

RATENOMAD

FREE GUIDE · 2026 EDITION

The EU Mortgage Guide for Expats

Down payments, closing costs, foreign-buyer rules, and mortgage rates across six European countries — in plain English.

DE — Germany

UK — United Kingdom

PL — Poland

FR — France

ES — Spain

NL — Netherlands

6

COUNTRIES COVERED

27

PAGES

2026

EDITION

Buying Property in Europe as a Foreigner: The Honest Guide

Germany · United Kingdom · Poland · France · Spain · Netherlands

You've found a city you love. Maybe you've already picked the neighbourhood. The price looks manageable — until you start asking questions. Then the numbers multiply. The rules contradict each other depending on which website you read. Your bank back home says it can't help. A local bank wants three years of tax returns translated into a language you don't speak.

This guide is an attempt to cut through that.

It covers six countries: Germany, the UK, Poland, France, Spain, and the Netherlands. For each one, we answer three questions that matter most to anyone buying from the outside:

- How much cash do you actually need before the process starts?
- What are the fees on top of the purchase price — and why does nobody mention them?
- What extra rules or restrictions apply because you're a foreigner?

No financial jargon. No "it depends" without an explanation. Just the numbers and the logic behind them.

The Two Things Nobody Tells You

Before the country-by-country breakdown, two facts that hold true everywhere in Europe — and that catch most foreign buyers off guard.

The advertised minimum deposit is not your deposit

Every country has a minimum down payment that gets quoted online. In Germany, websites say 10%. In the Netherlands, technically 0%. In Poland, 10% with insurance.

These numbers are real. But they apply to the ideal local buyer — someone with local employment, a local tax history, and a local bank account.

You are not that buyer.

As a foreigner — even as an EU citizen — you're an unknown quantity to a European bank. They can't call your employer to verify your income in three minutes. Your credit history doesn't exist in their system. Your income comes in a currency they may not lend in. So they ask for more cash upfront as security.

In every country in this guide, foreign buyers face a higher deposit requirement than the headline figure. Sometimes a little higher. Sometimes double.

The closing costs are a separate bill — paid in cash

When you agree on a price with a seller, that's not your total cost. On top of the purchase price, you owe a collection of taxes, legal fees, and administrative charges that vary by country and can range from 4% to 15% of the price.

None of this can be added to your mortgage. It comes from your savings. It's due at signing or shortly before.

In Germany, these costs run 9–15% of the purchase price. Spain is 10–15%. France is 7–8% on older properties. The cheapest in this guide is the Netherlands at 4–6%.

The table below shows what you're actually looking at as a foreign buyer — deposit plus fees — before you've made a single mortgage payment.

The Real Numbers: What You Need Before You Start

| Country | Foreign buyer deposit | Closing costs on top | Total cash needed |
|----------------|-----------------------|----------------------|-------------------|
| Germany | 30-40% | 9-15% | 39-55% |
| United Kingdom | 25-40% | 5-10% | 30-50% |
| Poland | 20-30%* | 6-10% | 26-40% |
| France | 25-30% | 7-12% | 32-42% |
| Spain | 30-40% | 10-15% | 40-55% |
| Netherlands | 20-30%† | 4-6% | 24-36% |

*Poland: foreign buyers without local income usually can't get a mortgage at all — this is effectively a cash purchase for most.

†Netherlands: residents can borrow 100% legally, but see the Netherlands chapter — the overbidding market creates hidden cash requirements.

Germany

What kind of country is this to buy in?

Germany is methodical. The legal process is thorough, the paperwork is substantial, and the costs are high. But the system works well and there's no ambiguity about who owns what.

Anyone in the world can buy property in Germany — no permit, no approval process, no restrictions. What varies is how much a bank will lend you and how much you'll pay in purchase taxes.

The purchase taxes vary by state, which is where things get interesting. Buying in Munich costs thousands less in transfer tax than buying in Cologne, for the same property price.

How much cash you need

If you live and work in Germany: Banks treat you similarly to a German national. You can borrow up to 80–90% of the property value, meaning a 10–20% deposit. This assumes you can document your income — employment contract, two years of tax returns, recent payslips.

If you're buying from outside Germany: The rules change significantly. Banks set a lower ceiling on how much they'll lend — typically 50–70% of the property value. That means you need 30–50% of the purchase price as a deposit before the bank will consider your application.

The currency of your income matters too. EUR, GBP, CHF, and USD are viewed as stable and accepted by most German lenders. Income in other currencies adds complexity and some banks won't process it at all.

The closing costs — and why they vary so much by location

Germany's closing costs are structured and mostly non-negotiable. You pay what you pay.

