

International Investors Guide

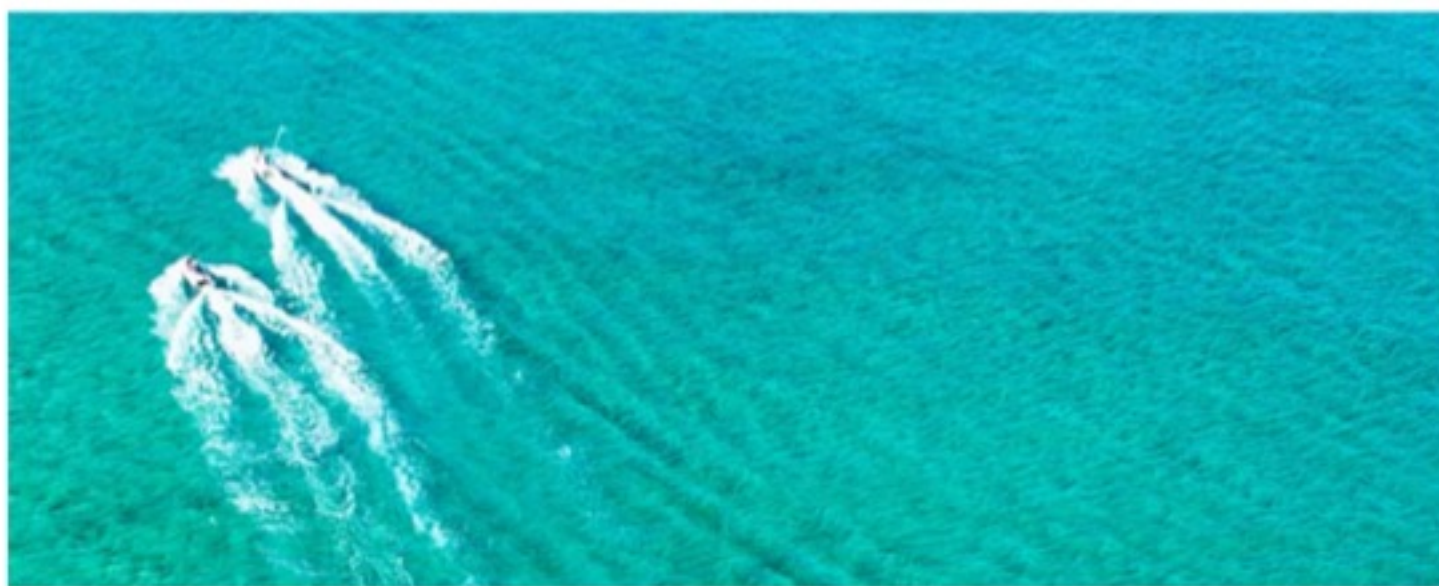
A COMPLETE GUIDE TO INVESTING IN THE BAHAMAS





Investing in The Bahamas

Explore real estate investment opportunities in The Bahamas with insight from Colonial Realty LTD. Our investor guide provides a practical overview of the Bahamian property market, covering ownership requirements, purchasing considerations, and opportunities across residential, income-producing, and development properties. Whether you are diversifying your portfolio or evaluating your next acquisition, gain the local perspective needed to make informed decisions aligned with your investment objectives.





Why invest in The Bahamas?

The Bahamas offers a diverse real estate market for investors seeking portfolio diversification, rental income potential, or long-term ownership. Opportunities range from residential homes and waterfront residences to income-producing properties, development land, and private islands. Its coastal setting and distinctive lifestyle add to its appeal, while each investment should be assessed against local demand, acquisition costs, operating expenses, and resale prospects.

The country's tax environment is another consideration. The Bahamas currently imposes no personal income tax, capital gains tax, or net wealth tax. However, property ownership and transactions may attract real property tax, VAT on conveyances, legal fees, and other applicable charges. International investors should also consider tax obligations in their country of residence or citizenship. With thorough due diligence and informed local guidance, investors can identify opportunities that align with their financial objectives and investment horizon.

