

# Separating Fact From Fiction

## OWNERSHIP IN MEXICO PART 9

By Chris Snell



Of all the articles I have written...THIS IS THE SINGLE MOST IMPORTANT.

### THIRD PARTY ESCROW

*I have written articles, run ads, given speeches, printed brochures and spent an enormous amount of time, energy and money trying to convince EVERYONE to use Third Party Escrow when buying Real Estate in Mexico. Some think it is just my way of advertising...they are wrong!*

Recently, an agent who has been with Snell Real Estate for over four years, decided that she "knew better" and wrote an Offer on another company's offer form without the knowledge of Snell Real Estate. The agent also decided to "SAVE" the Buyer a \$500.00 Escrow Fee and recommended that he use a local escrow service called Los Cabos Escrow Services run by America Alvarez, instead of Stewart Title Guaranty. America turned out to be a thief and ran off with nearly \$1,000,000.00 of funds she held in her "Escrow Account"...including our agents secret deal.

My agent did not do this out of spite, malice or for fraudulent reasons. She did it out of ignorance. She simply did not understand why Third Party Escrow is so important and why I have preached it for so many years. By trying to "help" a client save \$500.00, she ended up losing him nearly \$100,000.00.

Who's fault is this? America Alvarez for being a thief? My agent for telling a Buyer to put his money with America? The Buyer for not using Third Party Escrow and giving his money to a perfect stranger? The answer is: ALL OF THE ABOVE, but especially my agent for putting another person's money at risk and for disregarding the core policy that my company was built on...THIRD PARTY ESCROW with Stewart Title Guaranty.

Within 72 hours of learning about the theft, Snell Real Estate replaced the client's money and established a new Escrow Account with Stewart Title Guaranty in his name. Thanks to the simple decision of the client to use a Snell Real Estate agent in the first place, he is not out a huge portion of his life savings and he will have his condominium in Los Cabos.

As real estate agents or brokers in Cabo, we have an ethical and fiduciary responsibility to protect our clients. **"If you're man enough to tell someone where to put their money, and you're confident enough to tell them to give their money to someone BEFORE they get their title, then you had better be man enough to pay them back when they lose it."** Yes, America was the thief...but the agents and companies that instructed their clients to deposit funds with her, or anyone else besides a recognized, Third Party Escrow company, are just as responsible for the loss as she is.

**I am asking all of you that are considering a purchase in Cabo, or anywhere else, to demand Third Party Escrow Services with a recognized U.S. Escrow Company.** It is YOUR money and YOU have the right and the power to control it! Once you give it away, your control is given up completely. Don't give your money to a stranger or put a deposit down on something you know nothing about.

**I am going to consolidate all my ads, my speeches and my literature right here!**

- ▶ Mexico does not legally recognize Escrow; therefore, there can be NO Escrow accounts in Mexico.
- ▶ The Real Estate industry in Mexico is NOT regulated. This is a "BUYER BEWARE" country.

- ▶ All Cabo "Escrow" accounts are simply checking accounts called "ESCROW" accounts. The owners of these accounts can write checks from them and they can move the money anytime, anywhere...YOUR MONEY!!! This is a license to steal.
- ▶ Always use Third Party U.S. Escrow for any transaction or be prepared to lose your money.
- ▶ Giving your money to a Seller, or to a Broker, or to anyone in Mexico BEFORE you get your title is EXTREMELY RISKY.
- ▶ By placing your money in a Third Party Escrow account, only you and the Seller can decide when and why the funds are to be released...NOT the Real Estate Broker or the "Escrow Agent".
- ▶ Do not give a Seller, or anyone else, your money until you have your Title AND your Title Insurance Policy.
- ▶ USE SNELL REAL ESTATE TO REPRESENT YOU, you will not have to worry about these issues.

Snell Real Estate is the ONLY Broker in Baja that exclusively uses Stewart Title Guaranty in Houston Texas for Third Party Escrow Services and has since the company was founded. Snell Real Estate is the ONLY Broker in North America that will pay for your Title Insurance Policy with Stewart Title Guaranty when you buy with us. We have sold over \$250,000,000.00 in real estate in Los Cabos and every transaction was done in accordance with US and Mexican Law.

Our slogan states, "It's your money and your investment...it's our job to protect it" There is one more client in California that is not only grateful...but a firm believer in what Snell Real Estate stands for.

Be smart, stay safe and have fun.

**Chris Snell**  
President Snell Real Estate

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