



MARKET AND YIELD REPORT

2025

Last update: June 2025

Fischer&Cie.
PRIVATE OFFICE | PANAMA

About the Report

Panama is certainly one of the winners of the trend towards alternative residency. Frequently referred to as Plan B, this emigration can commonly be achieved by investing in the property market. This is also the case in Panama. In order to give the interested investor a quick overview of the key figures that influence the demand for real estate, we would like to provide a compact overview with our Market & Yield Report.

Compared to other countries that focus on the immigration of higher income groups, such as Dubai, Panama's property market is rather opaque or incomplete in terms of comparative figures. We have therefore decided to present not only the most important economic figures, but also comparative assessments from various estate agents/brokers and international statisticians, in order to provide interested investors with a quick overview.

Disclaimer

All details, figures, facts and information have been compiled by us with the greatest possible care and are based on information from third parties and our own research. We accept no liability for their accuracy and completeness. All opinions and forecasts are our assessment at the time the market report was prepared and may change at any time without separate publication.

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*The tooltip
is based on
6 key figures
that we will
continue to
track.*

Demand and Supply:

We will keep a close eye on the demand-side what can be deduced from population and tourism growth. The supply side is hard to control due to not or late published planned and sold Units.

Living-Cost Attraktiviness:

We like the idea of the big-mac index and adopted this to real estate. We will track the difference between Panama and Miami for living and rental cost.

Acquisition Cost:

Cots encompass all expenses incurred when purchasing and subsequently selling a property. In our analysis, we considered various factors, including notary and legal fees, real estate agent commissions, transfer taxes, government fees, and other costs borne by both buyers & sellers.

Rental Taxes:

We will just display the Tax for private held property income. There are legal ways to optimize the tax bill closer to zero.

Economic Outlook:

We will show some of the most important indicators to provide a regularly updated overview to get a general impression of the economic status and where it may head too.

Rental Yield:

The gross rental yield calculates the percentage of total rent earned per year compared to the price of a city center apartment.

Key Figures

53%

Living-Cost Attractiveness:
High

18%

Supply / Demand Coverage:
Balanced

positiv

General Economical Trend:
Stable and Improving

3,4 %

Acquisition Cost Roundtrip:
Low

0 %*

Rental Income Tax:
Low

4 % - 9 %

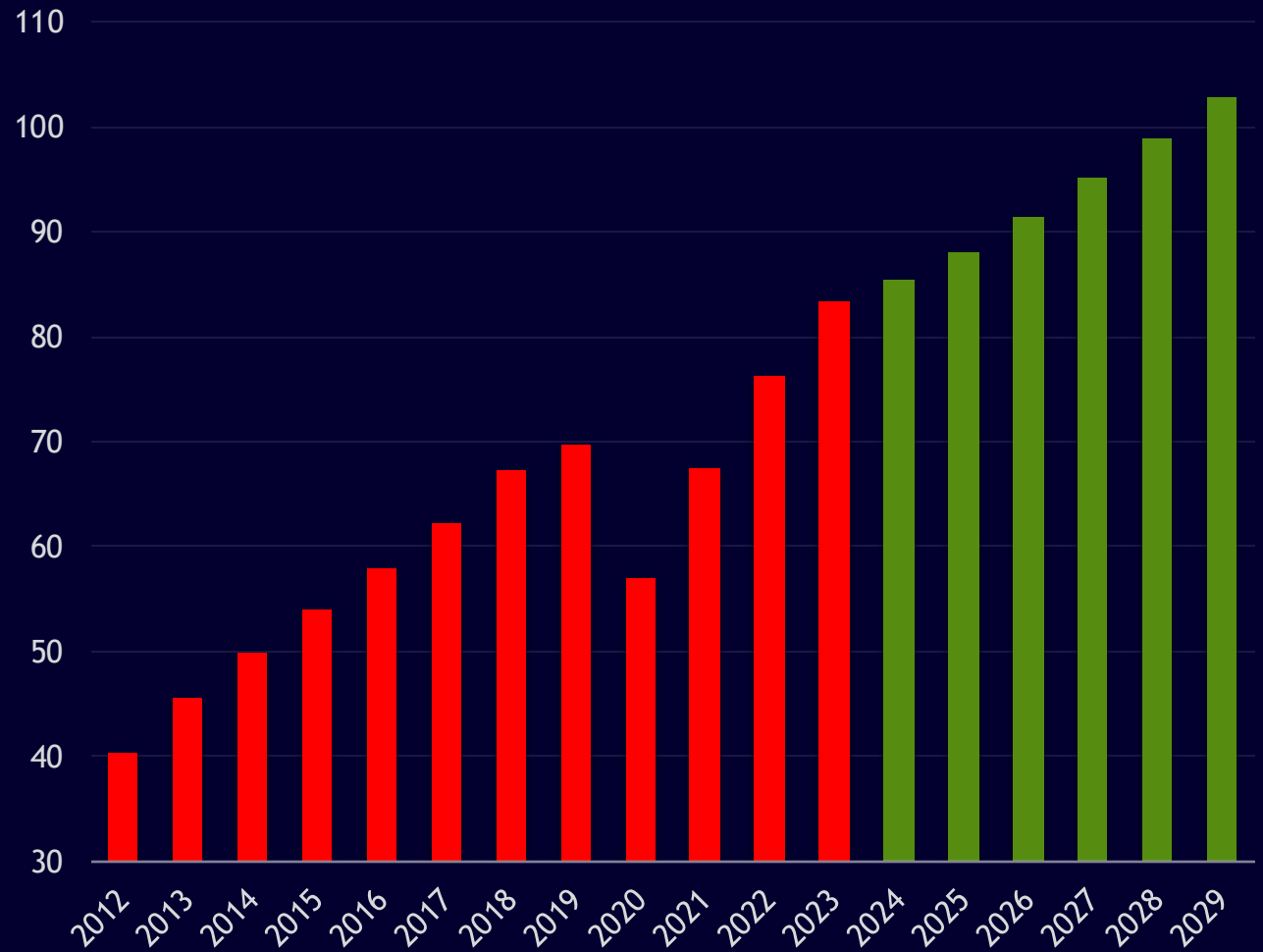
Gross Rental Yield p.a.:
Business-Case is Key

