Global Real Estate Investment Brief 2025–2026

Top 10 Countries for International Investors

> **Disclaimer:** This report is for informational purposes only and does not constitute legal, tax, or financial advice. Property tax laws, foreign ownership rules, and fees change frequently. Always consult a licensed local attorney and tax advisor before purchasing property in any jurisdiction. Data sourced from Numbeo (2026 Mid-Year), government websites, and established market references. Currency conversions are approximate as of August 2026.

Executive Summary — Quick Comparison Table

All prices converted to **USD** for comparison. City-centre apartment prices per sqm.

Rank	Country	City Centre Price/sqm (USD)	Gross Yield (City)	Gross Yield (Outside)	Mortgage Rate	Foreign Ownership	Stamp Duty/ Purchase Tax	Top CGT Rate	Company Needed?
1	USA	$18,759 (NYC)	5.4%	9.8%	6.41%	No restrictions	0–2% (varies by state)	15% (FIRPTA)	LLC recommended
2	UAE (Dubai)	~$6,921	7.7%	8.5%	4.50%	Freehold in zones	4% transfer fee	0% (no CGT)	Free zone company
3	UK	~$18,440 (London)	3.4%	6.0%	4.68%	No restrictions	2–17% (SDLT)	24%	SPV Ltd common
4	Spain	~$8,701 (Madrid)	3.7%	5.6%	3.14%	No restrictions	6–10% (ITP) + 0.8% stamp	19%	SL optional
5	Portugal	~$7,424 (Lisbon)	4.6%	5.9%	3.72%	No restrictions	1–8% (IMT) + 0.8% stamp	28%	Lda optional
6	Japan	~$10,815 (Tokyo)	2.8%	3.4%	1.99%	No restrictions	~5% (acquisition + registration)	30.6% (<5yr)	GK recommended
7	Germany	~$8,513 (Berlin)	3.7%	4.2%	3.78%	No restrictions	3.5–6.5% (Grunderwerbsteuer)	~30% (company)	GmbH optional
8	Australia	~$11,957 (Sydney)	4.4%	4.5%	5.81%	FIRB approval required	1–5.5% + 7–8% foreign surcharge	Up to 45%	Pty Ltd common
9	Singapore	~$21,933	2.9%	2.8%	2.43%	60% ABSD for foreigners	1–4% BSD + 60% ABSD	0% (no CGT)	Pte Ltd optional
10	Canada	~$8,486 (Toronto)	4.1%	4.3%	4.52%	Foreign buyer ban (to 2027)	0.5–2.5% + 15–25% foreign tax	Up to 33%	Corp recommended

1. United States

Market Overview

Metric	Value
Price per sqm (NYC centre)	$18,759 USD
Price per sqm (NYC outside)	$6,523 USD
Gross rental yield (city centre)	5.36%
Gross rental yield (outside centre)	9.79%
Mortgage rate (20-yr fixed)	6.41%
Price-to-income ratio (national)	3.4
Average monthly net salary (NYC)	$5,293

The US offers the highest rental yields among developed markets, particularly outside major city centres. The market is enormous and fragmented — prices vary dramatically by state, city, and neighbourhood. Sun Belt cities (Texas, Florida, Arizona) offer lower entry prices and strong population growth. New York and San Francisco offer appreciation potential but lower yields.

Market cycle: Post-interest rate hike normalisation. Prices have stabilised after 2022–2023 correction. Opportunity in mid-tier markets where yields exceed borrowing costs.

Foreign Ownership Rules

- **No restrictions** on foreign ownership of real estate
- No visa, residency, or government approval required to buy
- Foreigners can buy freehold title
- Some agricultural land near military bases has restrictions (AFIDA)

Tax Framework

Tax	Rate	Notes
Stamp duty / transfer tax	0–2%	Varies by state; some states have none
Annual property tax	0.5–2.5%	Varies by county/state; Texas highest (~1.8%), Hawaii lowest (~0.3%)
Capital gains (FIRPTA)	15% withholding on sale price	Foreign Investor Real Property Tax Act. Withheld at closing. Properties >$300k. Can file tax return to recover excess
Rental income tax	30% flat OR graduated rates	30% flat rate on gross income (default), or elect to be taxed at graduated rates (10–37%) on net income
State income tax	0–13.3%	Some states (TX, FL, NV, WA) have no state income tax

Company Structure

LLC (Limited Liability Company) — strongly recommended for foreign investors. - Why: Liability protection, pass-through taxation, privacy - **Formation:** Delaware or Wyoming most popular. Cost: $300–500 formation - **Ongoing:** $100–300/year registered agent fee + state franchise tax (Delaware: $300/yr minimum; Wyoming: $60/yr) - **Tax:** Single-member LLC with foreign owner = “disregarded entity.” Income flows to owner. Must file IRS Form 5472 (foreign-owned LLC reporting). Failure to file = $25,000 penalty - **Alternative:** C-Corporation (double taxation but needed for some structures)

Financing

- Foreigners can get mortgages but require **30–40% down payment** (vs 20% for residents)
- Interest rates typically 1–2% above resident rates
- Need: proof of income, credit reference letters from home country bank, passport
- Portfolio lenders and private banks more flexible than big banks

Key Risks

- **FIRPTA complexity** — 15% withholding on entire sale price (not just gain) ties up capital
- **State-level variation** — tax, landlord-tenant law, and property disclosure rules vary enormously
- **Litigation risk** — US is the most litigious market; liability protection (LLC/insurance) essential
- **Currency risk** — USD is the world’s reserve currency; relatively stable but still a factor for non-USD investors

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2. United Arab Emirates (Dubai)

Market Overview

Metric	Value
Price per sqm (centre)	AED 25,632 (~$6,921 USD)
Price per sqm (outside)	AED 14,712 (~$3,972 USD)
Gross rental yield (centre)	7.73%
Gross rental yield (outside)	8.53%
Mortgage rate	4.50%
Average monthly net salary	AED 12,541

Dubai offers the best yield-to-price ratio in this list — high rental yields (7–9%), no income tax, no CGT, and some of the lowest entry prices per sqm. The market has matured significantly since 2002 with strong regulation, escrow protection for off-plan, and transparent title deed systems.

