

International real estate can increase investment returns

By spreading their risk, real estate investors will have a far greater chance of increasing their investment returns and building a solid base on which to increase their wealth.



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"This is provided that the investor does the necessary research and adheres to the prime principles of property investment," says James Bowling, CEO of Monarch&Co.

"One of the key considerations property investors need to take into account - whether they are purchasing locally or internationally - is location, as this will have a major bearing on the financial success of the investment over the long-term," he says. "When it comes to selecting a location, investors often look at the various international hotspots to determine which fits into their future plans and which will offer the biggest benefit to their portfolio."

The country an investor chooses to purchase property in will be largely based on their motivation and purpose for making the purchase. "If an investor is buying for personal use, their decision will be based on where they want to spend their time and which country appeals to them the most. However, if the purchase is purely for investment reasons, then the decision will be based on factors such as the economic stability and growth of the country in which the property is situated," Bowling explains.

Top ten hotspots

Looking at top international property investment hotspots, Bowling points to a recent report by the Telegraph UK, which ranks the top ten international real estate hotspots to include London, New York, Hong Kong, Moscow, Sydney, Paris, Mumbai, Shanghai, Tokyo and Singapore. All of these hotspots offer different benefits to investors.

"However, while these locations are regarded as the current international property hotspots, not all of the countries in which these cities are situated offer residency or citizenship by investment programmes linked to property investment. Residency or citizenship is often a major motivator for Africans who are looking to make an international property purchase."

Bowling points out that of the hot spots listed above, only the UK and the USA currently have citizenship through investment programmes available to investors who do not have any ancestral ties to those nations.

Popular option

"Residency and citizenship by investment programmes have become a popular option for high-nett-worth individuals seeking the lifestyle and tax benefits that a citizenship, particularly within a European Union country, can provide," says Bowling.

There are also several other countries which offer solid property investment opportunities linked to residency or citizenship by investment programmes. These include Antigua & Barbuda, Grenada, St Kitts & Nevis, Mauritius, Malta, Greece, Portugal and Cyprus.

Countries which offer residence and citizenship programmes often use their tourist, tax and economic advantages to market their programmes. "Many of these countries also establish themselves as financial service centres by creating a low tax jurisdiction, thereby making it attractive for individuals and corporates to make the country their new tax domicile. The high tourism interest coupled with low tax benefits will make purchasing property in these jurisdictions a very sound investment," says Bowling.

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