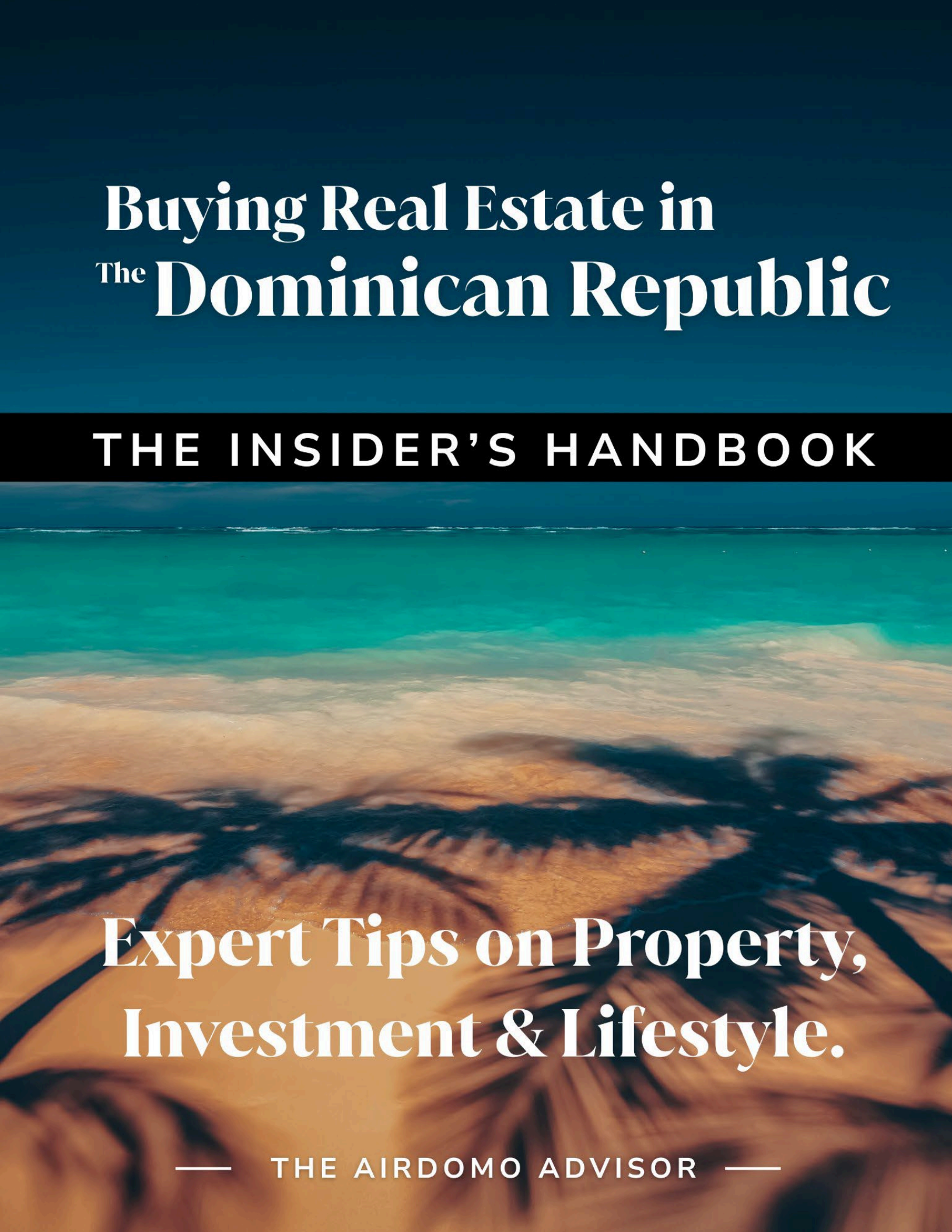




Buying Real Estate in The Dominican Republic

THE INSIDER'S HANDBOOK

**Expert Tips on Property,
Investment & Lifestyle.**

— THE AIRDOMO ADVISOR —

Important Notice

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A Letter From Our CEO

Dear Reader,

If you're reading this guide, chances are someone told you about the Dominican Republic and it surprised you. That's how it happens. People expect a beach vacation and discover a real estate market that is among the most dynamic and accessible in the Caribbean.

