

FAQ's

Will the property be freehold?

Investing in real estate in Brazil is as safe and easy as in any modern country like the USA or Europe. There are no restrictions for foreigners buying property and ownership is solid and secure; you own 100% of land and property. All property sales are titled and foreign investors receive the same investment and possession rights as Brazilians.

In the resort we are selling all land and property titles are freehold and can be purchased by foreigners.

What is the purchase process for buying in Brazil?

Buying in Brazil is like buying in most European countries. The purchaser will enter into a sales contract which will have all the details of the sale. This sale must be legalised in the notary of Brazil. For apartments and villas, this happens when the property is completed or when the two parties (buyer and seller) agree a date to sign.

The only requirement for a foreigner buying in Brazil is that they must have a CPF number before they go to sign at the notary. This number is just like a social security number and can be obtained within a couple of days (by a local Brazilian lawyer). This number will identify the investor/purchaser for tax and legal purposes. The lawyer will assist you in obtaining this and the whole process can be done without visiting the country, providing that power of attorney is given to the lawyer.

The Brazilian government has sophisticated and well developed real estate laws which protect the property owner whether they are a foreign or local owner and legal assistance should be sought for the entire purchase process to ensure the investor's rights are properly looked after.

Do I need a lawyer?

We recommend that you use a lawyer. There are estate agents who can process the paperwork themselves, however we feel that you as a purchaser need to have peace of mind when purchasing. The lawyer is there to protect you, not the developer.

What purchasing costs can I expect?

You can expect to pay approx. 7-9% in purchasing expenses as follows:

- ITIV (similar to VAT or Purchase Tax): approx. 3.5%
- Title Deed (cost for the Notary office): approx. 1.25%
- Registration of the deeds: 0.75%
- Legal fees: approx. 2%
- Possibly money transfer fees.
- Title insurance fees and lawyers fees for the title research. (optional)

What running cost can I expect?

This depends on the property; annually, fees should not exceed \$500 + tax. The annual real estate tax is 0.6%, but this tax is based on a value far inferior to the value of the property; in other words, the tax is minimal.

In the resort we will be selling, we will stipulate the maintenance costs for anyone purchasing a plot of land and, when possible, a ready built property.

What about Tax on profits?

Income earned from property in Brazil is taxable whether the investor is resident or non-resident in Brazil. Non-residents are usually subject to a capital gains tax rate of 15% on any gains they make on properties in Brazil, but both these taxation facts are subject to alteration depending on any double taxation treaties in place between Brazil and the investor's country of residence.

Can I get a mortgage on a Brazilian property?

Yes. It is a simple process that can be done with a little patience and a permanent visa. Speak to us about more details on mortgages.

What about rental potential?

Natal is already receiving tourists from a large number of countries, such as Spain, Portugal, Italy, France, Holland, Sweden, Norway, Denmark, Finland, Germany, USA, Japan, Switzerland, Cape Verde, England, Argentina & recently Eastern European countries and last but not least, the south of Brazil itself (wealthy Brazilians who visit the area for holidays).

The rental market is almost all year round due to its warm weather. With the large investments in new luxury resorts and golf courses on the coastline of Natal, the quality of the tourism will greatly improve. The rental market is predicted to increase rapidly (along with increased rental prices). While 2014 is a benchmark for the resorts to be completed in Natal, in time for the football World Cup, Natal's future as a tourist destination is sure to increase as more people come to hear about this wonderful underdeveloped part of Brazil.

Is Brazil a safe country?

One of the urban myths that surround Brazil is the question of safety and security. In fact, Brazil is no more dangerous than the main cities in Europe or North America. Most of the bad press about violence in Brazil relates to the gangs operating in the slums of Rio and Sao Paulo. Most of the crime occurs in cities many hours away (by plane) in the south of Brazil. Just to give you an idea, flying from Natal to Rio De Janeiro would be the equivalent as flying from London to Spain.

There is a high visibility of Police officers in the city ensuring that Natal feels safe for the general public.

On a general note, Brazilians tend not to be a violent or aggressive race, they are friendly and welcoming.

What's the climate like?

The climate is tropical. Most of the year, daytime temperatures average around 77 degrees Fahrenheit. The sea water temperature is equally warm all year. Further, Brazil does not suffer from any tropical storms, hurricanes or earthquakes.

What can I expect to pay for food & drinks?

Food and drink are cheap in Brazil. A typical example of eating in a restaurant would cost:

- Dinner for two in a good restaurant: approx. \$12
- A beer (600 ml): 75 cents
- Caipirinha (the famous Brazilian cocktail with lime, cachaça & crushed ice): \$1.50

How are the Infrastructures in Natal?

The roads in Brazil are excellent. Sometimes in the cities they get a bit rough, but the road systems around the beach properties are well maintained. Natal is also going to benefit from one of the largest airports being built there and this area is preparing itself for tourism. A lot of Government investment is going into Natal to support the increasing tourism in the area. The beaches to the north of Natal city are earmarked to be Brazil's version of the Gold Coast – miles of unspoilt palm lined golden beaches and wonderful clear seas.

