

How To Title Property In Panama

An Easy-To-Follow Guide



Living In Panama

Advice & Adventures Of A Family Living & Investing In Panama

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5 Critical Things About ROP Property

Titling your right of possession (ROP) land in Panama involves a number of steps, but it is not difficult to accomplish.

Before I explain those steps, here are 5 items you must know before buying or titling ROP property.

1) What Is ROP Property?

ROP or Right of Possession property could be compared to squatter's rights. You obtain and maintain your rights to the property by occupying it. You have the right also to sell those rights to others. Panama formalized these property rights in the 1970s.

However, you do not technically own the property. Usually the title to the property is owned by the national government.

Most land in Panama is ROP property. There is a well-defined process to title ROP property.

2) Practice Caution When Buying ROP Property

It is crucial that you research any ROP property thoroughly before you purchase it. You should ensure that the person who is selling you the property actually owns the property and that there are no competing interests.

Before you buy ROP property, I recommend you follow the ownership verification steps described in this guide. You will save yourself a lot of headaches and regrets.

Check Your Property Status Online

Check The Titling Status Of Your Property. Visit The Public Registry Website www.registro-publico.gob.pa.

You will need to create an account. From the home page click on "Consulta Registral" and then "Consulta de Informacion Registral." Input your property data. You will discover the latest information on your titling progress.

It is a good practice to occasionally check on the status of your property even after it is fully titled.

3) What To Do Immediately After Buying ROP Property

If you just bought ROP property, make sure you do something that demonstrates that you are occupying the land.

I recommend erecting a fence along the property line immediately. You may also

want to put up a sign stating, Private Property, with your name and contact information. It is also important that you maintain the property by keeping the vegetation and yard under control.

These measures will ensure that everyone is aware that you now own the property and are occupying it, which you prove by maintaining it.

4) Titled Land Is Taxable

When you decide to title your land, you are also deciding to pay taxes. When you title your land, it will automatically become taxable. If you sell titled property you must pay various taxes and fees. In addition, annual property taxes must be paid on titled land.

No taxes are paid on ROP land.

However, your newly titled property may be eligible for the 20 year property tax exemption. It is beyond the scope of this guide to explain this exemption. But please be aware that the exemption does not happen automatically, you must apply for it.

5) Titled Land Usually Cost More Money To Buy

Titled land has a higher selling price than ROP property. The value goes up mostly because there is a greater degree of protection and less chance that someone else will come along and claim ownership.

Therefore buying ROP land can be a much more affordable option. However, as I say above you must exercise caution when buying ROP land.

How To Title ROP Panama Real Estate

There Are 2 Primary Processes

1. **The National Process.** Follow the National process if the title to your ROP land is held by the national Panamanian Government.

The national titling process is described on page 6 of this guide.

2. **The Municipal Process.** Follow the Municipal process if the title to your ROP land is held by a municipal government. A municipal government is any non-federal government. That is, a city, village, or province.

The municipal titling process is even easier and cheaper than the national one.

If you are titling ROP land whose title is held by the district of Baru, which includes the city of Puerto Armuelles, page 5 of this guide has the titling fees for some of Puerto's neighborhoods.

The two processes are described in the following pages. The Municipal process is described first, followed by the national titling process.

The Municipal Titling Process

The municipal process for getting ROP land titled is much easier than the national titling process.

If you are unsure which entity holds the title to your ROP property, look at any previous survey of it. It should indicate which entity holds the title. If the property has never been surveyed before, then you can ask your surveyor for that information.

National Government vs. Municipality Titling Process

The Titling Process With A Municipality Requires:

- No lawyer
- Less money
- Fewer documents
- An application to the municipality only, not to ANATI

For the municipality titling process you do not need help from an attorney. You can do it yourself. Of course, you may choose to hire an attorney, especially if you don't currently reside in Panama.

The titling steps may vary from municipality to municipality. But for the most part its steps are similar to the national process.

Needed Items To Title Property With A Municipality

- **Certification Of Ownership From The Corregiduria**
 - To get this you must submit the Right of Possession (ROP) papers showing that you own the property. This must include documents showing that you purchased the property.
 - You should submit as complete a paper trail showing the history of ownership as you can. *However, it is not required to show a full 5 year history of ownership.*
- **Notarized Letter Signed By The Owners Of The Surrounding Properties.**
 - The letter is signed by the neighbors and verifies the history of the ownership of the property, how long these owners held the property, and how long the signers have known those owners, past and present.
- **Land Survey of the Property Done By A Licensed Surveyor.**
 - The cost of a survey depends of the size of the property. If it is a small lot of about 600 meters, it should be about \$150.