Market cycle: Strong post-COVID boom (2021–2024) with 20%+ annual price growth. Now entering a stabilisation phase. Still attractive yields. Off-plan payment plans widely available.

Foreign Ownership Rules

- **Freehold ownership** available in designated “freehold areas” since 2002 Law No. 7

- Foreigners can buy 100% freehold title to apartments, villas, and land in these zones
- No visa required to purchase (but Golden Visa available — see below)
- Dubai Land Department (DLD) handles registration; title deeds issued to foreign owners

Tax Framework

Tax	Rate	Notes
Transfer fee	4% of property value	Split between buyer and seller (2% each) by convention
Registration fee	AED 4,000 + AED 520	Administrative
Annual property tax	None	No annual property tax
Income tax	0%	No personal income tax
Capital gains tax	0%	No CGT
Service charges	AED 10–30/sqft/year	Building maintenance, amenities (varies by building)
Housing fee	~5% of rental value	Dubai Municipality fee (added to utility bill)

This is the most tax-efficient jurisdiction on this list — zero income tax, zero CGT, zero annual property tax.

Company Structure

Free Zone Company — recommended for portfolio investors. - **Why:** 100% foreign ownership, no local sponsor required, full repatriation of profits - **Popular free zones:** JAFZA, DMCC, DIFC, RAKEZ - **Cost:** AED 12,000–25,000/year (license + registration) - **Mainland company:** Since 2021, mainland companies also allow 100% foreign ownership (no longer need 51% local sponsor) — cost AED 15,000–30,000/year - **Individual ownership is fine** for 1–3 properties (no need for company)

Golden Visa (Property Investment)

- **10-year residence visa** with property investment of AED 2 million (~$545,000 USD)
- Can include spouse and children
- No minimum stay requirement
- This is one of the easiest investor visa programs globally

Financing

- Foreigners can get mortgages: up to **50–80% LTV** depending on property value
- Off-plan payment plans: 40–60% during construction, 40–60% on handover (no mortgage needed)
- Interest rates: 4–5%
- Banks: Emirates NBD, Mashreq, ADCB, HSBC most active with foreign buyers

Key Risks

- **Service charges** can erode net yield significantly — always check Oqood/title deed service charge history
- **Off-plan risk** — escrow law protects buyers, but developer delays still occur
- **Currency peg** — AED is pegged to USD (1 AED = $0.2723), so effectively USD-denominated
- **Regional geopolitical risk** — Dubai itself is extremely safe, but regional tensions can affect sentiment

3. United Kingdom

Market Overview

Metric	Value
Price per sqm (London centre)	£14,520 (~$18,440 USD)
Price per sqm (London outside)	£6,212 (~$7,889 USD)
Gross rental yield (centre)	3.38%
Gross rental yield (outside)	6.00%
Mortgage rate (20-yr fixed)	4.68%
Average monthly net salary (London)	£3,301

The UK offers one of the most transparent and liquid property markets globally. London is a global capital for capital preservation, but yields are modest. Regional cities (Manchester, Birmingham, Leeds) offer significantly better yields (5–7%) at lower entry prices.

Market cycle: Post-Brexit adjustment complete. Interest rate normalisation has cooled prices. Buyer's market in 2025–2026. Northern Powerhouse cities showing stronger growth than London.

Foreign Ownership Rules

- **No restrictions** — foreigners can buy freehold and leasehold property
- No government approval required
- England & Wales use freehold (permanent) and leasehold (typically 99–999 years) tenure
- Scotland uses different system (feuhold — effectively freehold)

Tax Framework

Tax	Rate	Notes
Stamp Duty Land Tax (SDLT)	2–12% progressive	Residential property. Non-UK residents pay **additional 2% surcharge** (April 2021)
SDLT (second homes/additional)	+5% surcharge	Total top rate = 17% for non-resident buying a second home
Council tax	£1,500–£3,000/year	Local authority charge; paid by occupant
Capital gains tax (non-resident)	24%	Residential property. Must report & pay within 60 days of sale. Source: [gov.uk]()
Rental income tax	20% (basic) / 40% (higher)	Non-Resident Landlord (NRL) scheme. Letting agent must withhold 20% basic rate unless HMRC approves gross payment
Inheritance tax	40%	Applies to UK residential property for all owners

SDLT example (non-UK resident buying £500k second home): - Standard SDLT: £15,000 (3% avg) - Non-resident surcharge: +£10,000 (2%) - Additional dwelling surcharge: +£25,000 (5%) - **Total SDLT: ~£50,000 (10%)**

Company Structure

SPV Limited Company — increasingly the standard for buy-to-let investors. - Why: Mortgage interest fully deductible as business expense (personal ownership lost this relief under Section 24). CGT at corporate rate (19–25%) instead of 24% individual. Inheritance tax planning. - **Formation:** Companies House online, £12 fee. No minimum capital. - **Ongoing:** Annual confirmation statement (£13), annual accounts filing, corporation tax return. Total compliance: £200–£1,000/year (DIY) or £1,500–£3,000/year (accountant) - **Mortgages:** Lenders offer “limited company buy-to-let” products — slightly higher rates than personal (0.5–1% premium) but interest is fully deductible

Financing

- Foreigners can get mortgages with **25–40% deposit**
- Lenders assess rental income must cover 125–145% of mortgage payments at stress-tested rate
- Non-UK income accepted by specialist lenders (but limited lender pool)
- Interest rates: 4.5–6%

