

Dear Mr/Mrs [REDACTED]

Further to our introductory email, I would like to provide you with the following information regarding your purchase in Brazil:

PURCHASE PROCESS ✓

It is the usual practice in our Firm to present our clients with details of the processes involved in the purchase of a property in Brazil as outlined below. Manzanares will keep you updated throughout all the stages until completion. We will endeavour to protect your interests, with the guarantee that the purchase of your property will be carried out satisfactorily and within the law.

There are seven basic steps to purchasing property in Brazil:

❶ Reservation of the property

During this phase we make contact with the vendor and draw up a document to reserve the property in your name, thus protecting your interests. This step is necessary to ensure the property is taken off the market and therefore not available to any other prospective buyers.

It might be the case, though, that you have already signed a reservation agreement with your real estate agency and paid the corresponding deposit.

❷ Legal searches

The legal searching process is necessary to guarantee that the property is free of charges, encumbrances and outstanding debts. Our firm of Lawyers will carry out these searches in order to guarantee that the property meets all the legal requisites to be acquired. This process will include:

- Checks on all appropriate legal requirements: building licence (with a detailed check made in the Planning Department of the appropriate municipality or relevant authority).
- Negotiating of the contract with the developers.
- Checks to verify that the property is free of charges, encumbrances and outstanding debts
- Checks to confirm that the plot is registered under the name of the correct company.
- Checks to confirm that the company is correctly registered.
- Checks to verify that the developers are the rightful owners of the property.
- Checks to confirm the correct legal representatives of the company.

❸ Report on results of legal searches

Once the legal searches are concluded, you will receive a written report within 7 days of the results of these searches produced by one of our lawyers. This report includes information about all the aspects referred to in section 2, therefore reassuring that your investment is safe.

❹ Signing of preliminary purchase contract

Once the legal searches on the property have been made and all the legalities are in place, we will ask for your approval in order to proceed with the signing of the Private Preliminary Contract. This is an important document containing full details of the buyer and the seller and a complete description of the property. It will also stipulate the agreed price of the sale, the method of payment, the date the contract is formalised and the date you will be able to take possession of the property.

Once both parties have signed the Private Preliminary Contract and the buyer has paid the required deposit, the contract then becomes a legally binding document, assuring that the sale will proceed.

❺ Management of interim payments (if applicable)

In the event that your provisional payment plan includes several payments to the development along the course of construction, we will remind you with enough time in advance about the

dates of the mentioned payments and will also check the progress of the building works in case that these interim payments are due upon finalisation of a certain building structure.

⑥ Completion

The property sale process is finalised before a national Notary, with the buyer and seller signing the Deed of Sale. The Notary is a public official. His or her duty consists of identifying the buyer and the seller, ensuring that all legal requirements have been met and that the amount due to be paid has been settled.

⑦ Registration

Once the Completion process has been finalised, we will take responsibility for registering the property in your name at the Land Registry office. This will ensure that you are the lawful owner of the property.

FORMALITIES ✓

Fiscal identity number (CPF)

To be able to purchase in Brazil and also pay the required taxes, it is essential that you have a fiscal identity number. Under Brazilian law this must be issued BEFORE contracts can be exchanged and therefore must be applied for as soon as possible. To be able to apply for this on your behalf, you will need to grant a Power of Attorney to Manzanares International Lawyers.

Power of attorney

As mentioned above, it is essential that a Power of Attorney is granted to Manzanares International Lawyers, which will authorise us to apply for your CPF number, to sign the final title deeds and carry out all necessary procedures.

This power of attorney can be signed at your nearest notary's office in UK or Ireland with the assistance of our offices based in London and Dublin. Our colleague in the London office will contact you to make an appointment and will provide you with further details about this formality.

OUR LEGAL FEES ✓

Our fees for the conveyancing of your property include the following services:

- Legal searches
- Signing of the preliminary contract with the promoter
- Management of all interim payments with the promoter present.
- Signing of the title deeds
- Completion (including the property registration)

Our legal fees are 2% of the purchase price with a minimum fee of 1.800 Euros + VAT. The first 2/3 of the legal fee must be paid upon signing the private preliminary contract and the balance is payable upon completion.

POWER OF ATTORNEY ✓

Manzanares International Lawyers will set up and assist in all matters relating to the Power of Attorney. However, any fees charged by the Public Notary and official bodies will be to your own expense.

ADDITIONAL STANDARD COSTS ✓

There are a series of standard and compulsory expenses derived from the purchase of a property. Please be advised that the costs below are standard for this country and this is **NOT** a legal fee to us.

Notary & Registry Fees: Completion of the purchase takes place before a notary and these fees are due to the Land Registry office and the notary himself.

Transfer tax: Tax payable upon completion levied when property is being transferred.

Searching costs: Provision of funds for paying the official certificates required by the Land Registry, the Court and the Town Halls. This is necessary to carry out the searching process.

Bank commissions: This is a provision of funds to cover bank commissions for using our lawyers' trustworthy account for the payment to the developers. We highly recommend that all transfers to the developer go through our client account for various reasons. Firstly, we are in control to only transfer to the developer when contracts have physically been exchanged; secondly developers often require payments to different accounts and these sometimes change; thirdly upon completion before the notary the origin of funds needs to be justified and this is best done through our bank.

Laudemio tax: This tax is applicable on certain designated areas close to cities (called *Aforados*) or areas close to water (called *Marinas*). We will be able to confirm if your purchase is located in these designated areas in our legal report which will follow when the searches have finished.

NEXT STEP ✓

Our next step will then be to prepare a breakdown of costs and a provisional payment plan where you will be able to see in detail all the costs and fees involved in your property acquisition.

If you have any further questions please do not hesitate to contact me.

Kindest regards,