

WHAT NOBODY TELLS YOU ABOUT BUYING PROPERTY IN PUERTO ESCONDIDO



A GUIDE PERSONALLY WRITTEN FOR YOU BY
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I'VE BEEN LIVING IN PUERTO ESCONDIDO FOR YEARS.

During that time, I've seen people make very smart decisions here — and some very expensive mistakes.

The difference is almost always the same: information.

Puerto Escondido doesn't operate like most real estate markets in Mexico. It has its own rules, its own logic, and its own risks. Not because it's a bad place to invest — but because it's different.

If you don't understand those differences before buying, it's easy to make decisions that cost a lot of time and money.

This guide is what I would tell a friend who asked me: "Agnes, how does buying property here actually work?"

DISCLAIMER

This guide is intended for informational purposes only and does not constitute legal, financial, or tax advice.

Real estate transactions in Puerto Escondido can vary depending on the type of land, ownership structure, and individual circumstances.

We recommend consulting with a qualified legal and financial professional before making any purchase decision.



THE MOST IMPORTANT THING TO UNDERSTAND FIRST

Most land in Puerto Escondido is not private property. It is communal land, belonging to legally recognized agrarian communities that have controlled the territory long before modern real estate development arrived. Areas like La Punta, La Barra, and Lázaro Cárdenas operate under this system.

In practical terms, this means three important things.

First, banks usually do not offer mortgages on communal land. Buying here typically cannot be financed through a traditional bank loan. For that reason, many developments offer direct payment structures with the developer instead.

Second, the bank trust (fideicomiso), commonly used by foreign buyers in coastal areas, applies to private property with formal title.

In Puerto Escondido, many areas operate under communal land structures, which function differently.

In these cases, foreign buyers may still structure their purchase through a fideicomiso or other legal mechanisms, depending on how the transaction is set up.

What matters is understanding how the specific property is structured — not assuming one model applies to all cases.

Third, **this does not mean you cannot buy property here.**

Thousands of people, both Mexican and international, live and invest in Puerto Escondido successfully.

What it does mean is that the legal mechanism is different, and **you need to understand that before committing to a purchase.**

One question that is always worth asking when evaluating a project here is simple:

Does the person guiding me through this process actually live here?



THE BUYING PROCESS, STEP BY STEP

The purchase process in Puerto Escondido usually follows a structure similar to this:

Reservation

The first step is reserving the property with an initial payment. This removes the unit from the market and confirms your intention to purchase.



Due diligence

Before committing further, it's essential to review all documents related to the land and the project. This includes verifying the legal status of the property, checking for debts or liens, and confirming the developer's background.

Skipping this step is one of the most common mistakes buyers make.

Contract before a notary

The purchase agreement is signed before a notario público, who formalizes the contract and ensures the legal framework of the transaction. The contract establishes payment schedules, construction milestones, and delivery conditions.

Delivery and title documentation

When the project is completed, the buyer receives the corresponding legal documentation. In private property, this is a title deed (escritura), which grants full ownership. In communal land, it is typically an acta de posesión, which grants rights of possession — not full ownership in the same way as titled property.

Understanding this distinction is essential before making a decision.

For foreign buyers purchasing on communal land, it is common to create a Mexican company to structure the ownership. This process typically takes around one month.

WHY PRESALE EXISTS (AND WHY IT MATTERS)

Most projects in Puerto Escondido are sold in presale stages, and there is a very practical reason for this.

When you buy in presale, you are buying something that hasn't been built yet. In exchange for accepting that uncertainty, you receive a significantly lower price compared to the final market value once construction is completed.

Construction costs in Puerto Escondido are currently estimated around \$25,000 MXN per square meter, based on recent local projects and contractor pricing.

Because of this, **presale pricing usually evolves in three stages:**



Early presale

Before construction begins. Lowest price and highest potential appreciation.

Under construction

Once the structure begins, prices increase because risk decreases.

Delivery stage

When the project is completed and ready for occupancy, pricing reflects the full market value.

Even if you don't enter at the earliest stage, buying earlier in the development cycle typically offers better pricing than waiting for completion.

WHAT YOU SHOULD CHECK BEFORE SIGNING ANYTHING

Before committing to any property purchase in Puerto Escondido, **I recommend verifying several things.**

First, understand what type of land you are buying. Whether the land is communal or private determines which legal documents apply and what ownership structure you will use.

