DOM | REAL ESTATE CAPITAL

BUYER'S GUIDE · OCTOBER 2026

Buying property in the Dominican Republic.

A plain-spoken guide for international buyers: the process, the real costs, the taxes, and the questions to ask before you sign.

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The law is open. The outcome depends on your checking.

Foreigners can buy property in the Dominican Republic on the same terms as Dominicans, and the title is registered in your name or your company's. What separates a good purchase from a bad one is rarely the law. It is how carefully you check the project, the contract and the numbers.

DEFINE THREE THINGS FIRST

Purpose

Second home, rental income, or a mix. This decides the location, the unit and how you read the numbers.

Real budget

The price, plus closing costs, plus the first year of running costs and furnishing.

Horizon

How long you plan to hold, and how you would sell or rent. Think about the exit before you enter.

HOW DOM WORKS

We are an independent advisor to the buyer, not a developer. We run the full number before you sign (true acquisition cost, taxes, escrow, exit), review the project, developer, title and contract. We do not promise returns.

The purchase, step by step.

01 Goals and budget

Purpose, budget, timeline and how you will pay.

02 Shortlist and visit

Compare projects and developers. Visit the site or take a video tour with your advisor.

03 Due diligence

An independent lawyer checks title, boundaries, liens, permits and the developer's record (see page 5).

04 Reservation

A reservation holds the unit while the contract is prepared. In projects we advise it is typically US$3,000 to US$5,000.

05 Promise of Sale

The binding contract: price, payment schedule, delivery date, penalties, specifications and refund terms.

06 Pay by schedule

Installments follow the contract. Ask who holds your payments and how they are protected: some projects use an escrow agent or a trust, others do not. Understand it before you pay.

07 Delivery and title

At completion you sign the final deed of sale and the title is registered in your name.

> Buying a completed or resale property is shorter: due diligence, a sale agreement, payment, and transfer of title.

Two ways to buy, two different risks.

	PRE-CONSTRUCTION	COMPLETED
Entry price	Usually lower than finished units in similar projects, with payments spread over construction.	Full price at purchase.
Payments	Staged, for example 15–30% at signing, 30–40% during construction, the balance at delivery.	Lump sum or negotiated terms.
Main risk	Delays, developer solvency, changes to the project. Reduce it with payment protections (such as escrow or a trust) and a proven developer.	Hidden defects, liens, unpaid condominium fees. Reduce it with an inspection and a title study.
Use or income	None until delivery, often two to three years.	Immediate.
Value path	Depends on delivery, the area and the market. Not guaranteed.	A known product you can see and measure.
Fits	Buyers with time who want to spread the investment.	Buyers who need to use or rent it now.

Check this before any money moves.

LAND AND TITLE

- [ ] Certificate of title (Certificado de Título) in the developer's name or the seller's.
- [ ] Boundaries confirmed by a survey (deslinde).
- [ ] No liens, mortgages or pending litigation on the land.

PERMITS

- [ ] Municipal no-objection and construction license.
- [ ] Environmental license where required.
- [ ] Tourism (MITUR) approval where applicable.
- [ ] Condominium regime registered for the project.

DEVELOPER

- [ ] Company registration, and authority of whoever signs.
- [ ] Track record: projects delivered, on time, with owners you can call.
- [ ] Financial solvency and construction partners.

MONEY AND CONTRACT

- [ ] Payment protection (escrow, trust or other): who holds the funds, and what releases them.
- [ ] Payment schedule, penalties in both directions, delivery date and remedies for delay.
- [ ] Specifications annex and refund terms.

> Use an independent lawyer. The developer's lawyer works for the developer.

What it really costs.

Plan for the price plus the items below. The figures are orders of magnitude to help you budget; ask your lawyer for a written, itemized closing budget before you sign.

ITEM	WHAT TO EXPECT
Reservation	Set by the developer. Normally counted toward the price.
Transfer tax	3% of the sale price (or the DGII appraised value if higher), unless a valid exemption applies.
Legal and notary fees	Depend on the lawyer and the scope. Request a written quote.
Registration and administrative fees	Title registration and condominium documents. Part of the closing budget.
Furnishing	Budget separately if the unit is delivered unfurnished.
Running costs	Condominium fees (one project we advise states an estimate of US$1.50 to US$2.50 per m^2 per month), annual property tax (IPI) only on the value above the exempt amount, insurance and utilities.

ILLUSTRATIVE EXAMPLE

Apartment priced at US$300,000. Transfer tax at 3% is US$9,000, and US$0 if the project holds a valid exemption. Add legal and administrative costs from your lawyer's quote, and furnishing. This is an example, not a quote.

Payment plans, and protecting your money.

Most pre-construction projects sell on a staged plan. The plan matters less than how your money is protected while the building goes up.

PROJECT	RESERVATION	AT SIGNING	DURING CONSTRUCTION	AT DELIVERY
MareAlta Condos, Cap Cana	Per contract	**15%**	**25%**	**60%**
Velero at Bayahibe	US$3,000	**20%**	**40%**	**40%**
Gran Cosón, Las Terrenas	US$5,000	**30%**	**40%**	**30%**

> Examples from projects DOM advises. Terms and prices change; each is confirmed in the contract.

