




International Buyer's Guide to Purchasing Real Estate

Navigate the complexities of cross-border property investment with confidence. This comprehensive guide covers every essential component you need to successfully purchase real estate internationally.



Why Buy Real Estate Internationally?

Global real estate investment reached \$59billion in Canada/US. alone in 2022, demonstrating robust international demand and confidence in cross-border property markets.

Vacation Homes

Personal retreats in desirable destinations for family getaways and leisure

Rental Income

Investment properties generating passive income through short or long-term rentals

Permanent Residence

Long-term living arrangements for relocation or retirement abroad

Education Housing

Accommodations near universities for students studying internationally

Top U.S. markets for international buyers: Florida leads with Miami's luxury market, followed by California's coastal cities, Texas urban centers, Arizona retirement communities, and New York metropolitan areas.

Step 1: Define Your Purpose & Budget

Clarify Your Investment Goals

Before exploring properties, establish clear objectives for your purchase. Understanding your primary purpose shapes every subsequent decision.

- **Vacation property:** Seasonal use with potential rental income during off-seasons
- **Investment asset:** Focus on appreciation potential and rental yield
- **Family residence:** Long-term living with emphasis on schools and community
- **Student housing:** Proximity to universities with manageable maintenance



Calculate Your True Budget

International purchases involve costs beyond the listing price. Plan for currency fluctuations, exchange fees, and unexpected expenses.

10-15%

Additional Costs

Percentage beyond purchase price for fees, taxes, and closing costs

2-5%

Currency Risk

Potential exchange rate fluctuation impact on your investment

3-8%

Annual Maintenance

Ongoing property upkeep as percentage of property value

Step 2: Understand Local Market & Legal Landscape

Regulations vary dramatically across jurisdictions. What's standard in one country may be prohibited in another, making local expertise essential for compliance and protection.

Federal Regulations

National laws governing foreign ownership, including FIRPTA (Foreign Investment in Real Property Tax Act) in the U.S., which requires withholding on sales by foreign sellers

State & Regional Rules

Varying property taxes, disclosure requirements, and ownership structures that differ significantly between states and provinces

Local Ordinances

Municipality-specific zoning laws, rental restrictions, and building codes that directly impact property use and value

- ❏ **Critical consideration:** Foreign buyers can own property in most countries, but may face complex tax implications, financing restrictions, and withholding requirements. Early consultation with cross-border tax specialists prevents costly surprises.

Step 3: Partner with Trusted Local Professionals



Build Your Expert Team

Success in international real estate requires a network of qualified professionals who understand cross-border complexities.



Real Estate Attorney

Essential for reviewing contracts, conducting title searches, and ensuring legal compliance. They protect your interests through complex closing procedures and identify potential legal issues before they become problems.



Licensed Real Estate Agent

Seek agents with CIPS (Certified International Property Specialist) designation who specialize in serving foreign buyers and understand cultural nuances, communication preferences, and international transaction protocols.



International Tax Advisor

Navigate dual taxation treaties, foreign investment reporting requirements, and optimize your tax position in both your home country and the property location. Understanding withholding obligations is crucial.



Mortgage Broker

Specialists in foreign national financing can access lenders willing to work with international buyers, explain down payment requirements, and guide documentation needs for securing favorable loan terms.

Step 4: Financing & Payment Options



Cash Purchases

44% of international buyers in the Canada market choose all- cash transactions, avoiding financing complexities and strengthening negotiating position



Foreign National Mortgages

Available with 30-40% down payment, higher interest rates, and extensive documentation requirements including proof of foreign income

What Lenders Require from International Buyers

01

Proof of Income & Assets

Tax returns, bank statements, and employment verification from your home country, often requiring certified translations

02

U.S. Bank Account

Established checking or savings account to facilitate payments and demonstrate financial presence

03

Credit Documentation

International credit report or a substantial down payment to offset lack of credit history

04

Valid Identification

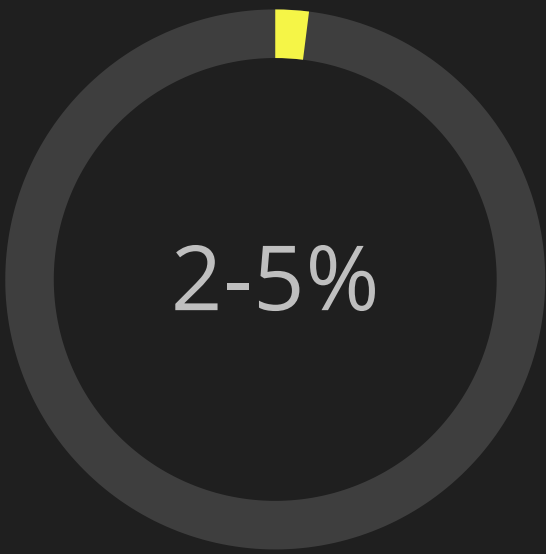
Passport, visa documentation, and proof of legal status for property ownership