I started Airdomo because I kept meeting international buyers who were ready to invest in cross-border property but couldn't find a process that matched the seriousness of the decision. A million dollar villa purchase in a foreign country, in a different legal system, transacted in a different currency, deserves a level of guidance and coordination that most platforms simply don't provide.

The Dominican Republic rewards buyers who do their homework. The government actively encourages foreign investment through generous tax incentives on new construction. The ownership framework gives foreigners the exact same rights as Dominican citizens. And the range of markets, from the luxury enclaves of Cap Cana and Casa de Campo to the bohemian coastline of Las Terrenas and the emerging frontier of Miches, means there is a property here for nearly every profile and budget.

This guide covers ownership rules, the buying timeline, tax obligations (including the Confotur incentives that can change your math significantly), neighborhood character, and how our concierge team and Alliance partners support you from first inquiry through closing and beyond.

We do the homework so you can focus on the exciting part.

Welcome to Airdomo.

Stephanie Gilezan

CEO & Co-Founder, Airdomo



Market Overview

Who Buys Here

The Dominican Republic attracts the broadest buyer base of any Caribbean market. North Americans (U.S. and Canadian) represent the largest foreign buyer segment, drawn by proximity (2 to 4 hour direct flights from most East Coast cities), affordability relative to other Caribbean destinations, and strong rental yield potential in tourism zones. European buyers, particularly French, German, Italian, and Spanish nationals, have a long-established presence, especially on the North Coast and the Samana Peninsula. A growing cohort of Latin American buyers from Colombia, Venezuela, and Mexico round out the international demand.

The buyer profile is more varied here than in higher-priced Caribbean markets. You'll find retirees on fixed incomes purchasing condos in Bavaro, ultra-high-net-worth families building estates in Cap Cana, digital nomads setting up in Cabarete, and institutional investors developing branded resort residences across the East Coast. The Dominican Republic's lower entry price points (quality condos start under \$200,000) make it accessible to a wider range of international buyers.

Why They Choose The Dominican Republic

Five factors drive the market. First, value: dollar for dollar, you get more property here than in virtually any other Caribbean destination. Second, the government actively incentivizes foreign investment through the Confotur Law (Law 158-01), which can exempt qualifying new-construction purchases from transfer taxes, property tax, capital gains tax, and income tax on rental revenue for up to 15 years. Third, there are zero restrictions on foreign ownership. Fourth, the tourism engine: over 10 million visitors annually create consistent rental demand, particularly in Punta Cana, which receives roughly 65% of all arrivals through its own international airport. Fifth, the residency pathway: a \$200,000 real estate investment can support an investor visa application.

Market Character

The Dominican Republic is the Caribbean's leading tourism destination by visitor volume and one of its fastest-growing real estate markets. The economy has posted among the strongest GDP growth rates in Latin America for over a decade. Unlike many island markets, the DR is a large, diverse country with multiple distinct real estate corridors spread across different coastlines and climates. Transactions are denominated in Dominican pesos (DOP), though USD is widely used in resort and luxury markets. The legal system is civil law (derived from French and Spanish tradition), not common law, which means the buying process, title registration, and notarial requirements differ from what North American and British buyers may be accustomed to.

The Dominican Republic welcomed over 10 million tourists in 2024, making it the most visited destination in the Caribbean. Punta Cana alone receives approximately 65% of all international arrivals.



Can I Own Property Here?

The Short Answer

Yes. Under Foreign Investment Law 16-95, foreigners enjoy the exact same property ownership rights as Dominican citizens. There are no restrictions based on nationality, no caps on foreign ownership within buildings or developments, and no requirement that you partner with a local. You can buy, sell, rent, mortgage, and inherit real estate on the same terms as any Dominican national.