Key Risks

- **Leasehold traps** — short leases (<80 years) lose value rapidly; extension costs are high
- **Section 24** — personal ownership of rental property is now heavily taxed (interest relief restricted to 20% credit)
- **Inheritance tax** — UK residential property is always within UK IHT scope, even for non-residents (40% above £325k)
- **Reform risk** — UK tax policy changes frequently; Labour government may increase property taxes

4. Spain

Market Overview

Metric	Value
Price per sqm (Madrid centre)	€7,983 (~$8,701 USD)
Price per sqm (Madrid outside)	€3,798 (~$4,140 USD)
Gross rental yield (centre)	3.74%
Gross rental yield (outside)	5.64%
Mortgage rate	3.14%
Average monthly net salary (Madrid)	€2,191

Spain offers affordable entry prices, strong lifestyle appeal, and a recovering market. Madrid and Barcelona are the primary markets, but coastal areas (Costa del Sol, Costa Blanca) are popular with foreign investors. Yields are moderate but improving as rental demand surges.

Market cycle: Post-COVID recovery with strong price growth in Madrid/Barcelona (2022–2024). Now cooling. Undervalued relative to northern European peers. Strong tourism-driven short-term rental demand.

Foreign Ownership Rules

- **No restrictions** — foreigners can buy freehold property with same rights as Spanish citizens
- Need NIE (Foreigner Identification Number) — simple administrative procedure, ~€15
- No visa or residency required to own property

Tax Framework

Tax	Rate	Notes
ITP (Transfer Tax, resale)	6–10%	Varies by region (Madrid 6%, Catalonia 10%, Andalucía 7%)
IVA (VAT, new build)	10%	Plus stamp duty (AJD) 1–1.5%
Notary & registry	0.5–1%	Mandatory notary involvement
IBI (annual property tax)	0.4–1.1%	Of cadastral value (typically 50–70% of market value)
Capital gains tax (non-resident)	19%	Flat rate. 3% withholding on sale price. EU/EEA residents: 19%. Non-EU: was 24% but harmonised to 19% in 2023/2024
Rental income tax (non-EU)	24%	On gross rental income (no deductions). EU/EEA: 19% on net income
Wealth tax	0.2–3.5%	On assets >€700k (primary residence exempt up to €300k). Applies in most regions. Madrid and Andalucía have abolished it.

Company Structure

SL (Sociedad Limitada) — optional, useful for portfolios. - **Why:** Limited liability, possible tax efficiency for large portfolios. CGT at 25% corporate rate (vs 19% personal — so company is worse for CGT). Transfer of shares rather than property can save ITP. - **Formation:** €3,000 minimum capital. Notary required. Cost: €600–1,500 - **Ongoing:** Annual accounts filing, corporate tax return. €1,000–2,000/year compliance - **For single properties** — individual ownership is simpler and more tax-efficient

Golden Visa (Ending)

- Spain announced the end of the Golden Visa program for real estate investment in 2025
- Existing holders retain their visas
- Non-lucrative visa and digital nomad visa remain available (but don’t give work rights)

Financing

- Foreigners can get mortgages: **60–70% LTV** for non-residents
- Spanish banks (Santander, BBVA, CaixaBank) lend to foreign buyers
- Interest rates: 3–4% (Euribor + margin)
- Need: proof of income, tax returns from home country, bank statements

Key Risks

- **Squatting laws (okupas)** — Spain's tenant protection laws strongly favour tenants. Eviction can take 6–12 months. Legal due diligence on existing tenancies is critical.
- **Regional tax variation** — ITP, wealth tax, and IBI rates vary by autonomous community
- **Currency risk** — EUR exposure for non-EU investors
- **Bureaucracy** — Spain's property transaction process is slower than UK/USA (8–12 weeks typical)

5. Portugal

Market Overview

Metric	Value
Price per sqm (Lisbon centre)	€6,811 (~$7,424 USD)
Price per sqm (Lisbon outside)	€3,880 (~$4,230 USD)
Gross rental yield (centre)	4.64%
Gross rental yield (outside)	5.90%
Mortgage rate	3.72%
Average monthly net salary (Lisbon)	€1,431

Portugal offers the lowest entry prices in Western Europe with improving yields. Lisbon and Porto have seen dramatic price growth since 2015 driven by tourism, foreign investment, and the Golden Visa program. Algarve remains a strong rental market.

Market cycle: Lisbon/Porto prices have plateaued after rapid growth. Still affordable by European standards. Rental demand strong from expats and digital nomads.

Foreign Ownership Rules

- **No restrictions** — foreigners can buy freehold property with same rights as citizens
- Need NIF (Portuguese Tax Number) — ~€5 to obtain
- No visa required to own property

Tax Framework

Tax	Rate	Notes
IMT (Transfer Tax)	1–8% progressive	Residential: up to €1M. 6.5% flat above €1M. Rural land: 5%
Stamp duty	0.8%	Of purchase price
IMI (annual property tax)	0.3–0.8%	Of tax assessed value (patrimonial value, typically below market)
AIMI (additional property tax)	0.5–1.5%	On properties over €600k (individuals), €1.2M (companies)
Capital gains tax (non-resident)	28%	

Tax	Rate	Notes
		Flat rate. 50% exempt if held >2 years AND reinvested in another Portuguese property within 24 months
Rental income tax (non-resident)	25%	Flat rate on gross rental income (no deductions for non-EU). EU residents can opt for progressive rates on net income

Golden Visa (Ended for Real Estate)

- Golden Visa for real estate investment **ended October 2023**
- Existing renewals continue
- Alternative routes: investment funds (€500k), capital transfer (€1.5M), job creation
- **D7 Visa** (passive income visa) and **D8 Visa** (digital nomad) still available — allow residency with property purchase but require physical presence

