

# BYER'S GUIDE

Tips and info for buying  
property in

**The Bahamas**

# Looking To Purchase a Second Home in The Bahamas?

Or are you looking for vacant land on which you can build your dream home?

*It can be a pleasant experience without major surprises if you do it right from the start and know what to expect.*

We know the market, we know the ins and outs, and we know the pitfalls.

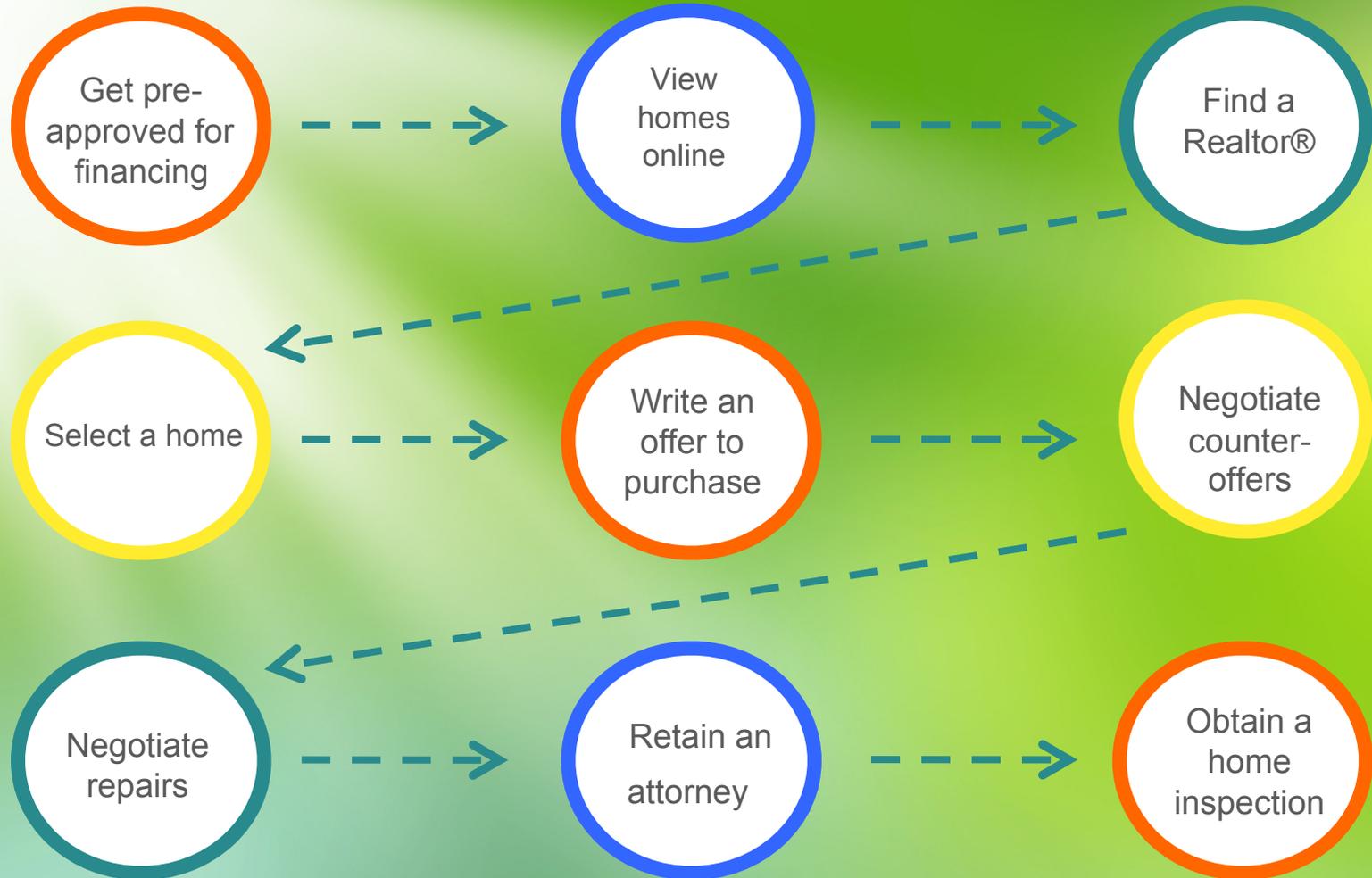
We would love to get to know you! We would like to know what you are looking for and how we can be of service to you.