Freehold Ownership

Property in the Dominican Republic is held as freehold ("pleno dominio"), meaning you own the land and structures outright, permanently, with full rights to transfer. Ownership is evidenced by a Certificate of Title issued by the Registry of Titles (Registro de Titulos) under Law 108-05. This certificate is the definitive legal proof of ownership and any encumbrances. The registry is public, and title searches are a standard part of due diligence.

Corporate Ownership

Foreign buyers can hold property in their personal name or through a locally registered company (typically an SRL, the Dominican equivalent of an LLC). Corporate ownership can simplify future transfers and provide certain estate planning benefits, but it also adds compliance obligations including annual tax filings and corporate maintenance. Your attorney can advise on which structure best fits your situation.

Important Nuances

Two areas require extra attention. First, the 60-meter coastal protection strip under Law 305-68: beachfront property marketed as buildable may fall within a restricted zone where construction is limited or prohibited. Your attorney must verify this before purchase. Second, Dominican forced heirship rules may affect how property passes to your heirs, particularly if you are married. These can be managed with proper structuring, but they need to be addressed proactively.

Residency Through Property Investment

Purchasing property in the Dominican Republic does not automatically grant residency, but it can support an investor visa application. A real estate investment of \$200,000 or more qualifies you to apply for residency through the immigration authority (Direccion General de Migracion). The process typically takes 3 to 6 months. Several special programs also exist, including Law 171-07 for foreign retirees and rentiers, which offers reduced tax rates on foreign-source income.

The Dominican Republic places no restrictions on foreign property ownership. You receive the same rights as a Dominican citizen: full freehold title, registered at the government land registry, with unrestricted ability to buy, sell, rent, or inherit.



The Buying Process

The typical purchase timeline runs 60 to 90 days from accepted offer to closing. The process operates under civil law, meaning notarial authentication and government registration are central to the transaction.

Step	Description	Timeline
1. Engage an Attorney	Retain a Dominican attorney who specializes in real estate. They will obtain your RNC (tax ID number), conduct the title search (Certificacion del Estado Juridico), and manage the entire registration process. Legal fees typically run 1 to 1.5% of the purchase price.	Week 1
2. Negotiate & Sign Promise of Sale	A Promesa de Venta (Promise of Sale) is signed by both parties and notarized. This binds the deal and outlines the terms, price, deposit amount, and closing timeline.	1-2 weeks
3. Pay Deposit	A deposit of 10 to 30% is standard, paid to an escrow account or the seller's attorney. The percentage is negotiable and depends on local practice and seller requirements.	At signing
4. Due Diligence	Your attorney verifies the Certificate of Title at the Registry, confirms no liens or encumbrances, checks for outstanding taxes, verifies the property's legal status (including coastal setback compliance), and reviews HOA documents if applicable.	2-4 weeks
5. Closing & Transfer	The final sale contract (Contrato de Venta) is signed before a Dominican notary, who authenticates the document. You pay the 3% transfer tax to DGII (tax authority). The notarized contract is then filed with the Registry of Titles, which issues a new Certificate of Title in your name.	2-4 weeks
6. Registration	The Registry of Titles processes the transfer and issues your Certificate of Title. Official processing time is approximately 35 business days, though complex cases can take longer.	35+ business days

Total timeline from accepted offer to title in hand: approximately 60 to 120 days. Straightforward transactions in established developments tend to close faster. Rural land or properties with title irregularities can take significantly longer.



Taxes, Fees & Cost of Ownership

Transfer Tax (3%)

The Dominican Republic charges a flat 3% transfer tax on all property purchases, assessed on the higher of the declared purchase price or the DGII's (tax authority) appraised value. This rate applies equally to Dominicans and foreigners. There is no VAT on residential property sales. The 3% rate is among the lowest transfer taxes in the Caribbean.