Economic Indicators



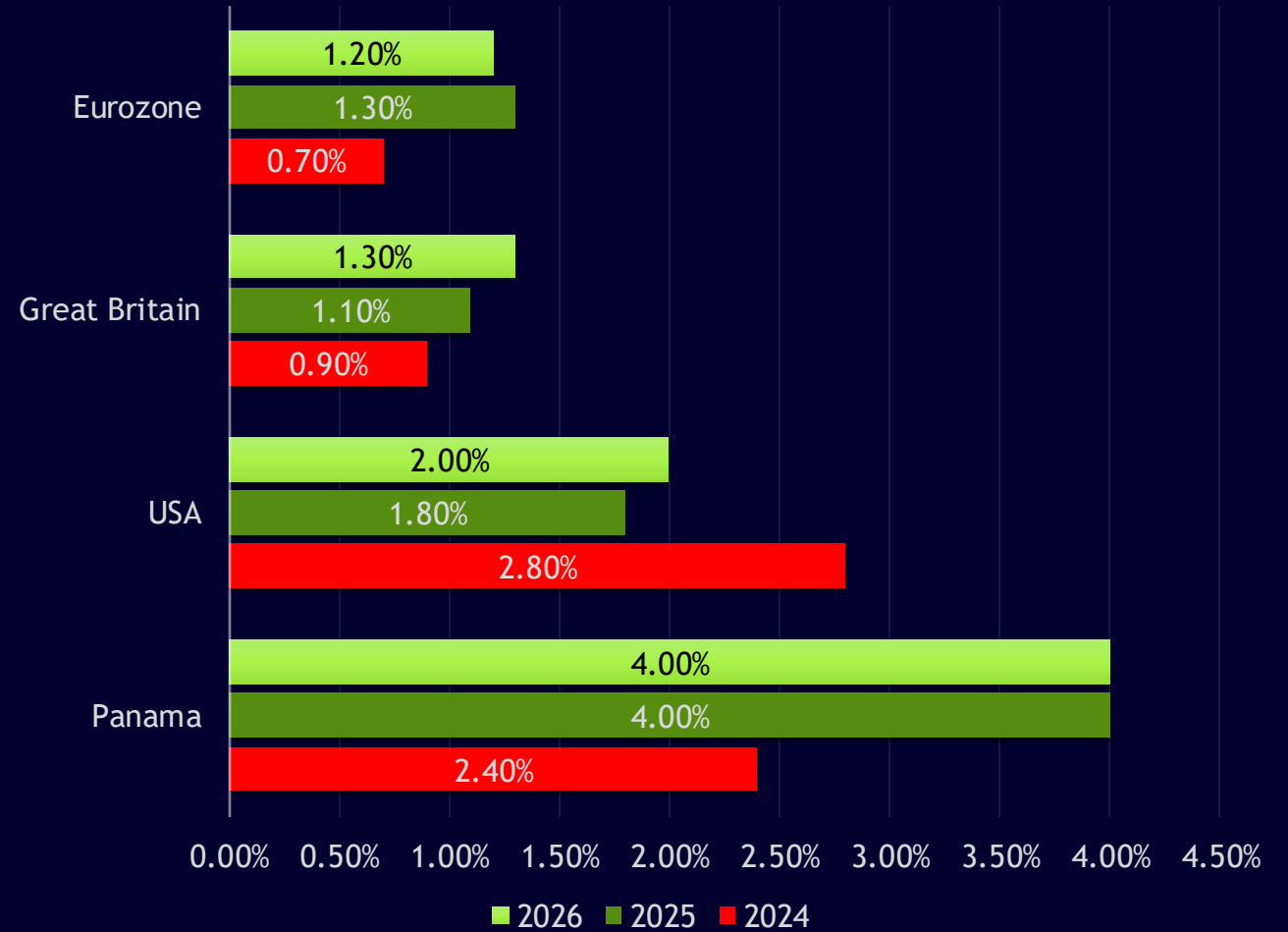
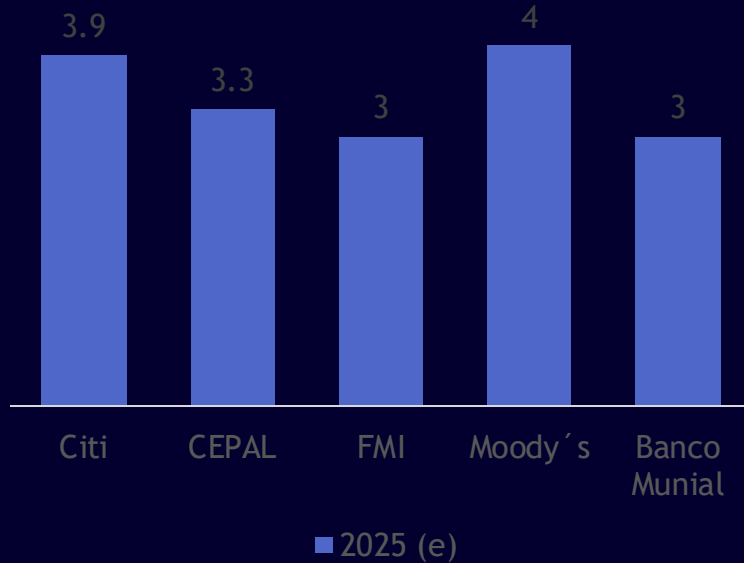
GDP & GDP Outlook

Gross domestic product (GDP) is the standard measure of the value added created through the production of goods and services in a country during a certain period. 2024 and 2025 estimated