Property transfer tax (Grunderwerbsteuer) is the biggest single cost, and it's set at the state level. Bavaria charges 3.5%. North Rhine-Westphalia charges 6.5%. On a €400,000 property, that's a difference of €12,000 from this one tax alone. It's a legitimate reason to compare bordering states before committing to a location.

| State | Transfer tax |
|-----------------|--------------|
| Bavaria, Saxony | 3.5% |

| State | Transfer tax |
|---|--------------|
| Hamburg | 4.5% |
| Hesse | 6.0% |
| Berlin | 6.0% |
| North Rhine-Westphalia, Brandenburg, Saarland, Schleswig-Holstein | 6.5% |

Notary fees (Notarkosten): 1.0–1.5% of the purchase price. Set by federal law, not negotiable. The notary is a neutral public official who handles the legal transfer — not a lawyer representing either party.

Land registry (Grundbuchamt): 0.3–0.5%.

Estate agent commission (Maklercourtage): Since 2020, buyers and sellers split the agent's fee 50/50. The total is usually 3.57–7.14% including VAT, so your share is 1.78–3.57%. If there's no agent involved, you don't pay this.

Total: 9–15% on top of the purchase price. This must come from your savings. German banks don't include closing costs in the mortgage.

What foreign buyers need to know specifically

There are no legal restrictions on foreigners owning property in Germany. No permit. No nationality restrictions. The challenge is purely financial — tighter mortgage conditions and more documentation requirements.

One thing non-residents are excluded from: KfW programs. These are government-subsidized loans for energy-efficient homes, sometimes worth up to €150,000 at reduced interest rates. They're available to German residents. If you're buying from abroad, they're off the table.

Mortgage rates right now

The European Central Bank cut rates aggressively in 2024–2025, and German mortgage rates followed. A 10-year fixed rate in early 2026 sits around 3.3–3.6% for a well-qualified applicant. Non-resident buyers typically add 0.2–0.5 percentage points to that.

German mortgages are almost always fixed for a set period — 5, 10, or 15 years is typical. Variable rate products exist but are rarely used. Most buyers lock in for a decade, because German financial culture strongly prefers certainty over flexibility.

After you own it: what you pay every year

Property tax (Grundsteuer): Recalculated under a new formula that took effect in January 2025. The annual amount varies significantly by municipality and property size — somewhere between €500 and €2,000 per year for a typical apartment, but this figure is genuinely hard to predict before purchase.

Capital gains tax: Zero if you hold the property for more than 10 years. This is called the Spekulationsfrist — speculative period. Hold longer than 10 years and you pay nothing on the gain. Sell earlier and you pay your marginal income tax rate on the profit. Exception: if the property was your primary residence for at least the three years before sale, the gain is tax-free immediately.

Five things that matter most as a foreign buyer

Get financing confirmed before you make offers. German sellers see an offer without a Finanzierungsbestätigung (financing confirmation letter) as not serious. Local buyers have theirs ready. Without one, you'll be deprioritised or ignored.

Apply for any KfW subsidies before signing the contract. If you qualify as a resident, the KfW application window closes the moment the purchase contract is signed. You can't apply retroactively.

Budget the full 9-15% closing costs in cash. This is the number that catches most people. They budget for the property price and forget the second bill.

Pick your state carefully. A €400,000 property costs €12,000 more in transfer tax in NRW than in Bavaria. That's a real number and it's worth factoring into location decisions.

Open a German bank account early. Most lenders require a German account for mortgage disbursements. For non-residents, this takes 2-4 weeks to set up.

Sources: [HypoFriend German Mortgage Guide](#), [Bundesministerium der Finanzen – Grunderwerbsteuer](#), [KfW](#), [ImmobilienScout24 Kaufnebenkosten](#)

United Kingdom

What kind of country is this to buy in?

The UK has no restrictions on foreign property ownership. You can be any nationality and buy freely. What changed with Brexit in 2021 is that EU citizens no longer get preferential treatment — they're now in the same category as everyone else who isn't a UK resident.

The buying process is solicitor-led rather than notary-led, which means the legal work runs in parallel with your search rather than happening on a fixed closing day. The downside: until "exchange of contracts," neither party is committed. The seller can accept a better offer. You can walk away. This creates a grey period of weeks or months where the deal exists but isn't real.

How much cash you need

UK residents (including those on Skilled Worker visas): 5–15% deposit is standard, with 10% being typical in practice.

Non-residents without UK visa: Most lenders require 25–40%. Private banks and specialist international brokers can sometimes source 75% LTV for strong applicants, but you're operating in a small market.

Cash purchases are common among overseas buyers. If you're not living in the UK, it's often simpler than navigating the non-resident mortgage market.

Stamp Duty — the cost that dominates

Stamp Duty Land Tax (SDLT) is the UK's property transfer tax, and it has more layers than any other country in this guide.

