

A guide for Non-Resident investment in Canadian real estate

Fast Facts for Foreign Buyers

12%

Percentage of international real estate investment in Canada

40-60yrs

Average age of foreign investors

\$500K

Average home price in Canadian dollars



What is a Non-Resident?

Any investor who does not have "significant residential ties" in Canada are generally considered a Non-Resident (NR). These ties could include:

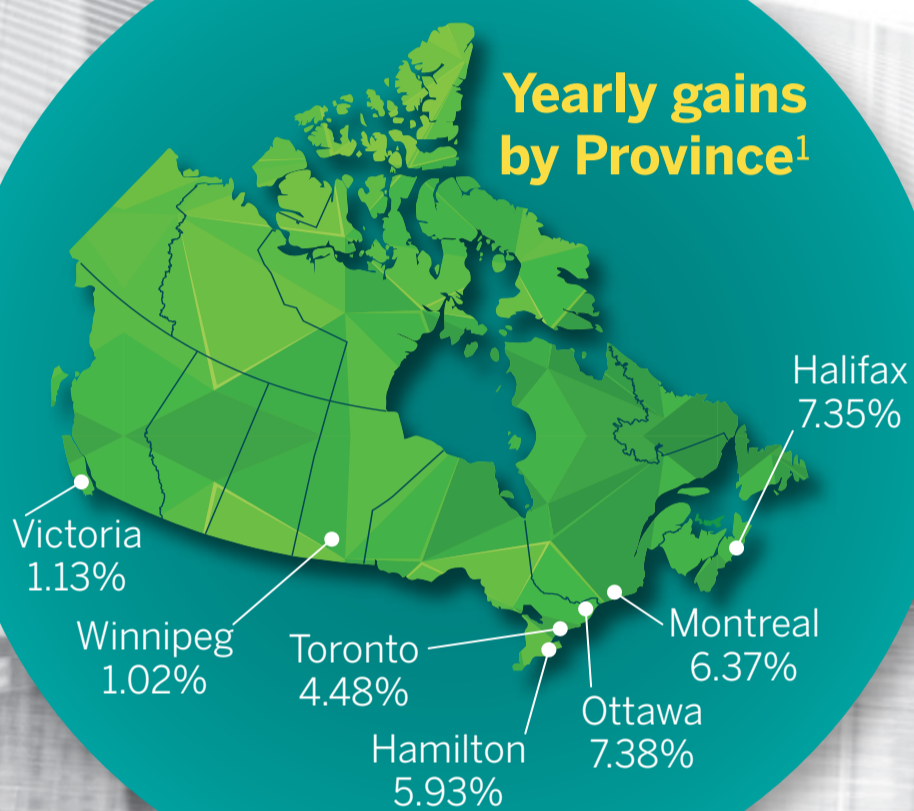
Primary:

- Home in Canada
- Spouse or common-law partner in Canada
- Dependents in Canada

Secondary:

- Personal property (cars, furniture, etc.) in Canada
- Canadian driver's license or passport
- Provincial health insurance in Canada
- Economic ties to Canadian bank accounts or credit cards
- Social ties to Canadian recreational or religious organizations

Yearly gains by Province¹



Additional fees

Financing



- Most NRs finance through a Canadian bank
- NRs are subject to some financing restrictions
- Must have down payment, proof of income, reference from bank of resident country

Insurance



- 3 types: Residential, Title, Commercial

Real Estate Agents and Lawyers



- Real Estate agent negotiates purchase price and finalizes deal
- Lawyer is necessary for final paperwork

Property taxes



- Charged annually to municipality
- Based on type of property and location
- Can be paid as a lump sum or monthly

NRs buying and selling in Canada

NRs can purchase or sell real estate via a variety of structures. Choosing the right structure could help you potentially minimize taxes.

4 methods to hold real estate

Personal

Corporate*

Partnership

Trust

- * • Canadian corporation
- Canadian corporation (Unlimited liability company)
- Foreign corporation

What is a Non-Resident Corporation?

Non-Canadian corporations are those whose management and board of directors operate in a jurisdiction outside Canadian borders.

Work with an expert

Each NR purchase is unique. Factors like country of residence, type of property, and corporate structure present specific factors that influence taxation and overall profitability.

In working with an expert firm like Zeifmans, you'll have access to a team of experienced professionals who can guide you through every step of the process.

Contact our team today to get started.

As a member of Nexia International, we belong to a network that spans over 700 offices in more than 120 countries. Our international business savvy is unparalleled, and over the last 60 years we've worked with countless clients to secure excellent Canadian property investments.



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¹ Global Property Guide, "Canada: Slow Down Before a New Boom?", <https://www.globalpropertyguide.com/North-America/Canada/Price-History>