The Confotur Advantage

This is the single most important tax consideration for buyers of new construction in tourism zones. The Confotur Law (Law 158-01) exempts qualifying properties from transfer tax (3%), annual property tax (IPI), income tax on rental revenue, and capital gains tax on resale, for a period of up to 15 years from the date the project is certified. Most new condo and resort-residence developments in Punta Cana, Cap Cana, Casa de Campo, Las Terrenas, and other tourism areas carry Confotur certification. If you are buying new construction, confirm Confotur status before signing.

Attorney & Notary Fees

Legal fees for a standard purchase run 1 to 1.5% of the purchase price. Notarial authentication fees are modest and fixed by law. Total buyer-side closing costs (transfer tax, legal, notary, registry) typically range from 4 to 8% of the purchase price.

Agent Commission

Real estate commissions typically range from 5 to 10% and are paid by the seller, though practices vary. In resort areas, commissions are often built into the developer's pricing.

Annual Property Tax (IPI)

The Impuesto al Patrimonio Inmobiliario (IPI) is an annual property tax of 1% assessed on the combined value of all real estate owned by an individual that exceeds the exempt threshold (currently approximately RD\$8,000,000, or roughly \$140,000 USD). Properties below this threshold owe no annual tax. The IPI is paid in two installments: March and September. Confotur-certified properties are exempt from IPI for the duration of the incentive period.

Capital Gains Tax

The Dominican Republic levies a 27% capital gains tax on the net profit from property sales. This is a significant difference from zero-CGT jurisdictions like TCI and The Bahamas. However, Confotur-certified properties are exempt from capital gains tax during the incentive period, which can make new construction in tourism zones substantially more tax-efficient.

Rental Income Tax

Net rental income is taxed at 27%. Owners can deduct maintenance, insurance, management fees, and depreciation to arrive at the net figure. Residential rentals are not subject to the 18% ITBIS (Dominican VAT). Confotur properties are exempt from rental income tax during the incentive period.

What Does NOT Apply

Tax Type	Status in The Dominican Republic
Inheritance Tax	Does not exist (abolished 2012)
Wealth Tax	Does not exist
VAT on Residential Sales	Does not apply
Foreign Buyer Surcharge	Does not exist (same rates as citizens)
<i>The Confotur Law is the game-changer in this market. For qualifying new-construction purchases in tourism zones, it can eliminate transfer tax, annual property tax, capital gains tax, and rental income tax for up to 15 years. Always confirm a property's Confotur status before purchasing.</i>	



Key Areas & Neighborhoods

The Dominican Republic's real estate market spans the entire island, but foreign investment concentrates in several distinct corridors along the East Coast, North Coast, and in the capital.

Punta Cana & Bavaro (East Coast)

The primary tourism and real estate market in the country. Punta Cana's international airport receives roughly 65% of all visitors. Bavaro Beach is the main hotel and condo corridor, with a wide range of developments from accessible resort condos to luxury beachfront villas. This is the highest-volume market for both sales and short-term rentals, with established property management infrastructure and strong occupancy rates.

Buyer profile: Rental income investors, vacation home buyers seeking established infrastructure, first-time DR purchasers who want the most liquid market.

Cap Cana

The most prestigious gated community in the country, located just south of Punta Cana. Cap Cana is a master-planned luxury development featuring the Punta Espada golf course (ranked #1 in the Caribbean), a deep-water marina, private beaches, and a growing collection of branded and independent luxury residences. This is where the Dominican Republic's ultra-luxury market lives.

Buyer profile: Ultra-high-net-worth families, luxury second-home buyers, golf and marina enthusiasts, investors seeking premium rental rates and long-term appreciation.

Casa de Campo (La Romana)

One of the Caribbean's most established luxury resort communities, located about an hour east of Santo Domingo. Casa de Campo spans 7,000 acres and features three Pete Dye golf courses (including Teeth of the Dog, consistently ranked among the world's best), a 350-slip marina, polo fields, an equestrian center, and a private beach club at Minitas Beach. The residential community is mature and tightly held.