NHR (Non-Habitual Resident) Regime

- Original NHR ended January 2024
- Replacement regime (IFICI — "Tax Incentive for Scientific Research and Innovation") offers flat 20% tax on qualifying professional income for 10 years
- Does NOT provide the pension tax benefits of the original NHR

Company Structure

Lda (Sociedade por Quotas) — optional. - **Why:** Limited liability. Useful for multi-property portfolios. CGT at 21% corporate rate (vs 28% personal — company is better for CGT). - **Formation:** €1 minimum capital (since 2025 reform; was €5,000). Notary required. Cost: €500–1,000 - **Ongoing:** Annual accounts, IES filing. €800–1,500/year compliance - **AIMI applies to company-owned property** — 1.5% on value over €600k (higher rate than individual)

Financing

- Foreigners can get mortgages: **60–70% LTV** for non-residents
- Portuguese banks lend to foreign buyers (CGD, BCP, Novobanco)
- Interest rates: 3.5–4.5% (Euribor + 1–2% margin)
- Stress testing at higher rates required by Bank of Portugal

Key Risks

- **Tenant-friendly laws** — new rental law (NRAU 2023) makes long-term tenancies difficult to terminate. Short-term rentals (alojamento local) face increasing restrictions in Lisbon and Porto.
- **Bureaucracy** — property registration process is slow; title defects common in older properties
- **Currency risk** — EUR exposure
- **Wealth concentration** — market is small; liquidity limited outside Lisbon/Porto

6. Japan

Market Overview

Metric	Value
Price per sqm (Tokyo centre)	¥1,614,205 (~$10,815 USD)
Price per sqm (Tokyo outside)	¥733,273 (~$4,913 USD)
Gross rental yield (centre)	2.76%
Gross rental yield (outside)	3.39%
Mortgage rate	1.99%
Average monthly net salary (Tokyo)	¥396,781

Japan offers the world's lowest mortgage rates, a stable legal system, and no foreign ownership restrictions. However, yields are low and the yen has been volatile. The key opportunity is in the weak yen — Japanese property is historically cheap in USD terms right now.

Market cycle: Tokyo prices rising due to weak yen attracting foreign capital. Osaka and Fukuoka offer better yields. Depopulation is a long-term risk outside major cities. Japanese buildings depreciate to zero over 47 years (statutory life), so land value is the real asset.

Foreign Ownership Rules

- **No restrictions** — foreigners can buy freehold land and buildings
- No visa, residency, or government approval required
- Unique feature: **you own the land** (unlike leasehold systems in UK/Singapore)
- Title registration through Legal Affairs Bureau

Tax Framework

Tax	Rate	Notes
Real estate acquisition tax	3% (land: 1.5%)	Paid to prefecture. Reduced rates apply for certain transactions
Registration tax	2% (land: 1.5%)	Of assessed value
Fixed asset tax (annual)	1.4%	Of assessed value (typically 50–70% of market)
City planning tax (annual)	0.3%	Of assessed value
Capital gains tax (held <5 yrs)	30.63%	30% income tax + 2.1% reconstruction surtax
Capital gains tax (held >5 yrs)	15.315%	15% income tax + 2.1% surtax
Rental income tax (non-resident)	20.42%	20% income tax + 2.1% surtax. On net income (deductions allowed)

Company Structure

GK (Godo Kaisha) — recommended for foreign investors. - **Why:** LLC equivalent. Simpler and cheaper than KK. Foreigners can be sole shareholder and manager. Provides limited liability. Can deduct expenses. - **Formation:** ¥200,000–300,000 (~$1,340–2,010). No minimum capital requirement (¥1 sufficient). Registered in 2–

3 weeks. - **Ongoing:** ¥100,000–200,000/year accounting + tax filing. Must appoint a local tax representative. - **KK (Kabushiki Kaisha) — Corporate equivalent.** More prestigious but costs ¥250,000+ to form and has stricter governance requirements. - **Individual ownership** is simpler for 1–2 properties but company structure provides better tax planning for portfolios.

Financing

- **Very difficult for non-residents without permanent residency** — most Japanese banks won't lend
- Workaround: overseas branches of Japanese banks (MUFG, SMBC) may lend to existing clients
- LTV for foreigners: typically 50–70% (vs 80%+ for residents)
- Interest rates: 1–2% (lowest in this list)
- Alternative: seller financing sometimes available on older properties

Key Risks

- **Building depreciation** — Japanese buildings are valued as depreciating assets; only land retains value. This fundamentally differs from Western markets.
- **Yen volatility** — JPY has weakened significantly (130–150+/$); currency risk is high for non-JPY investors, but also an opportunity (cheap entry)
- **Earthquake risk** — mandatory earthquake insurance (~¥10,000–50,000/year per property)
- **Depopulation** — rural and suburban properties face declining demand; stick to Tokyo, Osaka, Fukuoka
- **Agent fees** — buyer pays 3% + consumption tax (total ~3.3%); seller also pays 3%
- **Key money** — some rental agreements require non-refundable "key money" (reikin) to landlord

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7. Germany

Market Overview

Metric	Value
Price per sqm (Berlin centre)	€7,810 (~$8,513 USD)
Price per sqm (Berlin outside)	€5,174 (~$5,640 USD)
Gross rental yield (centre)	3.67%
Gross rental yield (outside)	4.15%
Mortgage rate	3.78%
Average monthly net salary (Berlin)	€2,906

Germany is Europe's largest economy with a stable legal system and strong tenant protections. Berlin, Munich, Frankfurt, and Hamburg are primary markets. Yields are moderate. The market has cooled after the 2022–2023 rate shock, creating buyer opportunities.

Market cycle: Post-boom correction. Prices dropped 10–15% from 2022 peak. Now stabilising. Rents are rising due to housing shortage. Good entry point for long-term investors.