One thing is for sure. You will always feel welcome here in The Bahamas.



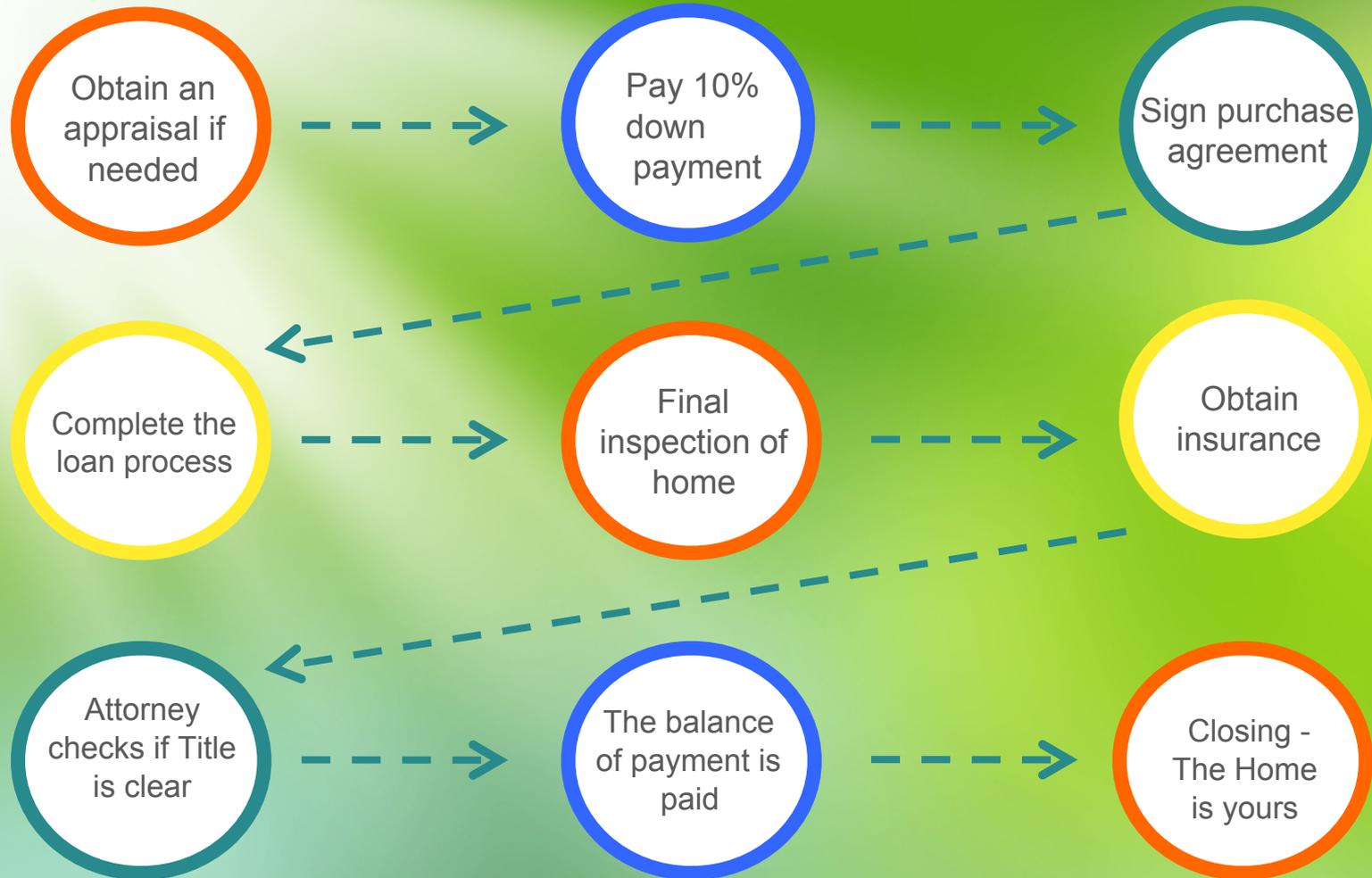
# The Buying Process

## Part 1



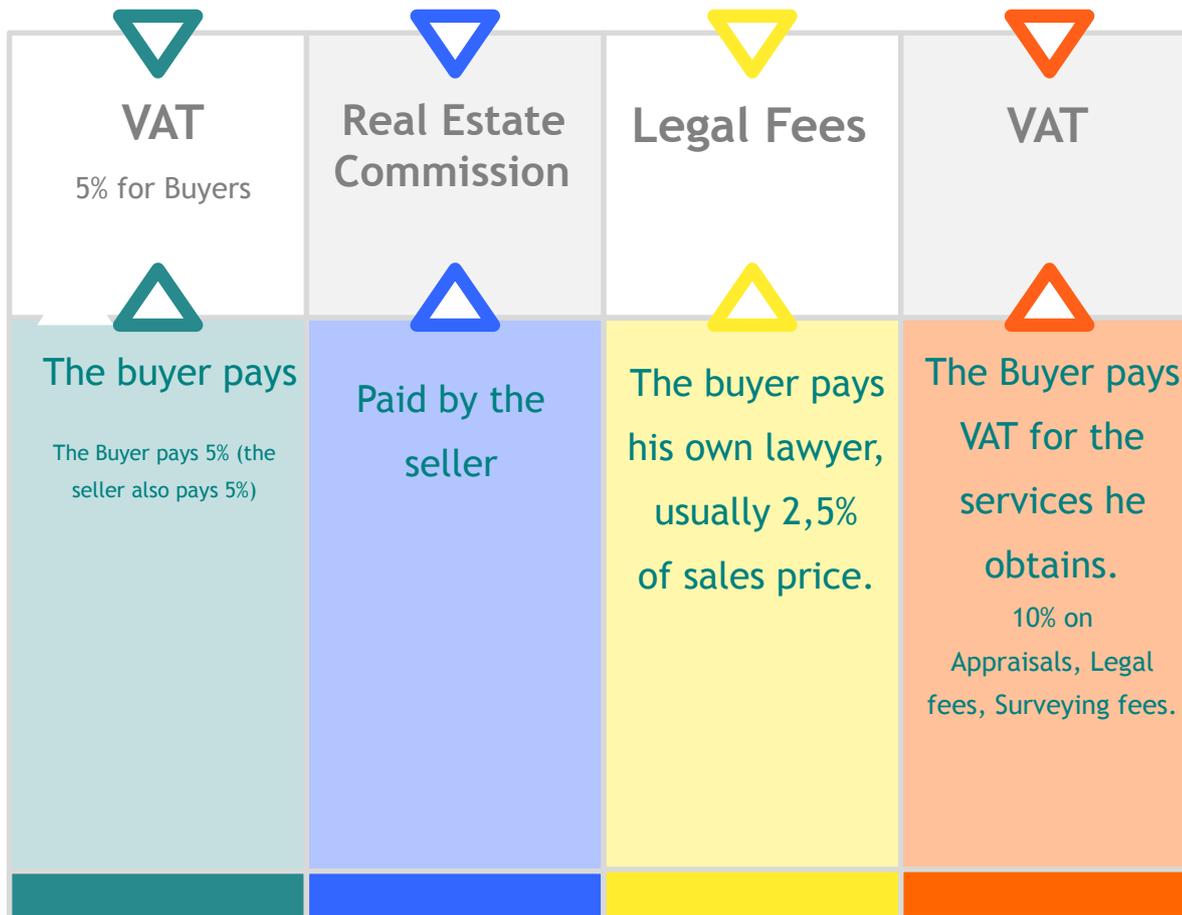
# The Buying Process

## Part 2



# The Cost for Foreigners - Buying Property

Please check with your attorney for the latest taxes. The previous Government Stamp Tax is now called VAT and this is generally shared equally between buyer and seller – unless otherwise agreed.