Standard rates (England and Northern Ireland, 2025):

| Property price | Tax rate |
|---------------------|----------|
| Up to £250,000 | 0% |
| £250,001 – £925,000 | 5% |
| £925,001 – £1.5m | 10% |
| Above £1.5m | 12% |

On top of the standard rate, two surcharges may apply to you:

Non-UK resident surcharge: +2% on every tier if you are not UK resident at the time of purchase. This applies regardless of whether it's your first or only property.

Additional dwelling surcharge: +3% if you already own any property anywhere in the world. This catches a lot of foreign buyers who didn't think of their home country apartment as relevant.

To make this concrete: a non-resident buying a £400,000 flat who already owns property elsewhere pays 5% (standard) + 2% (non-resident) + 3% (additional dwelling) = 10%, or £40,000 in stamp duty alone.

Other closing costs:

- Solicitor fees: £1,500–£3,000 flat
- Land Registry: £135–£540
- Survey: £400–£900 (not legally required, but strongly advisable — sellers in the UK are not obligated to disclose defects)

Total closing costs: 5-10% depending on price and circumstances.

The leasehold situation — understand this before you buy a flat

Nearly every flat in England and Wales is leasehold rather than freehold. This is a fundamentally different form of ownership from what most Europeans and Americans are used to. You own the right to live there for the remaining term of the lease — not the property itself.

Before buying any leasehold flat, check three things:

How long is the lease? A lease under 80 years is expensive to extend and harder to mortgage. Under 60 years, most lenders won't touch it. Lease extension is the buyer's cost, typically £5,000–£30,000 depending on the property.

What is the annual service charge? This is the fee you pay to the building's management company for maintenance, insurance, and administration. It ranges from £1,000 to £5,000+ per year and can increase unpredictably.

Is there a ground rent? The 2022 Leasehold Reform Act banned new escalating ground rents, but older leases still have them. An escalating ground rent can make a property unmortgageable and nearly unsellable.

Mortgage rates right now

The Bank of England base rate sits at 4.25% as of May 2025, down from a peak of 5.25% in 2023 and continuing to fall.

- 5-year fixed rate (UK resident, 10–25% deposit): 4.0–4.8%

- Tracker rate: typically base rate + 0.5–1%

Non-resident buyers work with a much smaller pool of lenders — private banks, specialist brokers, some international arms of high-street banks. Expect rates 0.5–1% above resident rates and minimum loan sizes of £300,000 or more from most specialist lenders.

After you own it: what you pay every year

Council tax: Paid by whoever lives there, not necessarily the owner. £1,000–£4,000 per year depending on property band and borough.

Rental income: If you rent while living abroad, register with HMRC's Non-Resident Landlord Scheme. Without registration, 20% is withheld from your rental income at source.

Capital gains: 18% (basic rate taxpayer) or 24% (higher rate) on residential property gains. The key thing: you must report and pay within 60 days of completing the sale. This catches overseas sellers who think they have until the end of the tax year.

Five things that matter most as a foreign buyer

Appoint a solicitor on day one. UK conveyancing begins immediately after an offer is accepted, or even before. Your solicitor is not a notary — they're your legal representative. Make sure they're SRA-regulated and have handled international buyers before.

Nothing is binding until exchange. In England and Wales, you can receive a written offer acceptance and have the seller pull out the next day for a higher offer. This is legal until exchange of contracts. Push to exchange quickly.

The 2% non-resident surcharge is refundable if you become UK resident within 2 years of purchase. Keep the receipts.

Check the lease before making an offer. Asking to see the lease length and service charge history should happen before you're emotionally attached to the property, not after.

Use an independent solicitor. Never use the solicitor recommended by the estate agent — it's a conflict of interest that's common enough in the UK that it bears stating explicitly.

Sources: [HMRC SDLT Guidance](#), [Land Registry](#), [Money Saving Expert – Stamp Duty Calculator](#), [Bank of England Base Rate](#), [Leasehold Reform Act 2022](#)

Poland

What kind of country is this to buy in?

Poland is one of the most legally open property markets in Europe for foreigners. There are no extra taxes for being a foreigner, no extra approval processes, and EU citizens are treated identically to Polish nationals.

The obstacle isn't legal — it's financial. Polish banks require you to earn income in Poland to get a mortgage. Without a Polish employment contract or a registered Polish business, almost no mainstream bank will give you a home loan.

For most foreign buyers who aren't relocating to Poland for work, this is effectively a cash-purchase market.

How much cash you need

If you have Polish income: 10–20% deposit, same as Polish nationals.

If you're moving to Poland and have a Polish work contract: Same treatment — you can access the full mortgage market.

If you're buying from outside Poland: Plan to buy in cash. The few non-resident mortgage solutions that exist come from private banks, carry significantly worse terms, and are only accessible for high-value purchases.

The closing costs — and a 2023 change worth knowing

For resale apartments (the secondary market):

The main tax is PCC (Podatek od czynności cywilnoprawnych) — a civil law transaction tax of 2% of the purchase price. Since 2023, first-time buyers purchasing their first property are exempt from this tax. If this is your first property purchase, confirm your exemption eligibility with the notary before signing. It's a meaningful saving.