Buyer profile: Generational families, golf enthusiasts, buyers seeking an established community with decades of track record, those who value resort infrastructure and social networks.

Las Terrenas (Samana Peninsula)

A bohemian beach town on the Samana Peninsula's north coast that has become the preferred market for European expats and lifestyle buyers. The town combines spectacular beaches with a walkable, cosmopolitan downtown of French bistros, Italian trattorias, and local Dominican restaurants. Real estate ranges from beachfront condos to hillside villas with ocean views. The recent opening of a Marriott Luxury Collection property signals the area's upward trajectory.

Buyer profile: European lifestyle migrants, long-stay buyers who plan to spend extended time on island, buyers seeking authentic Caribbean character over resort infrastructure, artists and entrepreneurs.

Santo Domingo

The capital and largest city, home to 3+ million people and the oldest permanent European settlement in the Americas. The Zona Colonial (Colonial Zone) is a UNESCO World Heritage Site experiencing a wave of restoration and foreign investment. Modern neighborhoods like Piantini, Naco, and Evaristo Morales offer contemporary high-rise living with urban amenities. Santo Domingo is the country's commercial and cultural hub, with the strongest long-term rental market.

Buyer profile: Urban lifestyle buyers, culture-driven investors, long-term rental income seekers, professionals and entrepreneurs who need proximity to the capital's business infrastructure.

Cabarete & Sosua (North Coast)

Cabarete is world-famous for kiteboarding and windsurfing, attracting an active, international community of sports enthusiasts, digital nomads, and expats. Sosua, nearby, offers a more established residential market with older condo inventory and an active expat social scene. Price points on the North Coast are generally lower than the East Coast, and the area has a distinct laid-back, adventure-oriented character.

Buyer profile: Active lifestyle buyers, kiteboarding and watersports enthusiasts, digital nomads, budget-conscious investors seeking strong rental yields relative to entry price.

Miches & the Emerging South

Miches, on the northeast coast, is the country's most talked-about emerging market. Club Med opened a resort here, and the area is being positioned as the next frontier for eco-luxury development. The southern coast (Barahona, Pedernales) is even earlier-stage, with government efforts to develop eco-tourism infrastructure. These are frontier markets with significant upside potential and corresponding risk.

Buyer profile: Early-stage investors, eco-tourism developers, buyers with a long time horizon who want to get in before major development arrives.



How Airdomo Works in This Market

The Concierge Process

Airdomo is a concierge platform that connects serious international buyers with the right property, the right local expertise, and the right transaction support, from first inquiry through closing and beyond.

Step 1: Discovery Call

You speak with an Airdomo advisor who understands the Dominican Republic's regional markets, the critical differences between Confotur and non-Confotur properties, and how to structure your purchase for your specific goals (personal use, rental income, residency, or a combination).

Step 2: Curated Property Selection

Based on your criteria (budget, use case, preferred coastline, rental income goals, Confotur eligibility) we present a shortlist of properties sourced from our inventory and our Alliance partner network, filtered to what fits your situation.

Step 3: Alliance Partner Introduction

We connect you with a vetted, on-the-ground Alliance partner: a licensed Dominican real estate professional who handles viewings, local negotiations, and boots-on-the-ground diligence. Our Alliance partners are selected for market expertise, responsiveness, and a track record with international buyers.

Step 4: Transaction Support

Your Airdomo concierge coordinates between you, your Alliance partner, your Dominican attorney, the notary, and the Registry of Titles to keep the transaction on track. In a civil law jurisdiction where notarial authentication, tax authority clearance, and registry filings all need to happen in sequence, having someone manage the coordination is not optional for a buyer working from abroad.

Step 5: Post-Purchase

Airdomo can connect you with property management, rental licensing, insurance providers, Confotur compliance support, and residency application assistance. Your investment continues to get attention long after closing day.

Ready to explore the Dominican Republic? Visit airdomo.com to start a conversation with our concierge team.

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