Financing advantages: While cash purchases are simpler, leveraging mortgage financing can preserve liquidity for other investments and potentially provide tax benefits. Compare total costs carefully including exchange rate impacts.

Step 5: Due Diligence & Property Inspection

Protect Your Investment Through Thorough Investigation

Never skip due diligence, regardless of market pressure. Comprehensive property examination prevents expensive surprises and ensures you understand exactly what you're purchasing.



Closing Cost Budget
Typical percentage of purchase price for closing fees, inspections, and unexpected expenses

1

Title Search

Verify clean ownership history and identify liens or encumbrances

2

Property Inspection

Structural, mechanical, and safety assessment by licensed inspector

3

Zoning Verification

Confirm permitted uses align with your intended purpose

4

Environmental Review

Check for contamination, flood zones, or environmental restrictions

5

HOA Documentation

Review association rules, fees, and financial health if applicable



Days for Inspection
Standard contingency period to complete due diligence before finalizing purchase

☐ **International buyer tip:** If you cannot visit the property in person, arrange for trusted representatives or use comprehensive video tours. Never waive inspection contingencies to remain competitive, protect yourself.

Step 6: Closing the Deal & Post-Purchase Steps

Navigate the Closing Process

The final steps involve coordinating multiple parties, transferring funds internationally, and ensuring all legal requirements are met. Understanding the timeline prevents last-minute complications.



Essential Post-Purchase Responsibilities

- ### Property Insurance

Secure comprehensive coverage immediately, including international liability protection and natural disaster coverage appropriate to the region
- ### Property Taxes

Understand payment schedules, appeal processes, and whether taxes are escrowed or paid directly to municipalities
- ### Ongoing Maintenance

Establish local property management for routine upkeep, emergency repairs, and tenant coordination if renting
- ### Tax Reporting

File required international investment disclosures in your home country and property tax returns in the purchase location

Marketing & Resale Considerations for International Buyers

Strategic planning for future resale maximizes your investment return. International properties require specialized marketing approaches that reach global buyers and showcase unique value propositions.

Professional Presentation is Essential

- **High-Quality Photography**
Professional images highlighting architectural features, views, and lifestyle benefits
- **Virtual Tours & Videos**
360-degree walkthroughs enabling remote buyers to experience the property authentically
- **Multilingual Listings**
Property descriptions translated into target buyer languages with cultural sensitivity
- **Drone Footage**
Aerial perspectives showcasing location, surrounding amenities, and neighborhood context



Leverage International Marketing Networks

Digital Marketing

Targeted social media campaigns reaching international buyers in key markets through Facebook, Instagram, and WeChat

Global Portals

Listings on international platforms like Sotheby's, Christie's, and region-specific real estate networks

Agent Networks

Partnerships with CIPS-certified agents who maintain relationships with qualified international buyers

❏ **Resale tip:** Maintain detailed records of all improvements, upgrades, and maintenance. Documentation increases buyer confidence and supports your asking price during negotiations.

Your Global Real Estate Journey Starts Here

International real estate investment opens doors to new opportunities, lifestyle enhancement, and portfolio diversification. While the process involves complexity, proper preparation and expert guidance transform challenges into manageable steps.



Plan Thoroughly

Research markets, understand regulations, and establish clear investment criteria before beginning your search



Partner with Experts

Build a qualified team of international specialists who protect your interests throughout the transaction



Embrace the Opportunity

Own your dream property abroad while building lasting connections to new communities and cultures

Ready to Begin Your International Property Search?

Contact a **Certified International Property Specialist (CIPS)** today to explore opportunities tailored to your goals. These professionals understand cross-border complexities and will guide you from initial search through successful closing and beyond.

"The best time to invest in international real estate was yesterday. The second best time is today. With proper guidance and preparation, your global property ownership dreams are within reach."

Your journey to international property ownership begins with a single conversation. Take that first step today and unlock the possibilities that await in global real estate markets.