After the PCC, the remaining costs are:

- Notary fees: 0.2–0.5% of purchase price (capped by law)
- Land registry: around 0.2%
- Agent commission: 2–3% if using an estate agent

Total for a secondary market purchase with an agent: 6–9%.

For new builds from a developer:

VAT of 8% is already included in the developer's advertised price — it's not an additional cost. This is a common source of confusion. The developer's price is the all-in price for tax purposes. Closing costs for new builds (notary + registry + agent) come to 2–5%.

Note: apartments above 150 square metres are taxed at 23% VAT on the excess area. If you're buying a very large apartment directly from a developer, ask for the VAT breakdown.

What foreign buyers need to know specifically

EU and EEA citizens: Full property rights, no restrictions, no permit required. Same access to mortgages as Polish nationals, assuming you have qualifying Polish income.

Non-EU citizens: You can freely buy apartments and commercial property in Polish cities — no permit needed. The only exception is agricultural and forest land, which requires a permit from the Ministry of Interior (MSWiA). This permit takes 1–3 months and is generally granted for genuine purchases. For a city apartment, ignore this entirely.

Mortgage rates right now

Poland's rates are high by European standards. The National Bank of Poland (NBP) held its reference rate at 5.75% through early 2025 after cutting from higher levels. Variable mortgage rates run 6.5–8.5%, tied to the WIBOR benchmark rate which is gradually being replaced by WIRON.

Fixed-rate mortgages exist in Poland but are uncommon. Most mortgages are variable, which means your monthly payment changes as the benchmark rate changes. If you're considering a variable mortgage, ask specifically whether your contract references WIBOR or WIRON — they're priced slightly differently.

The PLN currency question

If your income is in euros, pounds, or dollars, you're taking on currency risk. The purchase price is in Polish złoty. Any mortgage payments are in złoty. If the złoty strengthens significantly against your income currency over the years you own the property, your real cost goes up.

This isn't a reason not to buy in Poland, but it's worth thinking through before you commit.

After you own it: what you pay every year

Annual property tax: Very low by European standards — the rate is set per square metre and comes to roughly PLN 1–2/m² per year. For a 60m² apartment this is around PLN 60–120 annually, or about €15–30. Effectively negligible.

Rental income tax: 8.5% flat rate on gross rental income (ryczałt scheme, the most common choice for private landlords). Simple to administer.

Capital gains: 19% on the gain if you sell within 5 years of purchase. After 5 years as a primary residence, the gain is tax-free. After 5 years from the date of purchase (whether or not it's your primary residence), the gain is also tax-free.

Five things that matter most as a foreign buyer

Confirm your mortgage options before looking at properties. If you don't have Polish income, know this before you fall in love with an apartment and waste months trying to find non-existent financing.

Get a PESEL number early. PESEL is Poland's national identification number. Banks, notaries, and the land registry all require it. EU citizens can get one at a local city hall (urząd gminy) with a passport and proof of address. Allow a few days.

Check the land register before signing anything. The Księga Wieczysta is Poland's public land and mortgage register. It's free to search online at ekw.ms.gov.pl. Look for any existing mortgages, easements, or unresolved inheritance disputes. These are real problems on Polish secondary market properties and they're not always disclosed upfront.

Hire a Polish real estate lawyer for the preliminary contract. The umowa przedwstępna (preliminary agreement) is legally binding. If you pull out without a valid reason, you forfeit the 10% deposit. Get legal review before you sign it.

First-time buyer? Ask about the PCC exemption. Since 2023, first-time buyers on the secondary market don't pay the 2% civil transaction tax. Confirm with your notary before signing.

Sources: [Ministerstwo Finansów - PCC](#), [NBP Reference Rate](#), [Ekw.ms.gov.pl - Land Register](http://Ekw.ms.gov.pl), [Związek Banków Polskich - mortgage data](#), [KNF mortgage regulations](#)

France

What kind of country is this to buy in?

France has no restrictions on foreign buyers. Any nationality can own property freely, and the process is organised through a notaire — a public official who handles both sides of the transaction. There's no adversarial conveyancing, no back-and-forth between lawyers. One neutral official manages the legal transfer.

The constraints for foreigners are financial rather than legal. French banks will lend to non-residents, but they require more cash upfront and apply stricter income-to-debt rules than they do for residents. Getting a French mortgage from abroad requires working with the right banks or specialist brokers.

How much cash you need

French residents and EU citizens living in France: 10–20% deposit is standard.

Non-residents: 25–30% deposit minimum. French lenders cap LTV at 60–75% for non-residents. At 25% down, you're at the better end of what's accessible.