Source: <https://tradingeconomics.com/panama/gdp>

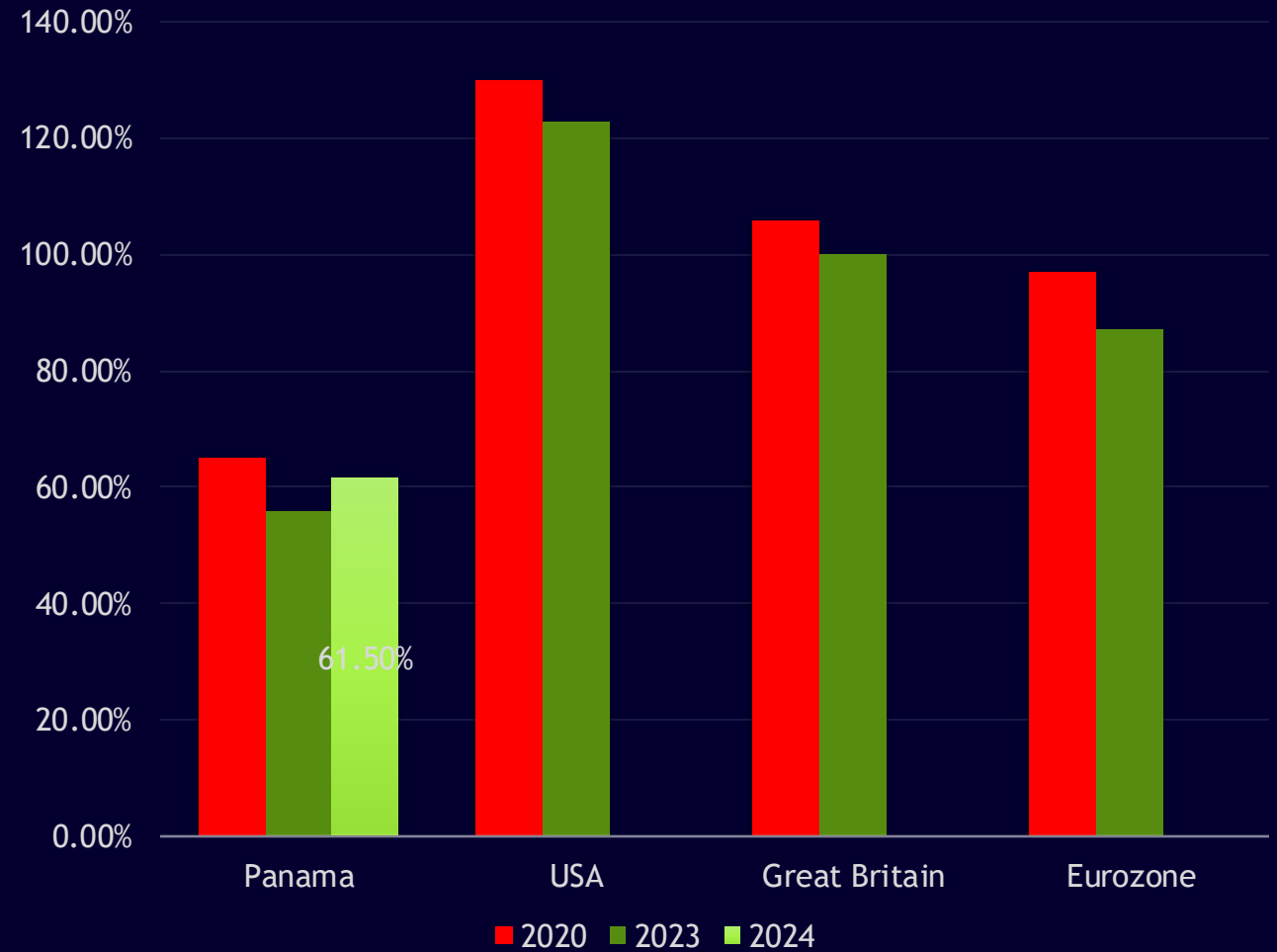
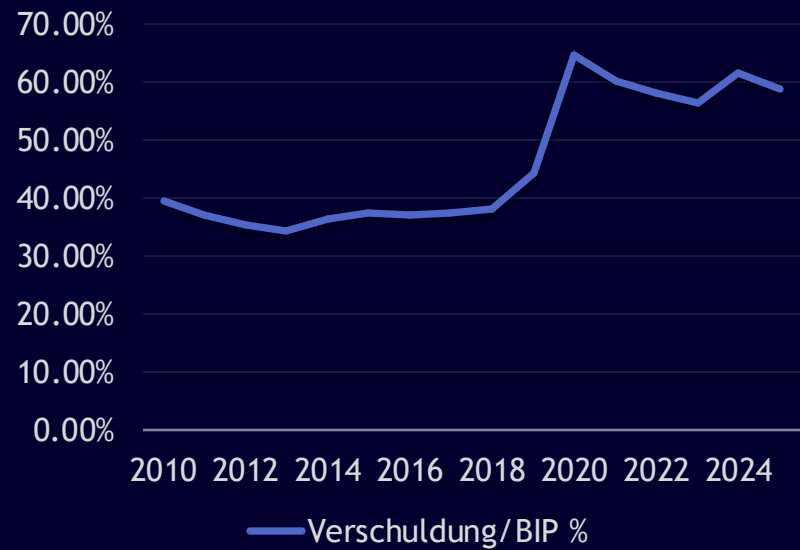
GDP Growth Outlook