Foreign Ownership Rules

- **No restrictions** — anyone can buy property in Germany

- No visa or government approval required
- Strong land registry system (Grundbuch) — one of the most reliable in Europe

Tax Framework

Tax	Rate	Notes
Grunderwerbsteuer (property transfer tax)	3.5–6.5%	Varies by state: Bavaria 3.5% (lowest), Berlin/Brandenburg 6% (highest), NRW 6.5%
Notary fees	1–1.5%	Mandatory notary involvement for property transactions
Land registry fee	0.5–1%	
Grundsteuer (annual property tax)	0.26–1%	Of assessed value. Reform underway (Bundesverfassungsgericht ruling requires new system by 2025)
CGT (individuals, held <10 yrs)	14–45%	Taxed at progressive income tax rates. Plus 5.5% solidarity surcharge = effective max ~47.5%
CGT (individuals, held >10 yrs)	0%	Exempt if held >10 years (speculative period)
CGT (companies)	~30%	Corporate tax (15%) + solidarity (5.5% of tax) + trade tax (Gewerbesteuer 14–17% depending on municipality)
Rental income (non-resident)	14–45% + 5.5% solidarity	Progressive rates on net rental income. Deductions allowed (mortgage interest, depreciation, management)

Company Structure

GmbH (Gesellschaft mit beschränkter Haftung) — optional but common for portfolios. - **Why:** Limited liability. For >10 year hold, company always pays CGT (~30%) but individual is exempt. Trade-off. Useful for commercial property or large portfolios. - **Formation:** €25,000 minimum share capital (50% must be deposited at formation). Notary required. Cost: €800–1,500 - **Ongoing:** Annual financial statements, corporate tax return, trade tax return. €1,500–3,000/year compliance - **GmbH & Co. KG** — partnership structure popular for real estate holding; combines limited liability with tax transparency

Financing

- Foreigners can get mortgages: **60–70% LTV** for non-residents
- German banks (Sparkasse, Volksbank) lend to EU residents more readily than non-EU
- Interest rates: 3.5–4.5%
- Full mortgage approval process takes 4–8 weeks

Key Risks

- **Tenant protection** — Germany has some of the strongest tenant protections in the world. Eviction is extremely difficult and slow (6–18 months). Rent controls (Mietendeckel, Mietpreisbremse) cap rent increases.
- **Notary costs** — mandatory notary adds 1.5–2% to transaction costs

- **Grundsteuer reform** — property tax system is being overhauled; new valuations may increase annual taxes significantly
- **Energy efficiency** — new EU Building Energy Performance directive may require costly renovations (insulation, heating systems)

8. Australia

Market Overview

Metric	Value
Price per sqm (Sydney centre)	A$18,395 (~$11,957 USD)
Price per sqm (Sydney outside)	A$11,275 (~$7,329 USD)
Gross rental yield (centre)	4.37%
Gross rental yield (outside)	4.49%
Mortgage rate	5.81%
Average monthly net salary (Sydney)	A$6,011

Australia offers a stable, transparent market with strong long-term capital growth, but has the most restrictive foreign ownership rules on this list and high taxes for foreign buyers. Sydney and Melbourne are the primary markets but have the highest entry prices. Brisbane, Perth, and Adelaide offer better yields.

Market cycle: Post-rate-hike correction. Prices have been resilient due to housing shortage and immigration. Foreign buyer restrictions limit demand from overseas investors. Rental crisis is driving yields up.

Foreign Ownership Rules

- **FIRB (Foreign Investment Review Board) approval required** for all foreign persons buying residential property
- **Foreign persons CAN buy:**
  - New dwellings (off-plan or newly constructed)
  - Vacant land (must develop within 4 years)
  - Established property for redevelopment (must knock down and rebuild; cannot rent out existing dwelling)
- **Foreign persons CANNOT buy:**
  - Established (existing) homes as investment properties
  - Second-hand homes (unless temporary resident buying one to live in)
- Commercial property: FIRB approval needed for acquisitions >A$3,119 million (free trade agreement partners) or >A$1,095 million (others)
- **This is the biggest restriction on this list** — effectively, foreign investors are limited to new builds only for residential property

Tax Framework

Tax	Rate	Notes
Stamp duty	1–5.5%	Varies by state. NSW: up to 5.5%, VIC: up to 5.5%, QLD: up to 4.5%

Tax	Rate	Notes
Foreign stamp duty surcharge	7–8%	Additional to standard stamp duty. NSW: 8%, VIC: 8%, QLD: 7%, SA: 7%, WA: 7%
Total stamp duty for foreign buyer	**8–13.5%**	Standard + surcharge. Sydney example: A$500k property = ~A$40k standard + A$40k surcharge = ~A$80k (16%)
Council rates	A$1,500–3,000/year	Local council charge
Land tax	0.5–2%	Varies by state. Thresholds apply
Foreign land tax surcharge	0.5–2%	NSW: 2%, VIC: 1%, QLD: 2% (2025)
CGT (non-resident)	Up to 45%	Marginal rates. 50% discount for holds >12 months (individuals). Non-residents are subject to CGT but the 50% discount may be reduced proportionally for non-resident periods.
CGT withholding	12.5%	Withheld by purchaser on sales >A$750k if vendor is foreign
Rental income (non-resident)	Up to 45%	Marginal rates on net income. Deductions allowed (interest, depreciation, management). Must lodge Australian tax return.