# Buying property

in The Bahamas if you are non-Bahamian

## **Under 2 acres – single-family use**

If you are a non-Bahamian citizen and you don't own property already, you only need to register your investment with the government.

## **Over 2 acres or 2 acres other than single-family use**

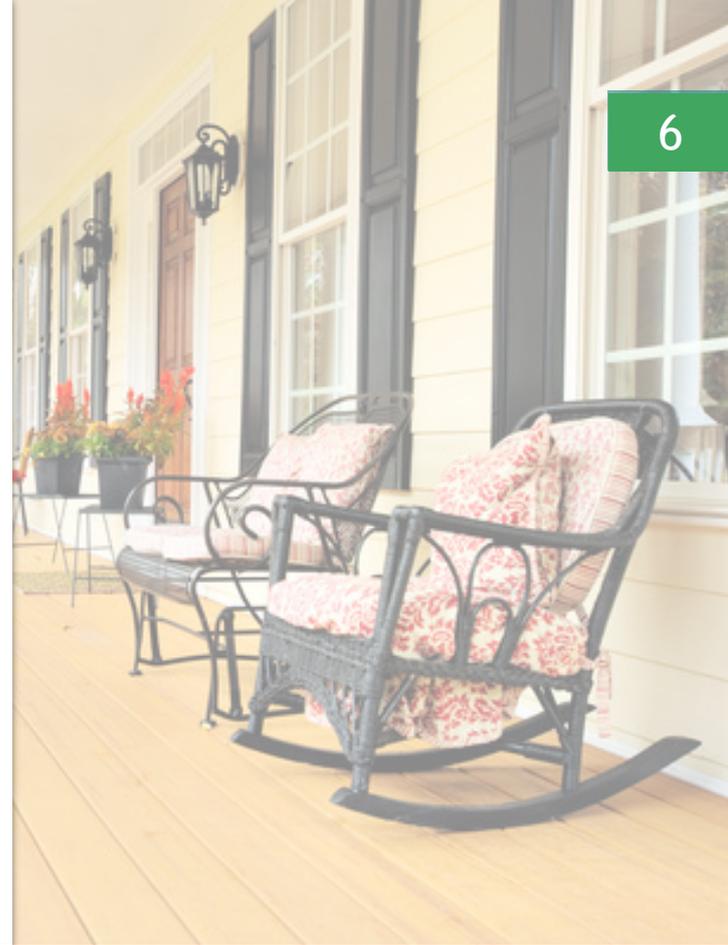
If you are purchasing for anything other than single-family use, or the property is over two acres in size, you need to apply for a Government permit to purchase the property.

There is a small fee for this permit.

**Registering your investment with the Foreign Investment Board ensures that you will be able to remit the net proceeds of sale outside the Bahamas in the currency of the original investment.**

**You also need to register your investment with the Exchange Control at the Central Bank of The Bahamas.**

**For more info, see this link: [The International Persons Landholding Act.](#)**



# Annual Real Property Tax

## For Foreigners

### Homes

Owner Occupied: No tax on the first \$300,000.

\$300,000 - \$500,000 you pay 0.625% - Over \$500,000 the tax is 1%.

Vacation Rental (or rental):  
0,75% under \$500,000  
1% between \$500,000 - \$2 million  
Over \$2 million, 1.5%.

Annual Cap: Maximum payable annual tax is \$60,000 - \$120,000 depending on category, no matter how big and expensive your property is.