Source: IMF World Economic Outlook database, Jan 2025, Panama Banking News 12/24

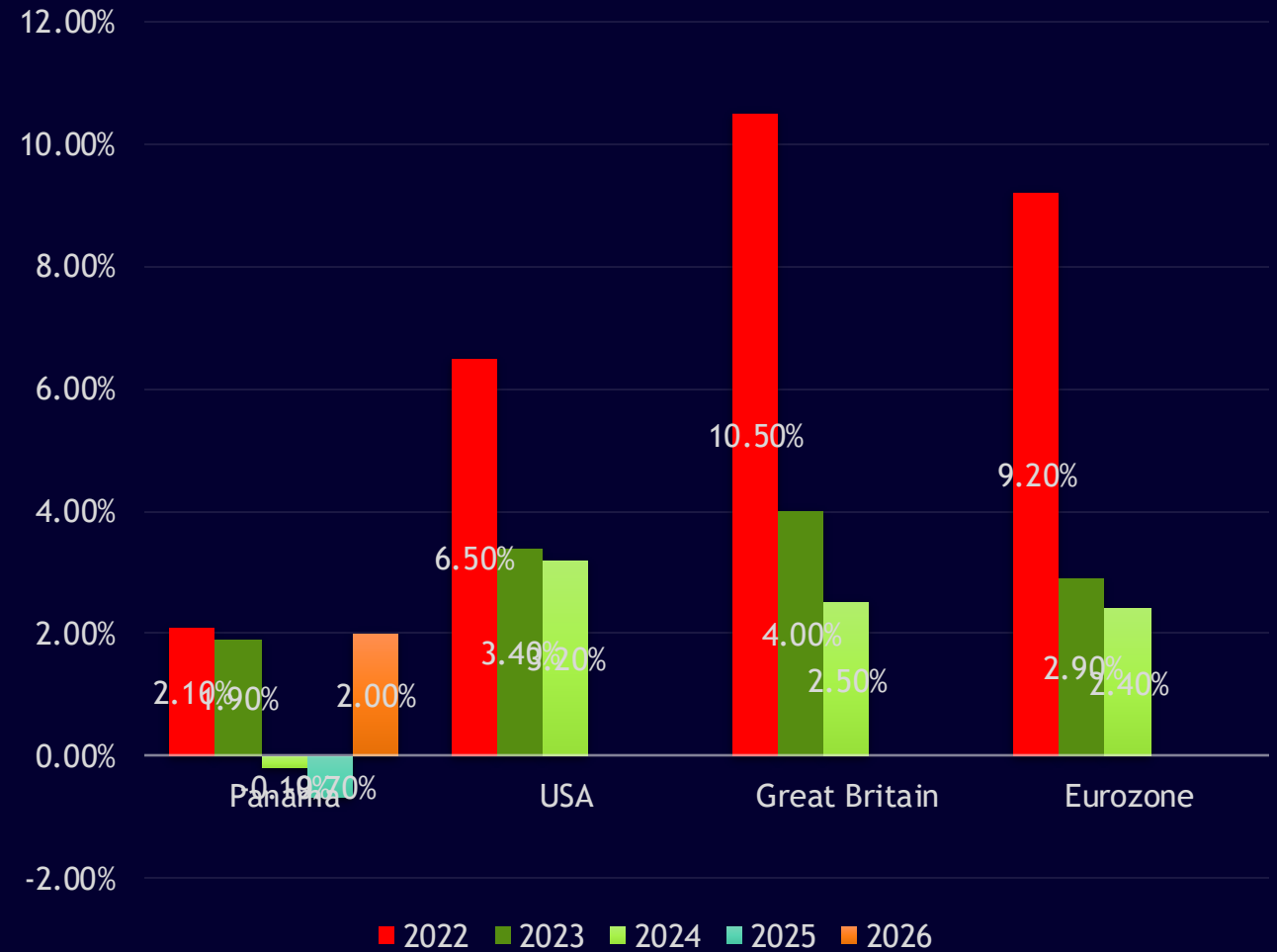
Public Debt

(% of GDP)