Company Structure

Pty Ltd (Proprietary Limited Company) — common for portfolio investors. - Why: Limited liability, potential tax planning. Corporate tax rate 25–30%. No 50% CGT discount for companies (individuals get 50% discount — so company can be worse for CGT). - **Formation:** ASIC registration. A$500–900. No minimum capital. - **Ongoing:** A$310 annual ASIC fee + accounting/tax return. A$1,000–3,000/year total compliance - **Important:** Foreign companies buying residential property still need FIRB approval — company structure does NOT bypass FIRB rules

Financing

- Foreigners can get mortgages but **need FIRB approval first**
- LTV: typically 60–70% for foreign borrowers (vs 80–95% for residents)
- Interest rates: 5.5–7% (premium over resident rates)
- Major banks (CBA, NAB, Westpac, ANZ) have strict foreign lending policies; specialist lenders more flexible
- Foreign income assessed with discount (e.g., 80% of stated income)

Key Risks

- **FIRB restrictions** — the biggest barrier. Cannot buy existing homes. Limited to new stock (which often carries developer premium pricing)
- **Double taxation** — foreign stamp duty surcharge (7–8%) + foreign land tax surcharge on TOP of standard rates makes Australia one of the most expensive countries for foreign property buyers
- **Currency risk** — AUD is commodity-linked; can be volatile
- **Negative gearing changes** — government may restrict negative gearing (deducting property losses against other income)
- **Banking restrictions** — APRA has tightened foreign lending standards; some banks have exited foreign lending entirely

9. Singapore

Market Overview

Metric	Value
Price per sqm (centre)	S$29,639 (~$21,933 USD)
Price per sqm (outside)	S$20,999 (~$15,539 USD)
Gross rental yield (centre)	2.93%
Gross rental yield (outside)	2.83%
Mortgage rate	2.43%
Average monthly net salary (Singapore)	S$5,391

Singapore is the most expensive market on this list and offers the lowest yields. However, it has **zero capital gains tax**, a stable political environment, and a strong currency. The 60% ABSD for foreign buyers is a massive barrier — effectively this means a $1M property costs $1.64M after taxes.

Market cycle: Mature, stable market. Prices have been resilient despite cooling measures. Private residential market is small (most Singaporeans live in HDB public housing). Rental market driven by expats.

Foreign Ownership Rules

- **Foreigners CAN buy:**
  - Private condominiums and apartment units (without restrictions)
  - Commercial property (offices, retail, industrial)
- **Foreigners CANNOT buy:**
  - HDB (Housing & Development Board) public housing
  - Landed property (houses with land) in most areas — requires approval from Singapore Land Authority (rarely granted)
  - **Exception:** Sentosa Cove — designated resort area where foreigners can buy landed property
- **No visa required** to purchase private condominiums

Tax Framework

Tax	Rate	Notes
Buyer’s Stamp Duty (BSD)	1–4% progressive	Up to S$180k: 1%; S$180k–360k: 2%; S$360k–1M: 3%; >S$1M: 4%
Additional Buyer’s Stamp Duty (ABSD)	**60% for foreigners**	On top of BSD. This is the highest foreign buyer tax globally. Source: IRAS
Seller’s Stamp Duty (SSD)	4–12%	If sold within 3 years (industrial property within first year only)
Annual property tax	0–16% of annual value	Owner-occupier: 0–4%. Non-owner-occupier (investor): 12–36% progressive (2024 reform)
Capital gains tax	**0%**	No CGT in Singapore
Rental income tax	0–24% progressive	Non-resident individuals: 22% flat (or progressive if stayed >182 days). First S$20k tax-free.

Tax	Rate	Notes
Withholding tax	15–22%	On rental income if received by non-resident

ABSD example (foreigner buying S$2M condo): - BSD: S$64,600 (3.23%) - ABSD: S$1,200,000 (60%) - **Total taxes: S$1,264,600 = 63.2% of property value** - **Effective cost: S$3,264,600 for a S$2M property**

Company Structure

Private Limited Company (Pte Ltd) — optional. - **Why:** Limited liability. 100% foreign ownership allowed. Corporate tax 17% (partial exemptions for first S$300k). BUT: company buying residential property is subject to ABSD at 65% (entity — 65% for all entities, slightly higher than individual 60% as of 2023). No CGT advantage since Singapore has no CGT. - **Formation:** ACRA registration. S$300–1,500. No minimum capital (S$1 acceptable) - **Ongoing:** S$60–300/year ACRA filing + corporate tax return. S$2,000–5,000/year total compliance - **LLP (Limited Liability Partnership)** — alternative structure; simpler compliance

Financing

- Foreigners can get mortgages: **50–75% LTV** (ABSD does not affect LTV)
- Singapore banks (DBS, UOB, OCBC) lend to foreign buyers
- Interest rates: 2.5–3.5%
- TDSR (Total Debt Servicing Ratio) limits monthly mortgage payment to 55% of gross monthly income
- MAS cooling measures restrict leverage

Key Risks

- **ABSD is prohibitive** — 60% tax for foreigners makes Singapore the most expensive entry market. This is a deliberate government policy to cool foreign demand.
- **Property tax on rental income (non-owner-occupier)** — reformed to 12–36% progressive, significantly increasing holding costs for investors
- **Small market** — limited supply, limited liquidity. Government controls land supply release.
- **Cooling measure risk** — government adjusts cooling measures frequently; ABSD rates have only gone up
- **Low yields** — 2.8–2.9% gross yield barely covers costs after property tax, maintenance, and management

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10. Canada

Market Overview

Metric	Value
Price per sqm (Toronto centre)	C$11,624 (~$8,486 USD)
Price per sqm (Toronto outside)	C$9,564 (~$6,982 USD)
Gross rental yield (centre)	4.14%
Gross rental yield (outside)	4.31%
Mortgage rate	4.52%
Average monthly net salary (Toronto)	C$4,883

Canada has a strong housing market with long-term capital growth, but the **foreign buyer ban (effective January 1, 2023, extended to January 2027)** makes it the most restrictive market on this list. Even where the ban doesn't apply, provincial foreign buyer taxes add 15–25% on top.