At the preliminary contract stage (compromis de vente), you pay 10% of the purchase price to the notaire as a deposit. This happens within a week of offer acceptance. It comes out of your final down payment, but you need it in accessible cash immediately.

The closing costs — higher on old buildings, much lower on new ones

France draws a sharp distinction between older properties (over 5 years old) and new builds, and the fees are dramatically different.

For existing properties: Frais de notaire of 7–8% of the purchase price. This figure bundles together the transfer tax (DMTO, recently raised to ~5% in most areas), the notaire's own fees (~0.8–1.2%), and various administrative charges. As of April 2025, most French departments raised the DMTO from 4.5% to 5.0%. Seventeen departments chose not to raise the rate — worth checking which region you're buying in.

For new builds: Frais de notaire of 2–3% only. The developer pays most of the taxes on new construction. If you're comparing similar properties and one is a new development, the fee difference can be substantial.

Agent commission: 3–7% in France, typically paid by the seller and embedded in the advertised price. You're absorbing it indirectly through what you pay.

Total: 9-12% on existing buildings, 4-6% on new builds. Cannot be financed — comes from savings.

Getting a mortgage as a non-resident

France has a functioning non-resident mortgage market, but it's concentrated in a small number of banks. BNP Paribas International, Crédit Agricole, HSBC France, and Société Générale all have non-resident products. Specialist brokers like French Private Finance can access lenders that won't respond to direct applications.

What you'll need:

- 25-30% deposit
- 2 years of tax returns, employment contracts, recent payslips
- All documents in French or certified translations
- Debt-to-income ratio under 33-35% (stricter than the 40% applied to residents)

French banks apply this 33-35% cap on total debt repayments as a share of gross income. This is a legal guideline from the Haut Conseil de Stabilité Financière, not just a bank preference. If your existing debt payments are already high, this limits how much a French bank can lend you regardless of your income level.

Mortgage rates right now

The ECB's rate cuts through 2024-2025 brought French mortgage rates down from their peak of around 4.5% in late 2023.

- Residents (5-year fixed): 3.0-3.5%
- Non-residents (5-year fixed): 3.5-4.25%

France's mortgage market is almost entirely fixed-rate. Around 90% of French mortgages are on fixed rates, and variable products are unusual. You choose a fixed period and your payment doesn't change.

The energy rating trap for investors

Every property sold in France comes with a DPE (Diagnostic de Performance Énergétique) rating from A (most efficient) to G (least efficient). Since January 2025, G-rated properties cannot legally be rented to new tenants. F-rated properties follow in 2028.

If you're buying as an investment — or even just thinking you might rent the property at some point — a G or F rating fundamentally changes the economics. It limits who will rent it, affects resale value, and could require expensive renovations to remain legally rentable.

After you own it: what you pay every year

Taxe foncière: Annual property ownership tax paid by the owner, not the tenant. Highly variable by location — a few hundred euros in rural areas, potentially several thousand in Paris or on the Côte d'Azur.

Taxe d'habitation: Abolished for primary residences in 2023. Still applies to second homes — and in high-demand areas (zones tendues), local governments can add a surcharge of up to 60%. Many foreign buyers learn about this after purchase when they receive their first bill.

Capital gains on sale: 19% flat tax plus 17.2% social contributions = 36.2% total for non-EEA residents. Taper relief reduces this over time — the CGT element disappears after 22 years of ownership, social charges after 30 years. UK buyers are now treated as non-EEA post-Brexit for these social charge calculations.

Five things that matter most as a foreign buyer

Engage a specialist mortgage broker before searching seriously. Getting a French mortgage approval for a non-resident takes 6–10 weeks. If you find a property first and then start the mortgage process, you'll lose it.

Have the 10% deposit ready immediately. The compromis de vente is signed within days of an offer being accepted. The 10% is payable immediately. You have a 10-day cooling-off period to withdraw (buyers only), but the money needs to be accessible from day one.

Check the DPE rating on anything you plan to rent. G-rated as of 2025 means you cannot rent it to new tenants. Don't buy a rental investment with a G rating without a plan for the renovation cost.

Second home ≠ primary residence for tax purposes. The taxe d'habitation was abolished for primary residences. It was not abolished for vacation homes or investment properties. This is a common misunderstanding.

Get certified translations of everything. French banks will not process foreign documents without certified French translations. Budget time and cost for this step.

Sources: [Service-Public.fr – Frais de Notaire](#), [Ministère de l'Économie – DMTO 2025](#), [ANIL – Mortgage rules](#), [French Private Finance](#), [Légifrance – DPE rules](#)

Spain

What kind of country is this to buy in?

Spain has no restrictions on foreign property ownership. Any nationality can buy freely. The process works through a notario (similar to a French notaire), and everything is relatively structured once you've done one essential thing first: obtained your NIE.

Without a NIE — Spain's foreigner identification number — nothing moves. You can't sign a purchase contract, open a Spanish bank account, or apply for a mortgage. Get this sorted before you do anything else.