ESCROW OR TRUST, WHERE AVAILABLE

Some projects hold your payments with an independent third party, such as an escrow agent or a trust under Dominican Law 189-11, and release them only against verified construction milestones. Not every project has one. If there is none, ask what else protects your payments and get it in writing.

ASK IN WRITING

- ☐ Who holds the funds, and what is their track record?
- ☐ What exactly releases each payment?
- ☐ What happens to my money if the project stops?
- ☐ Can I read the escrow or trust agreement before I sign?

The tax and residency points that move the numbers.

Transfer tax: 3%

Paid once, at the transfer of title, on the sale price or the DGII appraised value if higher.

Annual property tax (IPI)

A tax of 1% a year, charged only on the part of the value above an exempt amount that DGII updates each year. The exempt part pays nothing: IPI = (value – exempt amount) × 1%. In general the exempt amount applies to the combined value of your properties in the country, and many buyers fall below it.

CONFOTUR

Law 158-01 and its amendments grant eligible tourism projects an exemption from the transfer tax and the IPI for up to 15 years. Ask for the resolution number. An application in process is not an approval.

Resale gains and rental income

Both are taxed, and the rules depend on your status and how long you hold. Ask a tax advisor in the Dominican Republic and in your home country.

Residency

A real estate investment can support a residency application. Minimum amounts and requirements are set by immigration authorities and change, so confirm with your lawyer.

Source of funds

Expect anti-money-laundering forms (Law 155-17) and bank checks. Keep documentation of where the money comes from, and wire in US dollars.

Seven mistakes to avoid.

1 **Paying a deposit before checking the title.**
Reserve only after the title and the developer have been verified.

2 **Trusting a render instead of the contract.**
Only the specifications annex binds the developer.

3 **Skipping the penalty clauses.**
Read what happens if you pay late, and what happens if the developer delivers late.

4 **Assuming CONFOTUR.**
Without the resolution, do not count the exemption in your numbers.

5 **Forgetting running costs and rental rules.**
Condominium fees, taxes and any limits on short-term rental change your net result.

6 **Reacting to urgency.**
Availability is real, but pressure is a sales tactic. A good unit survives a week of checking.

7 **Buying without an independent lawyer.**
You need someone whose only client is you.

Ten questions to ask any developer.

01 Who owns the land, and can I see the certificate of title?

02 Which permits are issued, and which are pending?

03 Which projects have you delivered, and may I speak with owners?

04 Who holds my payments, and what releases them?

05 What is the delivery date, and what happens if you are late?

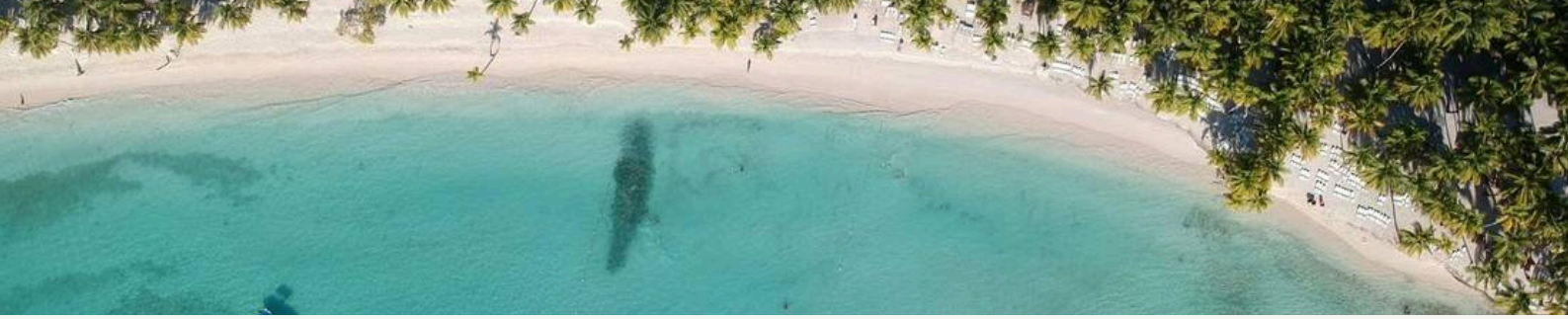
06 What exactly is included, and where is it written?

07 What are the condominium fees, and who sets them?

08 Is the project approved under CONFOTUR? Which resolution?

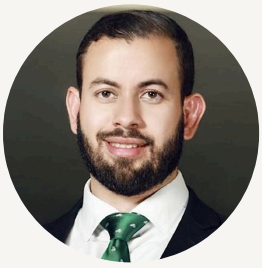
09 What are the rules for renting the unit short term?

10 What can I do if I need to sell before delivery?



Let's run your numbers.

Tell us your purpose, budget and horizon. We will tell you what fits, what does not, and why, before you commit capital.



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IMPORTANT This guide is general information, not legal, tax or investment advice. Laws, rates and thresholds change; verify them with a qualified lawyer and tax advisor before you decide. DOM Real Estate Capital does not promise returns or appreciation. Project terms mentioned are examples and are confirmed in each contract.