Market cycle: Post-rate-hike correction. Prices have softened in Toronto and Vancouver. Strong underlying demand from immigration. Rents rising due to housing shortage.

Foreign Ownership Rules

- **Federal foreign buyer ban** (Prohibition on the Purchase of Residential Property by Non-Canadians Act):
  - **In effect January 1, 2023 to January 1, 2027** (extended 2 years in February 2024)
  - Prohibits non-Canadians from buying residential property in census metropolitan areas
  - **Exceptions:** Permanent residents, certain work permit holders (with conditions), international students (with conditions), refugee claimants, properties outside CMAs
  - Does NOT apply to commercial property
- **Provincial foreign buyer taxes (where ban doesn't apply):**
  - Ontario (Golden Horseshoe): 25% Non-Resident Speculation Tax (increased from 15% in 2022, then to 25% in 2024)
  - BC (Metro Vancouver): 20% Additional Property Transfer Tax
  - Nova Scotia: 5% deed transfer tax for non-residents (on properties outside municipality)

Tax Framework

Tax	Rate	Notes
Land transfer tax (LTT)	0.5–2.5%	Varies by province. Ontario: up to 2.5%. BC: up to 2%. Toronto has additional municipal LTT (doubles the provincial LTT).
Foreign buyer tax	15–25%	ON: 25% NRST. BC: 20% Additional PTT. Stackable with LTT.
Annual property tax	0.5–2.5%	Varies by municipality. Toronto: ~0.6%. Vancouver: ~0.3%.
Capital gains tax	Up to 33%	Federal (33%) + provincial (varies). 50% of capital gain is taxable at marginal rates. New 2024: 66.7% inclusion rate for gains >C$250k.
CGT withholding	25%	Withheld on sale of taxable Canadian property by non-resident (unless Certificate of Compliance obtained — which requires filing a tax return first)
Rental income (non-resident)	25% of gross OR marginal rates	25% withholding tax on GROSS rental income (no deductions). OR elect to file Section 216 return and pay tax on NET income at progressive rates (better if expenses are high).
Speculation tax (BC)	2%	Applies to vacant/non-resident owned property in certain BC areas

Company Structure

Federal or Provincial Corporation — recommended for foreign investors. - Why: Limited liability. Corporate tax 15% (federal) + provincial (11–16%) = 26.5–31%. No personal CGT discount for companies (individuals get

50% inclusion rate, companies pay full corporate rate on 100% of gain). - **Formation:** Federal incorporation: C$200 online. Provincial: C$300. No minimum capital. - **Ongoing:** Annual return + T2 corporate tax return. C$1,000–3,000/year compliance - **Important:** The foreign buyer ban applies to companies too — a foreign-owned Canadian company may still be subject to the ban. Must verify if the corporation qualifies as "Canadian" under the Act.

Financing

- Foreigners can get mortgages but need **35–50% down payment**
- CMHC (government-backed) insurance not available to non-residents
- Interest rates: 4.5–6% (premium over resident rates)
- Canadian banks (RBC, TD, Scotiabank, BMO, CIBC) lend to non-residents but with strict criteria
- Need: proof of income, credit history, down payment source documentation

Key Risks

- **Foreign buyer ban** — the single biggest barrier. Effectively cannot buy residential property in major Canadian cities until at least January 2027.
- **Layered taxes** — LTT + foreign buyer tax + property tax + speculation tax can exceed 30% of purchase price in Toronto/Vancouver
- **25% gross rental withholding** — unless you file Section 216 return, 25% of gross rent (not net) is withheld. This can make cash flow negative on leveraged properties.
- **Currency risk** — CAD is commodity-linked; closely tracks USD but can diverge
- **Heating costs** — Canadian properties have high utility costs (heating 6+ months/year)

Comparative Analysis: Key Decision Factors

1. Total Transaction Cost (Purchase + Taxes)

Country	Property Price	Stamp Duty/Purchase Tax	Notary/Legal	Total Cost to Buy
UAE	AED 1M ($272k)	4% = $10,880	~$1,100	~$284k (4.4%)
USA	$500k	~1.5% = $7,500	~$2,000	~$510k (2.9%)
Japan	¥100M ($670k)	~5% = $33,500	~$6,700	~$710k (6%)
Germany	€500k ($545k)	6% = $32,700	$8,175	~$586k (7.5%)
UK (non-resident 2nd home)	£500k ($635k)	12% = $76,200	$3,175	~$714k (12.5%)
Spain	€300k ($327k)	7% = $22,890	$4,905	~$355k (8.5%)
Portugal	€300k ($327k)	8% = $26,160	$3,270	~$356k (9%)
Australia (foreign, NSW)	A$1M ($650k)	13.5% = $87,750	$2,600	~$740k (14%)
Canada (foreign, Ontario)	C$1M ($730k)	27.5% = $200,750	$3,650	~$934k (27.9%)
	S$2M ($1.48M)	63.2% = $935k	$5,000	~$2.42M (63.5%)

Country	Property Price	Stamp Duty/Purchase Tax	Notary/Legal	Total Cost to Buy
Singapore (foreign)				

2. Net Rental Yield After Tax (Approximate)

Country	Gross Yield	Income Tax	Property Tax/Charges	Net Yield (Approx.)
USA	9.8%	30% of gross	1.5%	~5.4%
UAE	8.5%	0%	0% (service charges ~2%)	~6.5%
UK	6.0%	20–40% of net	Council tax (by tenant)	~4.0%
Spain	5.6%	24% of gross	0.7% IBI	~3.5%
Portugal	5.9%	25% of gross	0.5% IMI	~3.9%
Australia	4.5%	Up to 45% of net	1.5% (land + council)	~2.2%
Canada	4.3%	25% of gross	0.6%	~2.6%
Germany	4.2%	30–45% of net	0.5% Grundsteuer	~2.4%
Japan	3.4%	20.42% of net	1.7% (fixed + city)	~1.0%
Singapore	2.9%	22% of net	12–36% of AV	~0.5–1.5%