The financial reality for non-residents: Spanish banks cap their lending at 60–70% of the property value for overseas buyers, versus 80% for residents. Combined with closing costs of 10–15%, you need 40–55% of the property price in liquid cash.

Getting your NIE first

NIE stands for Número de Identidad de Extranjero. It's a tax identification number, not a visa or residency permit. You can apply at a Spanish consulate in your home country, or in person at a Comisaría de Policía in Spain with a pre-arranged appointment.

What you need: passport, completed EX-15 form, a document showing why you need the NIE (a letter from your lawyer confirming you're buying property is sufficient). Processing takes 1–4 weeks.

Don't wait until you've found a property. Get the NIE as soon as you start seriously considering a Spanish purchase.

How much cash you need

| Buyer type | Max LTV from bank | Deposit you need |
|-------------------------|-------------------|------------------|
| Spanish tax resident | 80% | 20% |
| Non-resident EU citizen | 70% | 30% |
| Non-resident non-EU | 60–70% | 30–40% |

Off-plan new builds add another layer: developers typically require stage payments of 10–20% during construction, before the mortgage can be drawn down at completion. Your cash needs to be available throughout the construction period.

The closing costs — which vary by region

Spain's tax system is decentralised, so the transfer tax varies by autonomous community.

Resale properties (ITP tax):

| Region | Transfer tax (ITP) |
|-----------|--------------------|
| Madrid | 6% |
| Andalucía | 7% |
| Catalonia | 10% |
| Valencia | 10% |

Add to this: AJD stamp duty (0.5–1.5%), notary fees (€600–1,200), land registry (€400–700), and an independent lawyer or gestor (€1,000–2,000). Total for a resale property: 10–15% on top of purchase price.

New builds:

- IVA (VAT) at 10% (4% for social housing)
- AJD at 0.5–1.5%
- Total: 12–14%

The tax that catches everyone off guard

If you're not a Spanish tax resident and you own property in Spain, you pay income tax on it — even if it just sits empty.

This is called IRNR (Impuesto sobre la Renta de No Residentes). Spain imputes a notional rental income of 1.1–2% of the cadastral value (roughly the administrative assessed value, which is lower than market value) and taxes it at 19% for EU/EEA residents or 24% for everyone else.

For a property with a cadastral value of €100,000, the imputed income is €1,100–2,000 and the annual tax is €200–480. It's not enormous, but it's annual, it's mandatory, and failure to file creates compounding penalties that can cause problems when you eventually sell.

File the IRNR return every year, even if the property is empty. The Spanish tax authority operates a long memory.

The Golden Visa situation

Spain's Golden Visa — a residency permit in exchange for purchasing property worth €500,000 or more — was announced for abolition by the government in April 2024. As of early 2025, the legislative process is still ongoing. The program hasn't formally closed, but new applications are in legal uncertainty.

If you're considering a Spanish purchase primarily to obtain a Golden Visa, get current legal advice before committing. Don't rely on this guide, which reflects the situation as researched in mid-2025.

Mortgage rates right now

Spain's mortgage market is largely tied to the Euribor 12-month rate, which fell from a peak of 4.2% in late 2023 to around 2.5–2.7% in early 2025 as the ECB cut rates.

- 5-year fixed rate: 3.0–3.8%
- Variable rate (Euribor 12M + spread): approximately 3.0–3.7%

Non-resident buyers typically face shorter maximum terms (20–25 years vs 30 for residents) and a rate premium on top.

After you own it: what you pay every year

IBI (Impuesto de Bienes Inmuebles): Annual municipal property tax. 0.4–1.3% of cadastral value. Typically €200–2,000 per year for a standard apartment.

IRNR: As described above — applies to every non-resident owner, renting or not.

Capital gains on sale: 19% flat rate for non-residents, plus plusvalía municipal (a tax on the notional increase in land value, paid to the local council).

Five things that matter most as a foreign buyer

Get your NIE before anything else. This cannot be stressed enough. The NIE is the prerequisite for everything.

Hire an independent lawyer. An abogado or gestor who is independent of the estate agent and developer. They should pull the nota simple (title document), verify there are no debts on the property, check planning permissions, and confirm the community of owners fees are current and the building has no major outstanding expenses.

Check what you're buying carefully on the Costa del Sol. Illegal construction is genuinely common in Andalucía. A property or extension without the right permits can be unmortgageable, unsaleable, and in extreme cases subject to demolition orders. Your lawyer should verify the First Occupancy Licence.

Don't sign the contrato de arras without due diligence complete. This reservation contract (typically 10%) is binding. Pull out without a valid reason and you lose the deposit. The seller who pulls out owes you double. Do the legal work first.

File IRNR every year. Even if the property is sitting empty. Even if the amount is small. Spanish tax authorities track this.