*The Municipal Titling Process – continued***Actions Needed To Title Property with a Municipality**

- **Submit an application for title to the City Engineer.** The engineer then determines the fee necessary to title the property. The fees can be anywhere from \$0.25 per square meter to \$10 per square meter.

Each municipality has approved pre-determined fees to title ROP land. The fees will vary within a municipality depending upon the neighborhood or area in which the property is located.

- **The engineering department then submits the application to the Mayor's office.** (FYI, Alcalde is Mayor in Spanish).
- **You then submit an application to approve the survey to both Catastro and Mivi.** One application must be submitted to Catastro and the other to Minsiterio de Vivienda or Ministry of Housing (Mivi).
 - Typically the surveyor that did the survey will take care submitting these applications Catastro and Mivi for an extra charge. It should be about \$50 on top of the cost of the survey. *(This only can be done with Municipal applications)*
 - It usually takes 60 days to get the survey approved.
 - Once the survey has all of the stamps showing it has been approved by these 2 entities (i.e., Catastro and Mivi) it goes back to the local Municipality.

The mayor then issues a legal document that describes the property and its title application by the current owner.

- **You are responsible for publishing that legal document in the newspaper for 3 days.** It is called an edict. The purpose is to give the public notice and to elicit any objections to the titling of the property. If no objection is lodged, the titling process can proceed.
- **You must keep copies of this edict** for each of the 3 days and supply it to be part of the required paperwork for titling.

The Final Steps in the Municipal Process

The local notary is ordered by the Mayor's Office to issue a titled deed for the property. (Note: This is only done for titles that are held by a municipality). This cost varies, but on average expect to pay about \$200.

You then submit the titled deed to the Public Registry.

- The fee to register the property is currently around \$150. It is subject to change.
- The Public Registry officially registers the property as a titled property and assigns a finca number to it.

Your Panama Property Is Now Fully Titled. Congratulations!

*The Municipal Titling Process – continued***Total Cost and Time Frame**

- Titling fee (varies)
- Cost of the survey (\$150 for a 600 meter property)
- Notary fee to issue the deed (\$200)
- Register the title at Public Registry (\$150)

Total cost approx. \$500, plus the titling fee

Getting a title with a Municipality also takes about 6 months or less.

As an example of the titling fees in a municipality, the chart below shows the fees for of the neighborhoods in the city of Puerto Armuelles, Panama.

Titling Fees in Puerto Armuelles

By Cost Per Square Meter	Neighborhood In Puerto Armuelles
.50 to .75	Altos de San Vicente Carmen Rio Mar
.50 for more than 3 hectares .25 for 1 to 3 hectares .15 for less than 1 hectares	Monte Verde
.75 to \$1.00	California Los Angeles Santa Fe San Vicente*
\$1.00 to \$5.00	Buena Vista
\$5.00 to \$10.00	Las Palmas

* The title for large tracts of the San Vicente neighborhood, particularly on the water, is held by the bank, Morgan & Morgan. The bank abandoned these properties long ago. Since then, those lands have been bought and sold as ROP property.

As this guide explains, to title property in Panama, you must pay the government (and your lawyer). The same is true to obtain title from Morgan & Morgan. At one time, the bank was not motivated to transfer their title to these lands. However, now they are. You can have your lawyer contact Morgan & Morgan to start the process.

Morgan & Morgan has a location in David, Panama.

Now The National Titling Process. Most ROP property will be titled using the national process.

National Titling Process

During the National titling process you will deal primarily with 2 Panamanian agencies.

- **Catastro, the Office of Land Registry.** Catastro conducts the inspections and approves the property survey.
- **ANATI, a division of Catastro.** ANATI stands for Autoridad Nacional de Administración de Tierras. ANATI issues the property's title.

If you are unsure which entity holds the title to your ROP property, look at any previous survey of it. It should indicate which entity holds the title. If the property has never been surveyed before, then you can ask your surveyor for that information.