3. Foreign Friendliness Score

Factor	USA	UAE	UK	Spain	Portugal	Japan	Germany	Australia	Singapore	Canada
Can buy existing homes?								New only	Condos only	Banned
Foreign purchase tax	None	4%	2% + 5%	0%	0%	0%	0%	7–8%	60%	15–25%
Can get mortgage?						Hard				Hard
Income tax on rent	30%	0%	20–40%	24%	25%	20.4%	14–45%	Up to 45%	22%	25%
CGT on sale	15%	0%	24%	19%	28%	15–30%	0–45%	Up to 45%	0%	Up to 33%
Investor visa?	EB-5	Golden	Tier 1	Ended	D7/D8	Mgmt visa	Limited	Limited	GIP	Limited

4. Best Use Case by Country

Country	Best For
USA	Yield-focused investors wanting high cash flow, diversified markets, and LLC liability protection
UAE (Dubai)	Tax-free income, highest net yields, investor visa, capital preservation in USD-pegged currency

Country	Best For
UK	Capital preservation in a global financial hub, long-term appreciation, liquid market
Spain	Lifestyle investment, affordable EU entry, tourism-driven short-term rentals
Portugal	Lowest Western European entry price, EU residency via D7/D8, affordable lifestyle
Japan	Capital preservation, ultra-low interest rates, weak yen opportunity, land ownership
Germany	EU's largest economy, strong legal system, long-term hold (>10yr CGT exemption)
Australia	Long-term capital growth, transparent market — but only for new builds as a foreign buyer
Singapore	Capital preservation, political stability, no CGT — but 60% entry tax is prohibitive
Canada	Currently closed to most foreign residential buyers (ban to 2027); commercial only viable

Company Structure Summary by Country

Country	Entity Type	Formation Cost	Min Capital	Annual Compliance	Recommended For
USA	LLC (Delaware/ Wyoming)	$300–500	$0	$200–600/yr	All foreign investors
UAE	Free Zone Company	AED 12k–25k	AED 0	AED 12k–25k/yr	Portfolio (3+ properties)
UK	SPV Ltd Company	£12–50	£0	£200–3,000/yr	All buy-to-let investors
Spain	SL (Sociedad Limitada)	€600–1,500	€3,000	€1,000–2,000/yr	Large portfolios only
Portugal	Lda (Limitada)	€500–1,000	€1	€800–1,500/yr	Large portfolios only
Japan	GK (Godo Kaisha)	¥200k–300k	¥1	¥100k–200k/yr	Foreign investors (3+ properties)
Germany	GmbH	€800–1,500	€25,000	€1,500–3,000/yr	Commercial/large portfolios
Australia	Pty Ltd	A$500–900	A$0	A$1,000–3,000/yr	Portfolio investors (FIRB still applies)
Singapore	Pte Ltd	S$300–1,500	S$1	S$2,000–5,000/yr	Commercial property only (ABSD makes residential unviable)
Canada	Federal/ Provincial Corp	C$200–300	C$0	C$1,000–3,000/yr	Commercial property only (ban on residential)

Strategic Recommendations by Investor Profile

For Maximum Cash Flow (Yield Focus)

1. **USA** — 9.8% gross yield outside city centres, LLC protection, no foreign restrictions
2. **Dubai** — 8.5% gross yield, zero income tax, zero CGT, Golden Visa available
3. **UK regional cities** — 6%+ yields in Manchester/Birmingham (outside London)

For Capital Preservation

1. **Singapore** — stable, no CGT, strong currency (but 60% entry tax)
2. **Japan** — weak yen entry, land value preservation, low rates
3. **UK (London)** — global safe haven, liquid market

For Tax Efficiency

1. **UAE** — zero income tax, zero CGT, zero annual property tax
2. **Singapore** — zero CGT (but high entry cost and high property tax on investors)
3. **Germany** — zero CGT if held >10 years (individuals)

For Residency/Visa

1. **UAE** — 10-year Golden Visa with AED 2M (~$545k) property investment
2. **Portugal** — D7/D8 visa with property (passive income/digital nomad, not investment-based)
3. **UK** — Innovator Founder visa (not property-linked)

For Lowest Entry Cost

1. **Portugal** — Lisbon outside centre: ~€3,880/sqm (~$4,230/sqm)
2. **Spain** — Madrid outside centre: ~€3,798/sqm (~$4,140/sqm)
3. **Dubai** — outside centre: ~AED 14,712/sqm (~$3,972/sqm)

Sources

Source	URL	Data Provided
Numbeo Property Prices Index 2026 Mid-Year	https://www.numbeo.com/property-investment/rankings_by_country.jsp	Country-level rental yields, price-to-income ratios
Numbeo City Property Pages	https://www.numbeo.com/property-investment/in/[City]	City-level price/sqm, mortgage rates, rental yields, salaries
UK Government (HMRC)	https://www.gov.uk/guidance/capital-gains-tax-for-non-residents-uk-residential-property	Non-resident CGT rules, 60-day reporting

Source	URL	Data Provided
Singapore IRAS	https://www.iras.gov.sg/taxes/stamp-duty/land/absd	ABSD rates for foreign buyers
Australian FIRB	https://www.firb.gov.au	Foreign investment rules, fees
Canada ISED	https://ised-isde.canada.ca	Foreign buyer ban legislation

Report compiled August 2026. Data as of Numbeo 2026 Mid-Year update. Tax rates and rules are subject to change — verify with a local licensed advisor before proceeding with any purchase.

MAITRE CAPITAL FZCO

Prepared for international investor distribution — August 2026