Sources: [Agencia Tributaria - IRNR](#), [Catastro - ITP rates by region](#), [Banco de España - Euribor](#), [Consejo General del Notariado - Notarial costs](#), [Spanish Golden Visa update April 2024](#)

Netherlands

What kind of country is this to buy in?

On paper, the Netherlands is the most accessible mortgage market in this guide. Dutch residents — including employed expats with Dutch residency — can legally borrow 100% of a property's appraised value. No deposit required.

In practice, this needs significant qualification. The Dutch property market, particularly in Amsterdam and the Randstad cities, has a competitive bidding culture where properties sell for more than the asking price — sometimes significantly more. Because the mortgage is capped at 100% of the official appraised value (not what you actually pay), any amount you bid above that valuation must come from your own savings.

So a "0% deposit" mortgage still requires real liquid savings in most competitive markets. Add closing costs of 4-6% and you're looking at 10-20% in cash for a typical Amsterdam purchase.

How much cash you need — the honest version

Employed expat registered in the Netherlands: You can borrow 100% of appraised value. But plan for closing costs (4-6%) plus whatever overbid gap exists between the appraised value and what you actually pay. In Amsterdam, properties regularly sell 6-15% above the asking price, and the appraised value often sits at or slightly below asking. Budget for 10-20% of purchase price in savings even on a "100% LTV" mortgage.

Non-resident EU citizen: Most major Dutch banks won't lend to you without Dutch employment and BRP registration. Those that do cap LTV at 70-80%.

Non-resident non-EU buyer: Very few lenders participate. LTV typically capped at 50-70%. Higher interest rates.

The transfer tax — and the first-time buyer exception

Overdrachtsbelasting (property transfer tax):

| Buyer | Rate |
|---|-------|
| First-time buyer aged 18-34, property ≤ €525,000 (2025) | 0% |
| Standard buyer | 2% |
| Investment property or non-primary-residence | 10.4% |

The 0% exemption for first-time buyers under 35 is real and substantial. On a €400,000 property it saves €8,000. But it applies based on your age at the date of the notarial signing deed — not at offer acceptance. If you're approaching your 35th birthday, the timing of the signing date matters.

On joint purchases: the exemption applies individually. If one buyer is 34 and the other is 36, the older person pays 2% on their share. Structure the purchase accordingly.

Other closing costs:

- Notary: €900–€2,000
- Mortgage advisor (mandatory): €1,500–€3,000
- Valuation report (required by all lenders): €400–€1,000
- NHG guarantee fee: 0.4% (if applicable — see below)
- Buyer's agent: 1–2% of purchase price or €3,000–€5,000 fixed

Total: 4–6% for standard buyers; 2–4% for qualifying first-time buyers under 35.

Note: the mortgage advisor fee isn't optional in the Netherlands. Dutch lenders require formal mortgage advice as part of the application process. Budget for it.

NHG — worth understanding if you qualify

NHG (Nationale Hypotheek Garantie) is a government mortgage guarantee scheme available on purchases at or below €450,000 (2025 limit).

Benefits:

- Lower interest rate — typically 0.3–0.5% below non-NHG rates
- If you can't pay because of job loss, divorce, or disability, the NHG fund covers the difference between your sale price and your outstanding mortgage

Cost: A one-time fee of 0.4% of the mortgage amount at closing. This is tax-deductible and is typically offset within 2–3 years by the lower interest rate.

If you're buying under the NHG threshold, check eligibility. It's usually worth it.

The overbidding reality

Properties in Amsterdam and other major Dutch cities regularly sell above asking price. In Amsterdam, around 65–70% of homes go for more than the listed price. The average overbid in some neighbourhoods is 10–15%.

Your mortgage cannot exceed 100% of the independently appraised value. If you bid €380,000 on a property appraised at €350,000, the full €30,000 premium comes directly from your savings.

Before making offers, look at what comparable properties actually sold for — not their asking prices. The Dutch property site Funda.nl shows sold prices. This tells you what overbid is realistic in your target area.

The 30% ruling — if you have it

The 30% ruling is a Dutch tax break for certain highly skilled migrants, where 30% of salary is paid tax-free. Beyond reducing your income tax, it increases your qualifying income for mortgage purposes — sometimes by 10–15% in borrowing capacity.

This only works if your mortgage advisor understands how to calculate it. A general Dutch mortgage calculator won't account for it. An advisor who specialises in expat mortgages will.

Mortgage rates right now

- 5-year fixed rate: 3.7–4.2% (NHG-backed rates are 0.3–0.5% lower)
- Variable rate: 3.6–4.1%
- ECB deposit rate: 2.0% (mid-2025), trend downward

After you own it: what you pay every year

OZB (Onroerende Zaakbelasting): Municipal property tax, paid by the owner. Typically 0.04–0.13% of official WOZ value per year — for most Dutch properties, €200–€800 annually.