Note: In non-coastal areas, ROP lands are sometimes registered in Reform Agraria, a government agency. In that case, they come with a "Certifica" indicating the owner and boundaries of the property.

Needed Items To Title Land In Panama

- **A Reputable Lawyer.** The best thing to do when applying for a title is to hire an attorney to assist you. It will make the process much faster and easier.

The National Titling Process – continued

- You should get a recommendation for a lawyer. Lawyers in Panama vary greatly in quality and honesty.
- If you don't know a good lawyer in Panama, we can recommend an excellent lawyer to you.
- **Power Of Attorney.** You need this to authorize your lawyer to act on your behalf in this matter.
- **Certification Of Ownership From The Corregiduria And From The Mayor Of The Municipality Where The Land Is Located.**
 - To get this you must submit your Right of Possession (ROP) papers proving that you own the property.
 - This must include documents showing how the ROP was originally acquired. These same documents must be submitted to ANATI as part of the application for title.
 - Basically you need a paper trail showing who and how the property was originally purchased up to the present time. This is mandatory if applying for title from the national government (ANATI). It is not necessary if you are applying for title from a municipality.

The National Titling Process – continued

- **Notarized Letter Signed By The Owners Of The Surrounding Properties.**
 - The letter is signed by the neighbors and verifies the history of the ownership of the property, how long these owners held the property, and how long the signers have known those owners, past and present.
 - It must trace the ownership of the property for at least the last 5 years of ownership.
- **Property Survey of the Property Done By A Licensed Surveyor.**
 - The cost of a survey depends of the size of the property. If it is a small lot of about 600 meters, it should be about \$150.

Actions Needed To Title Land in Panama

- **Submit an Application For Title To ANATI.** This is done by your attorney. The application must include the items you gathered in the section above: the Certification of Ownership, Notarized Letter from the neighbors, and the Property Survey.
 - An official record will be created and all documents will be reviewed.
 - The record will be sent to the respective Catastro office to coordinate the official inspection of the property.
 - An official government engineer will conduct the property inspection. The engineer will confirm the property boundaries, the consent of the neighbors, the size of the property, and investigate possible objections to the titling from third parties.
- **You are responsible for publishing a legal notice in the newspaper for 3 days.** It is called an edict or edicto. The purpose is to give the public notice and to elicit any objections to the titling of the property. You will be given the legal document that you must publish.
- **You must keep copies of this edict** for each of the 3 days and supply them as part of the required paperwork for titling.
- **ANATI then submits the survey for approval to both Catastro and Mivi.** This is almost the last step on the process. FYI, Mivi stands for the Ministerio de Vivienda or Ministry of Housing.
- ANATI only submits the survey to these agencies after two items are done:
 - 1) Catastro has inspected the property (see above) and no issues are found
 - 2) The newspaper edict (see above) and been published and no one objects to titling the property.
- It usually takes 60 days to get the survey approved.

Once the survey has all of the stamps showing it has been approved by these 2 entities (i.e., Catastro and Mivi), you can then proceed with remaining steps in the titling process.

The National Titling Process – continued

Also, it is at this point that you, as the owner of the ROP property, is given with the opportunity to pay an expedited fee for titling.

Technically, there is no charge to get land under 5 hectares titled. However, it can take an indefinite amount of time to process a title if you don't pay the fee.

We suggest you pay the expedited titling fee to the government.

If you pay the suggested expedited fee you normally get your title within 6 months.

The Final Steps in the Process

Once the survey is approved and your fees are paid, ANATI issues a title resolution.

There is a charge for the resolution. The cost varies depending upon the number of pages the resolution includes. It is generally around \$300.

You then submit the title resolution to the Public Registry.

The Public Registry officially registers the property as a titled property, assigns a finca number to it, and issues a titled deed.

Your Panama Property Is Now Fully Titled. Congratulations!

Total Cost and Timeframe

The cost of this process changes depending on the various fees and scope of work you have your attorney accomplish.

Cost

Typically you can expect to pay \$5000, including attorney fees, to get your ROP property titled.

Time Frame

If you pay the expedited fee, it should take about 6 months to receive your title.

We at LivingInPanama.org hope this “*How To Title ROP Panama Real Estate*” guide is helpful to you.

If you know what to expect, titling your ROP property can be easy to accomplish.

To explore the affordable (and beautiful) property for sale on LivingInPanama.com, [Click Here](#).