### Vacant Land

If the market value is \$7,000 or less, the fee is \$100 a year.

If the market value is more than \$7,000 the tax rate is 2 % a year.

### Commercial

If the market value is \$500,000 or less, the tax rate is 0,75% a year.

If the market value is between \$500,000 and \$2 million, the tax rate is 1% a year.

Over \$2 million, the tax rate is 1.5%

# Annual Real Property Tax

## Exemptions only for Bahamian Citizens

No property tax in the family islands.

No property tax on land owned by Bahamians.

No property tax on commercial farmland that is approved by the Ministry of Agriculture, Trade and Industry and Finance.

No property tax for properties used for Charitable or public service from which no profit is derived.

No property tax for properties in Freeport, Grand Bahamas.

# Home Owner's Residence Card



A home owner's residence card does not give you permission to work. However, it makes it easier to enter every time you return to The Bahamas. **This is NOT a permanent residence card.**

You can apply to the Director of Immigration to get a homeowner's resident card. If Immigration is satisfied that you are a person of good character and able to support yourself and your family, they will issue a card for a fee.

Visas are not required of citizens of the United Kingdom or Canada, provided their stay does not exceed 3 weeks and they have a return ticket leaving the Bahamas.

Visas are not required of US citizens for staying less than 8 months.

Bahamas Immigration Department permits are needed to reside, work or engage in any business.

# Permanent Residency

## There are two categories of permanent residency:

1. Permanent residency with the right to work
2. Permanent residency without the right to work.

Foreign buyers who invest \$1 million or more in Bahamian real estate may apply for permanent residency, allowing them to live in the Bahamas indefinitely, though separate work permits are required for employment. The application fee is \$20,000.

They can also invest in Zero-coupon bonds issued by the Central Bank of the Bahamas



Applicants must be of good character, show evidence of financial support and commit in writing that they wish to live permanently in the Bahamas. They must spend 90 days in The Bahamas per year.

Wives and dependent children (under 18 years) may be endorsed on the certificate when the original application is approved.

Major international investors and owners of residences valued at \$1.5 million or more, receive speedy consideration for permanent residency permits.



Building Your Dream Home

# Questions you might have about building in The Bahamas



## Building Permit

You will need to obtain approval from the Government. You can apply for a building permit issued by the Ministry of Works. A local architect or engineer would be able to assist you with this.

## Building Professionals

There are good, qualified architects, contractors and engineers available in The Bahamas. Most architects in the Bahamas were schooled either in the United States, Canada or the United Kingdom and have international accreditations. There is a local licensing Board for architects.



The leading contractors are often civil engineers with international accreditations or have certified engineers on staff. Many of the smaller contractors are products of a good apprentice system and are very adept and skilled at efficiently carrying out residential construction. Civil, mechanical and electrical engineers in the Bahamas, like the architects - were schooled in other countries and hold international accreditations from those respective countries and must also have a license issued by their respective Local Boards.

# More questions you might have about building

## Local Financing

There are options for local financing. Normally that requires a 40% down payment of the value and the funds are given in US\$.

## Building Costs

On average you can count on the cost of building In The Bahamas being much higher than a similar Home in south Florida. This is mainly due to import duty, freight and delivery cost to site.



# Contact Info

*"Many years ago, my goal and dream was to move to the Bahamas to enjoy the warmth, the social lifestyle and the beauty of the islands. I made it happen, and have loved every moment since. Now my passion is to help you do the same". Unni Berg*

For questions about Real Estate on San Salvador Island in The Bahamas, contact:

Unni Berg, Licensed Realtor®

Cell: (242) 577-7511

Email: [uberg@morleyrealty.com](mailto:uberg@morleyrealty.com)

**I live and work on San Salvador Island in The Bahamas.**

Other qualifications:

Seller Representative Specialist (SRS)

Real Estate Negotiation Expert (RENE)

Resort & Second-Home Specialist (RSS)

Accredited Buyer's Representative (ABR)