Rental income: Taxed as Box 3 (notional return on assets) in the Dutch tax system rather than on actual rental income. Complex but generally favourable compared to income tax on actual rent.

Capital gains: The Netherlands has no capital gains tax on residential property for individuals. Profit from selling a home goes untaxed. This is genuinely unusual in Europe.

Five things that matter most as a foreign buyer

Register at your Dutch municipality and get a BSN number first. The BSN (burger-servicenummer) is required to open a Dutch bank account, sign mortgage documents, and complete the notarial transfer. Without it, nothing moves. EU citizens can register at the gemeente (municipal hall).

Pre-select your mortgage advisor before you start bidding. Once you make an accepted offer in the Netherlands, the process moves quickly. Delays from your side — waiting to find a mortgage advisor, gathering documents — can cost you the deal.

Look at sold prices, not asking prices. Know what comparable properties actually sold for before making an offer. Assuming asking price is close to what you'll pay leads to financial planning errors.

Check the starter exemption age and structure. If you're under 35 and buying under €525,000, the 0% transfer tax saves real money. If you're buying jointly with someone over 35, get advice on how to structure the purchase to preserve the exemption for the qualifying buyer.

Get expat-specific mortgage advice. The 30% ruling, foreign income assessment, and non-EU residency rules are all situations that generic Dutch mortgage calculators handle badly. Specialist advisors exist for exactly this.

Sources: [Rijksoverheid - Overdrachtsbelasting](#), [NHG - Voorwaarden 2025](#), [Belastingdienst - Box 3](#), [Funda.nl - Sold prices](#), [30% ruling - Belastingdienst](#), [Autoriteit Financiële Markten - mortgage advice obligation](#)

Side by Side: Every Country at a Glance

| | Germany | UK | Poland | France | Spain | Netherlands |
|--------------------------------------|------------------------------|--------------------------|-------------------------------|--------------------------------|----------------------------|-----------------------------------|
| Any foreigner can buy? | Yes | Yes | Yes (apartments) | Yes | Yes | Yes |
| Permit needed? | No | No | No (non-EU: agri land only) | No | No | No |
| Foreign buyer deposit | 30-40% | 25-40% | Cash likely | 25-30% | 30-40% | 20-30% |
| Closing costs | 9-15% | 5-10% | 6-10% | 7-12% | 10-15% | 4-6% |
| Total cash needed | 39-55% | 30-50% | 26-40%* | 32-42% | 40-55% | 24-36% |
| Non-resident mortgage | Limited | Very limited | Almost none | Limited | Limited | Limited (without Dutch job) |
| Main purchase tax | 3.5-6.5% (state-dependent) | 0-12% SDLT + surcharges | 2% PCC (or 8% VAT new builds) | ~5% DMTO | 6-10% ITP (or 10% VAT new) | 0-2% (age/price dependent) |
| Annual property tax | €500-2,000 | £1,000-4,000 council tax | ~€15-30 | Varies widely | €200-2,000 IBI | €200-800 OZB |
| Capital gains after long hold | 0% after 10 years | 18-24% (always) | 0% after 5 years | Reducing to 0% at 22 years | 19% flat | 0% (no CGT) |
| Hidden tax to know | State transfer tax variation | SDLT surcharges stack | WIBOR currency risk | Taxe d'habitation on 2nd homes | IRNR on empty properties | Overbid gap above appraised value |

*Poland: most non-residents can't get a mortgage, making this effectively a cash purchase market.

Three Things to Do Before You Talk to Anyone

You don't need a broker, a lawyer, or a real estate agent to do these three things. But without them, any conversation you have will be incomplete.

One: Know your actual liquid savings.

Not what you're worth. Not what's in your pension or investments. The money you can transfer within two weeks. That's your buying power before the mortgage enters the picture. Closing costs and down payments are due from this pool, and timing matters — you often have days, not months, to produce the deposit.

Two: Understand where your income comes from — and how to document it.

European mortgage lenders want 2 years of documented income. Foreign employment contracts need certified translations. Self-employment or business income needs additional documentation compared to salaried employment. Non-euro income introduces exchange rate questions. Know your income situation before a bank asks.

Three: Run the numbers across multiple countries before choosing one.

The same decision — buying a €400,000 property as a non-resident — costs €12,000 more in transfer tax in North Rhine-Westphalia than in Bavaria. It costs €40,000 more in stamp duty in Valencia than in Madrid. Country-specific rules — leasehold in the UK, IRNR in Spain, mortgage restrictions in Poland — change what's financially viable for your situation.

Comparing these properly, with the foreign-buyer adjustments that apply to you specifically, is exactly what RateNomad's calculator is built for.

All figures reflect research conducted in spring 2025. Tax rates, deposit requirements, and regulations change — verify with a qualified local professional before committing to any purchase.

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