Second, confirm that the property has no outstanding debts or liens. Requesting a certificado de libertad de gravamen can help verify this.

Third, look carefully at who is behind the project. **Reputation, and transparency are often more important than how attractive a rendering looks online.**



Fourth, read the contract carefully. It should, at a minimum, clearly define payment schedules and construction milestones.

Finally, **make sure there is a clear system for construction updates.** Transparent developers regularly share progress so buyers can follow the project as it evolves.



A COMMON MISTAKE TO AVOID

One of the most common (and risky) mistakes in Puerto Escondido is buying property through a “prestanombre” (using a Mexican citizen as the legal owner on paper).

While this may seem like a workaround, it is not legally enforceable.

The person listed as the owner has full legal control of the property, and the buyer has no formal protection in case of dispute.

For foreign buyers, it is essential to structure ownership through legally recognized mechanisms, rather than informal agreements.

WHY PUERTO ESCONDIDO IS GROWING RIGHT NOW

One of the most common questions I hear is whether it is already too late to enter this market.

My honest answer is: no — but the market is changing. **Several factors are reshaping Puerto Escondido right now.**

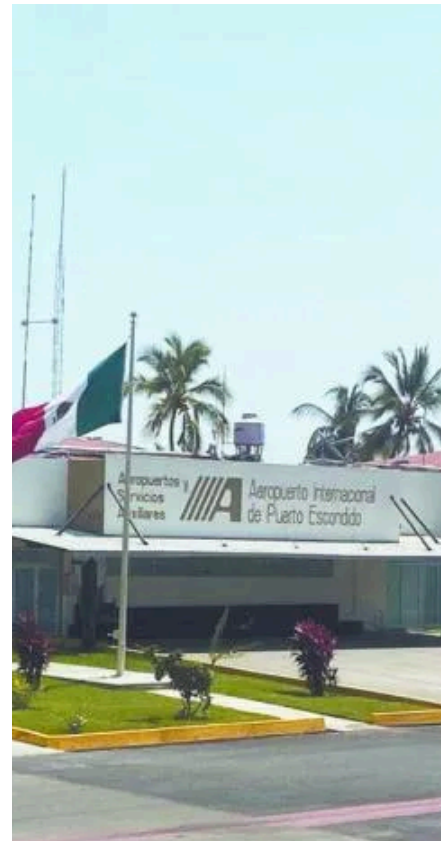
The new Barranca Larga–Ventanilla highway reduced travel time from Oaxaca City from roughly six hours to about two and a half.



New direct flights from Houston, launched in 2025, are increasing international access.

Tourism has shown strong growth in recent years, with significant increases in visitor numbers following new infrastructure and improved connectivity.

At the same time, **Puerto still remains relatively affordable compared with other coastal markets in Mexico.**



For example, beachfront apartments in La Punta can start around \$200,000 USD, while similar properties in places like Tulum often start at \$400,000 USD or more.

Puerto is no longer an unknown destination — but it is also not a fully mature market yet.

That's what creates the opportunity.

WHAT LIVING IN PUERTO IS ACTUALLY LIKE

If you're considering living here — not just investing — there are a few realities worth understanding.

Puerto Escondido offers an extraordinary lifestyle. The ocean, the pace of life, and the community create a place that many people find hard to leave once they experience it.

At the same time, **it is not a large metropolitan city.**



Infrastructure can be inconsistent. Power outages and water interruptions happen occasionally. Rainy season from June to October brings humidity and storms.

These things are part of living in a coastal town that is still growing.

But many people find that the balance between lifestyle, cost of living, and natural surroundings makes those trade-offs worthwhile.



My recommendation is simple: **if you're thinking about living here, visit during different seasons of the year before making a decision.**

January and August can feel like two completely different Puerto Escondidos — and both are real.



THERE ARE MANY PEOPLE SELLING DREAMS IN PUERTO ESCONDIDO.

I prefer to talk about realities. **The reality of living in Puerto, at last, is also a dream of its own.**

Puerto Escondido is an extraordinary place to live and invest. It has complexities that need to be understood, risks that need to be managed, and opportunities that don't last forever.

If you have questions about the market, about how the buying process works here, or about the projects we're developing at Vesta, you're welcome to reach out.

No commitment. Just a conversation with someone who lives here and understands how this actually works.



— Agnes
Founder, Vesta

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