

Mexico Resort Real Estate Update

From The Settlement Company®

Ver el anexo para leerlo en español.

Welcome to our Second Quarter, 2018 newsletter.

In this edition we cover two major real estate events, a report on international tourism and information on paying taxes on Mexican rental properties.

Two Major Real Estate Events Took Place in May.

Both the National Association of Realtors® (NAR) and Associated Realty of the Americas staged meetings during May.

May 14-19, NAR members met in Washington D.C. The Realtors® Legislative Meetings and Trade Expo was many faceted. In attendcae were 100 International Realtor®. Members attended from 28 countries. For the first time ever REALTORS® from Andorra and Mongolia were in attendance.

At the Certified International Property Specialist (CIPS) Advisory Board meeting it was announced that there are 471 new CIPS Designees. They received their Pins and Certificates at the Global/CIPS Networking Reception. There are now approximately 4,000 “active” Designees spread throughout the globe.

Dr. Ben Carson, secretary of the Department of Housing and Urban Development was the Keynote speaker at the General Session.in commemoration of the Fair Housing Act. During the session, he discussed how the nation is addressing segregation and access to homeownership and what HUD is doing to tackle sexual harassment in housing. He also mentioned fair housing complaints around service animals.

“Growing up in Detroit I experienced the struggles of discrimination first hand, I am inspired by the steps made to expand housing equality for Americans.” on their racial or sexual background,” Dr. Carson said.

U.S. Representative Emanuel Cleaver (D-Missouri), followed Dr. Carson with an emotional address about the importance of safe and affordable housing for all in America. “In 2018, somehow, we are still discussing getting fair housing legislation through Congress. I ask everyone to look back at the struggles minorities have endured during segregation and before fair housing laws were established. Your mission as REALTORS® is to make sure that in your part of the world, and teach fair housing, because it is important to the future of this country,” said Cleaver.

Residential Economic Issues & Trends Forum

At the Residential Issues and Economic Trends Forum, NAR's Chief Economist Lawrence Yun discussed recent developments in the U.S. economy and their impact on the housing market. He reviewed recent housing trends, as well as his expectations for the second half of 2018. Dr. Yun was joined by Danielle Hale, formerly of NAR Research, who spoke about pressing issues facing realtor.com®, namely the shortage of housing inventory for consumers and affordability in the real estate market. Jessica Lautz presented findings from her thesis at Nottingham Trent University: "Is the Dream Still Alive? Tracking Homeownership amid Changing Economic and Demographic Conditions".

Vince Malta, NAR First Vice President for 2018 hosted a reception for members of Associated Realtors of the Americas. John Glaab and Linda Neil represented Mexico at the gathering.

The 2019 REALTORS® Legislative Meetings and Trade Show will take place May 13-19 in Washington D.C.

AREA Retreat in Newport Rhode Island

AREA (Associated Realtors of the Americas) is an "invitation only" group of high profile and successful REALTORS®. On its 145 roster are Presidents and Past Presidents of National and local real estate associations. John Glaab, Linda Neil and Jay West are the three Mexican members. Below is from the AREA web site:

"Associated Realty of the Americas (AREA) is a referral based international real estate company acting as a resource for luxury residential and commercial properties, land, resorts and selected developments throughout North America including Canada, the United States and Mexico. Our primary purpose is to create an organization with unparalleled reach and resources."

The group has monthly telephone conferences, an annual Retreat and hosts receptions at NAR events. I always enjoy the monthly legal update by/Denis Badagliacco. Denis is the Chair of the 2918 NAR Legal Action Committee. The monthly real estate legal updates is always interesting and sometimes rather humorous.

This year the Annual Retreat took place in Newport Rhode Island. A "New England Clambake" was hosted by the Phipps family at their ocean front home in East Greenwich. Ron Phipps is a Past President of the National Association of REALTORS® and Chancellor of REALTOR® University.

Retreat presented great opportunities for networking at social events and entertaining new perspectives inspired by several speakers and a panel. Mistress of Ceremonies, Leigh Brown from Concord North Carolina provided a stellar performance, keeping a good pace for the meeting with a keen sense of humor. At the end of the event I asked her if she ever considered going on stage as a stand up comedienne. Keynote speaker, FirstNet Chair, Sue Swenson gave a very informative talk about the trials and tribulations involved in making sure that first responders can communicate amongst themselves during periods of emergency anywhere in the USA. Her talk was about having an idea and then following through to completion regardless of the obstacles encountered.