The Bahamas offers opportunities for investors seeking rental income, portfolio diversification, and properties that combine personal use with investment potential. Waterfront residences and established residential communities provide options for different investment strategies. Acquisition decisions should be guided by property-specific pricing, local demand, ownership costs, and long-term objectives.

Rental properties can support both long-term residential leasing and short-term vacation accommodation. Returns depend on achievable rental rates, occupancy, location, seasonality, and operating expenses. Investors should assess applicable tenancy laws, registration requirements, tax obligations, and any community restrictions before purchasing. Careful financial analysis and experienced local guidance can help identify properties suited to a sustainable rental strategy.



Before Securing your Investment

Foreign Ownership & Registration

International buyers can acquire real estate in The Bahamas under the International Persons Landholding Act. The requirements depend on the purchaser's status, the property, and its intended use. Qualifying purchases of condominiums or properties intended for personal residential use generally require a Certificate of Registration rather than a permit.

A permit is generally required for acquisitions outside these provisions, including commercial investments and purchases of undeveloped land that would make the buyer the holder of two or more contiguous acres, subject to statutory exceptions.

Government Fees

- Certificate of Registration: **B\$1,000**
- Permit fee: **Confirm with the Bahamas Investment Authority**
- Additional costs: Transaction taxes, legal fees and recording charges

Completing Your Purchase

Before proceeding, have your Bahamian attorney confirm whether your acquisition requires registration or a permit, based on your status and intended use of the property. The required certificate or permit must accompany the acquisition documents when recorded with the Registrar General's Department. Confirming these requirements early can help avoid delays at closing.

CONFIRM ACQUISITION AND RESIDENCY REQUIREMENT WITH YOUR ATTORNEY BEFORE PROCEEDING.



Economic Permanent Residency

B\$1,000,000

MINIMUM QUALIFYING
INVESTMENT

10 Years

MINIMUM ASSET
HOLDING PERIOD

Qualifying investments include Bahamian real estate or Central Bank Zero Coupon Bonds. Residency requires application and government approval; property ownership does not automatically grant residency. Eligible spouses and dependent children may be endorsed, subject to applicable requirements and fees.





Finalizing your Investment

TAXATION

Effective July 2023, international investors acquiring real estate in The Bahamas will encounter a standardized Value Added Tax (VAT) rate of 10%. This regulatory update ensures transparency and uniformity for our global investors engaging in real estate transactions within the Bahamian market.

PURCHASE & CLOSING COST

When finalizing the purchase process, there are a few additional fees and taxes to be made aware of. There is a real estate commission of 6% for residential or commercial developed property. Legal fees of 2.5% subject to a Value Added Tax rate of 10%.

