know what you can afford.
- Copies of the title deeds/certificate of title (ensure originals will be available for delivery at completion).
- Copy of the lot plan of the property – this should not be more than 20 years old (ensure original will be available for delivery at completion).
- Copy of the current land tax bill, receipt and certificate.
- Copy of the current water bill and receipt, if applicable.
- Copy of the current electricity bill and receipt, if applicable
- Copies of all Town Planning applications, permissions, approved plans and certificates of compliance relating to the property.
- Check covenants don't prohibit your using the property as you plan to.
- Copies of all leases of the property or any parts of it, if applicable.
- If there is a building on the property, property insurance policy in respect of it. You can adopt the vendor's policy or get your own (recommended) but it should be in place before you sign the sale and purchase agreement.
- Life insurance policies (as required by your lender)

¹ There are NO restrictions to non- nationals purchasing properties in Barbados

² There are no special purchase visas required and non- nationals are welcomed to Barbados

³ Before buying a property, non-nationals should consult the Central Bank of Barbados

⁴ There is no Capital Gains Tax in Barbados

⁵ There is no Property Transfer Tax for buyers

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⁸ There is no Capital Gains Tax in Barbados

- Copy of your NIS clearance certificate and one for the prospective vendor,
- Copy of your BRA clearance certificate and one for the prospective vendor.
- Input tax clearance certificate for the vendor.
- If you plan to own the property through a company (decide early!) certified copies of all of the corporate documents.
- Consider obtaining a land surveyor's boundary certificate from your own independent land surveyor. Ensure you have had any buildings inspected by a civil engineer, electrician and a plumber.

Making an Offer

A great deal goes into the making an offer⁹: your budget¹⁰, the local market, the seller's situation, the condition of the house, etc., **Our agents are here to assist you with settling on the right price.** Once you've made an offer, note that the seller could:

- Accept the offer
- Decline the offer. This occurs when the seller thinks that the offer is too far off from their expectation to negotiate.
- Counter the offer. The seller offers different terms.

Any offer is subject to a contract. There are no legal obligations to either party unless there is a signed contract. An attorney would be needed at this point to deal with the paperwork and make sure that securing your home happens seamlessly.

Once a price agreement is met and your offer has been accepted, your broker may proceed with the mortgage application.

Finalization of Contracts

In Barbados property clears "by conveyance of title, evidenced by the recording of title deeds and certified survey plans at the registry of title." An attorney employed by the vendor¹¹ ¹²would, between the time of implementing the contract and completing the sale, search the title to ensure that there " no

⁹ Prices are usually quoted in USD

¹⁰ Barbados currency is tied 2:1

¹¹ Attorney's fees are 1% to 2%, plus 17.5% VAT. Each party pays their own lawyer.

¹² The purchaser must firstly, sign and return an engagement letter sent by the attorney.

encumbrances, charges, encroachments, or other impediments to the sale...” Once the results of the local search have been confirmed, the draft contract is approved by your attorney. ¹³

Exchange of Contracts and Payment

Once your signature is received and your mortgage is in place, contracts are ready to be exchange. A 10% deposit is paid, after which a completion date, usually 3 months after the exchange of contracts, is set.

The remaining 90% purchase money must be sent to your attorney at least three (3) weeks prior the agreed date for completion transferred to the vendor's Attorney.

¹³ Attorneys must always notify vendors that they are your representation.