Chris McElroy from Fort Collins, Colorado, spoke about the innovative “Ninja Program” and opened a lot of eyes to some new, highly successful and innovative approaches to becoming and maintaining a career as a prospering real estate professional. He presented each attendee a complimentary copy of “Ninja Selling” a book written by Larry Kendall.

Matthew and Ron Phipps gave a resounding account of what they do in their market to be successful as part of Best Practice sharing.. Next, an informative discussion led by Hagan Stone (Nashville) and Cindy Sweeney (Coeur d Alene Idaho) on dealing with Millennials.

All three AREA members from Mexico (John Glaab, Linda Neil and Jay West attended the Retreat. Linda served as a member of the AREA Advisory Board in 2018.

The Retreats alternate between East and West. This the 2019 Retreat will take place in a Western U.S. City.

RENTAL PROPERTY IN MEXICO – YOU MUST PAY THE MEXICAN RENTAL TAXES

The Settlement Company® offers a Rental Tax Program designed to help in **compliance with U.S., Mexican and Canadian reporting and tax filing obligations** for those who own Mexican properties.

If you own a property in Mexico and rent it often or only occasionally, **ENJOY** your rental income and ***SLEEP EASILY KNOWING YOU HAVE COMPLIED WITH TAX LAWS!***

The Settlement Company® with many years of experience in the transfer of titles and resolution of problems related to title, is now able to assist you in receiving your funds in an escrow account, complying with your fiscal obligations in Mexico, and depositing the balance of rental income and the documents you require in your country of residence to avoid double taxation!

Under new government regulations, the taxpayer now has two options: One with a Federal Taxpayer Identification number, and the other with NO Taxpayer Identification number! Attached is an outline of each program.

Further information: www.rentaltaxmexico.com info@settlement-co.com

Record number of tourists visited Mexico in first quarter

International visitors totaled 10.6 million in first three months

A record number of international tourists visited Mexico in the first quarter of 2018, the federal Tourism Secretariat (Sectur) has announced.

Sectur said in a statement that 10.6 million people came to the country in the first three months of the year, 12.6% more than the 9.4 million tourists who visited in the same period last year.

The amount of money those tourists spent while they were here increased by 7.2% in the first quarter to just over US \$6.2 billion compared to just over US \$5.8 billion in the same period of 2017.

However, the average expenditure per tourist dropped by 4.4% to US \$533.40 compared to US \$558 last year.

March was a particularly good month for tourism, with four million international visitors, 14.6% more than the same month last year, and their spending was up more than in the previous two months.

They spent US \$2.36 billion in March, 13.8% more than the US \$2.07 billion spent in March 2017. Average spending was also up but only by the slimmest of margins, increasing by US \$0.20 or 0.04% to US \$539.60.

Tourism Secretary Enrique de la Madrid said last week that Mexico is now the sixth most visited country in the world and explained that an upsurge in violent crime had not had an impact on visitor numbers.

He also said that international tourism is growing at 12% annually compared to 7% in the rest of the world and that the tourism industry contributes to 8.8% of gross domestic product (GDP).

Just over 39 million international visitors came to Mexico last year but if the number of visitors recorded in the first quarter is maintained, this year will see the 40-million barrier broken for the first time.

De la Madrid said in February that the number of international tourists visiting Mexico annually could reach 50 million by 2021, which would likely make the country the world's fifth most visited.

Despite the strong growth, one challenge that the government continues to face despite efforts to overcome it is diversification of the tourism sector.

Sectur data showed that 92.1% of all international tourist arrivals by air in January were at just seven airports.

Source: El Financiero (sp)

Breaking News:

The number of tourists coming to Mexico in the first five months of 2018 has broken all-time records. According to Enrique de la Madrid in the first five months of 2018, more than 17.3 million visitors came, an increase of 9.6% during the same year ago period. Tourists filled 246,000 hotel rooms versus 236,000 in 2017

For More Information:

info@settlement-co.com

www.settlement-co.com