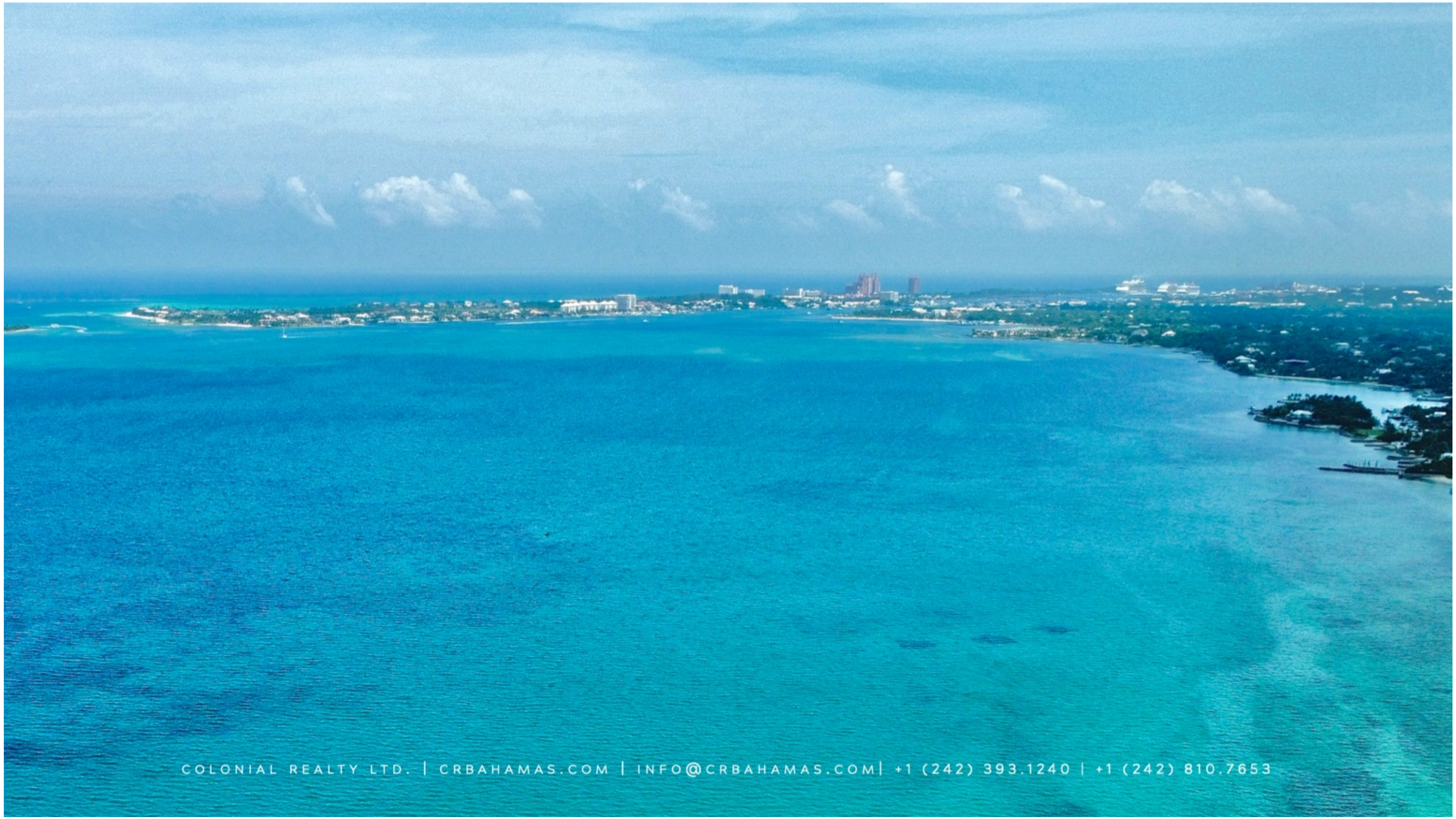
— FOREIGN NATIONAL VAT SCHEDULE —

< \$100,000	10%
\$101K to \$300K	10%
\$301K to \$500K	10%
\$501K to \$700K	10%
701K to 1M	10%
1M >	10%



2021 CHAMBERS REAL ESTATE GLOBAL PRACTICE GUIDE, GRAHAM THOMPSON. 2021 •
THE BAHAMAS TO IMPOSE 10% VAT FLAT RATE FOR FOREIGN INVESTORS, COLONIAL
REALTY LTD. 2023 • STATUTE LAWS OF THE BAHAMAS, CHAPTER 140 INTERNATIONAL
LANDHOLDERS ACT, BAHAMAS FINANCIAL SERVICES BOARD. 2010. • OFFICE OF THE
PRIME MINISTER BUDGET COMMUNICATION MAY 2024. • BAHAMAS IMMIGRATION
DEPARTMENT | PERMANENT RESIDENCE 2024.
• COLONIAL REALTY LTD. ALL RIGHTS RESERVED 2024. ® •

October 2026 revision.



COLONIAL REALTY LTD. | CRBAHAMAS.COM | INFO@CRBAHAMAS.COM | +1 (242) 393.1240 | +1 (242) 810.7653