<https://www.focus-economics.com/country-indicator/panama/public-debt/#:~:text=Public%20debt%20averaged%2043.6%25%20of,2021%20was%2063.7%25%20of%20GDP.>

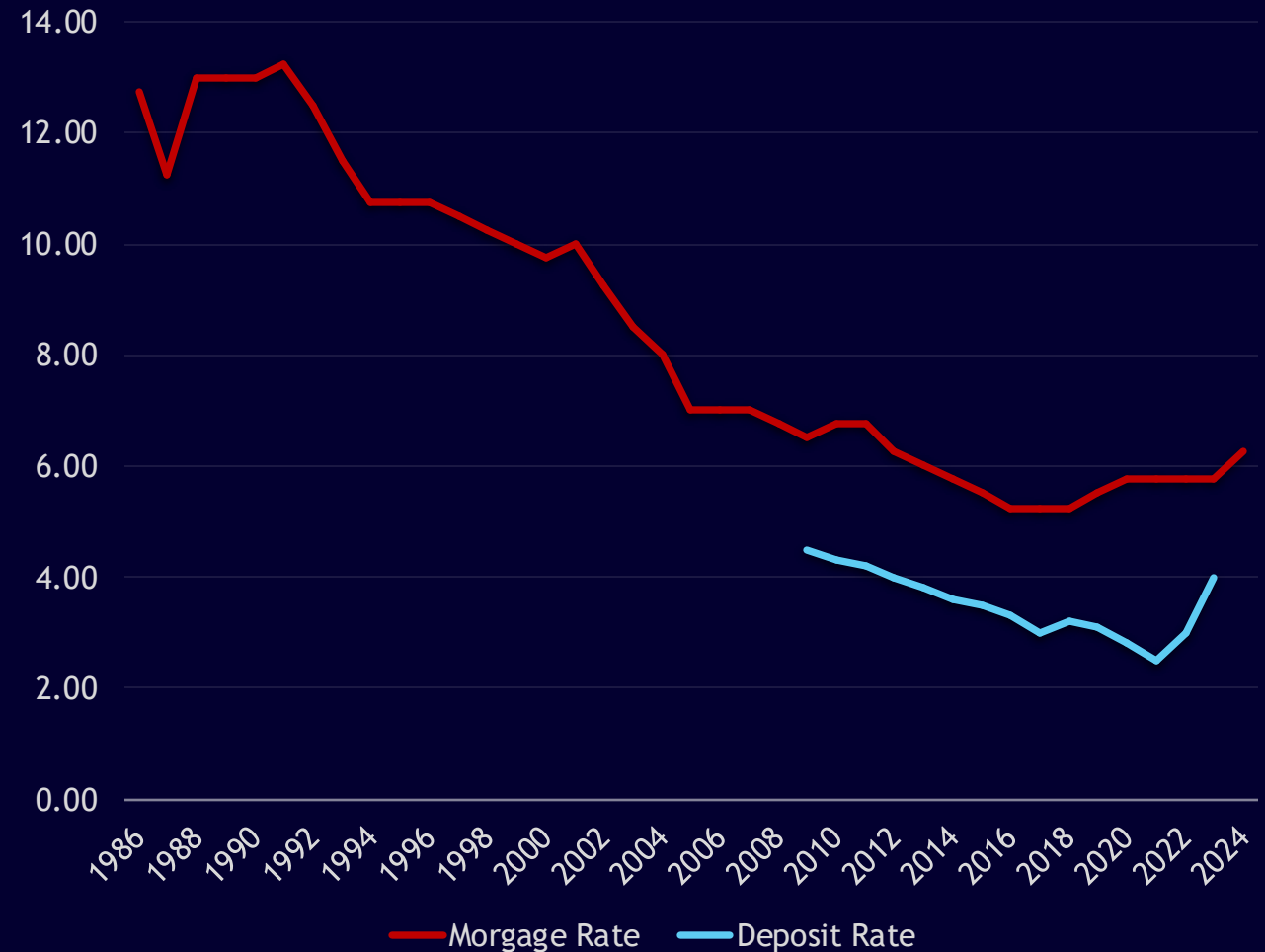
Inflation



<https://es.tradingeconomics.com/panama/inflation-cpi#>

Domestic Mortgage and 12M Deposit Rate

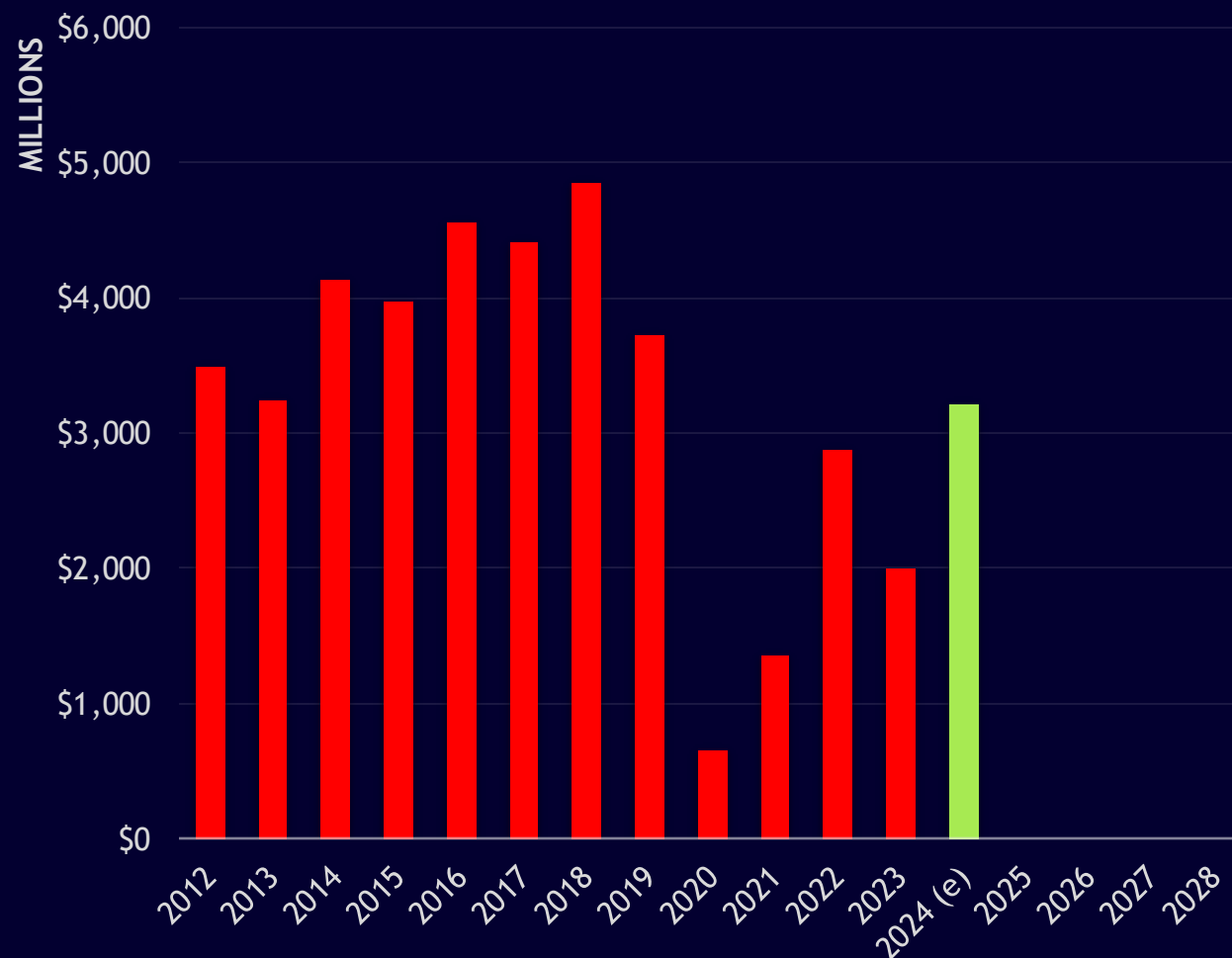
The real estate market in Panama is primarily a **cash-driven market**, although there are elements of both cash and debt financing at play.



<https://www.superbancos.gob.pa/en/estadisticas-financieras/tasas-interes>

Foreign Direct Investment

Project	Est. Investment
Fourth Canal Bridge	\$1.6 billion
Corozal Port Project	\$1.3 billion
Panama Metro Expansion	\$2.6 billion
Chiriquí Solar Park	\$200 million
Amador Causeway	\$1 billion



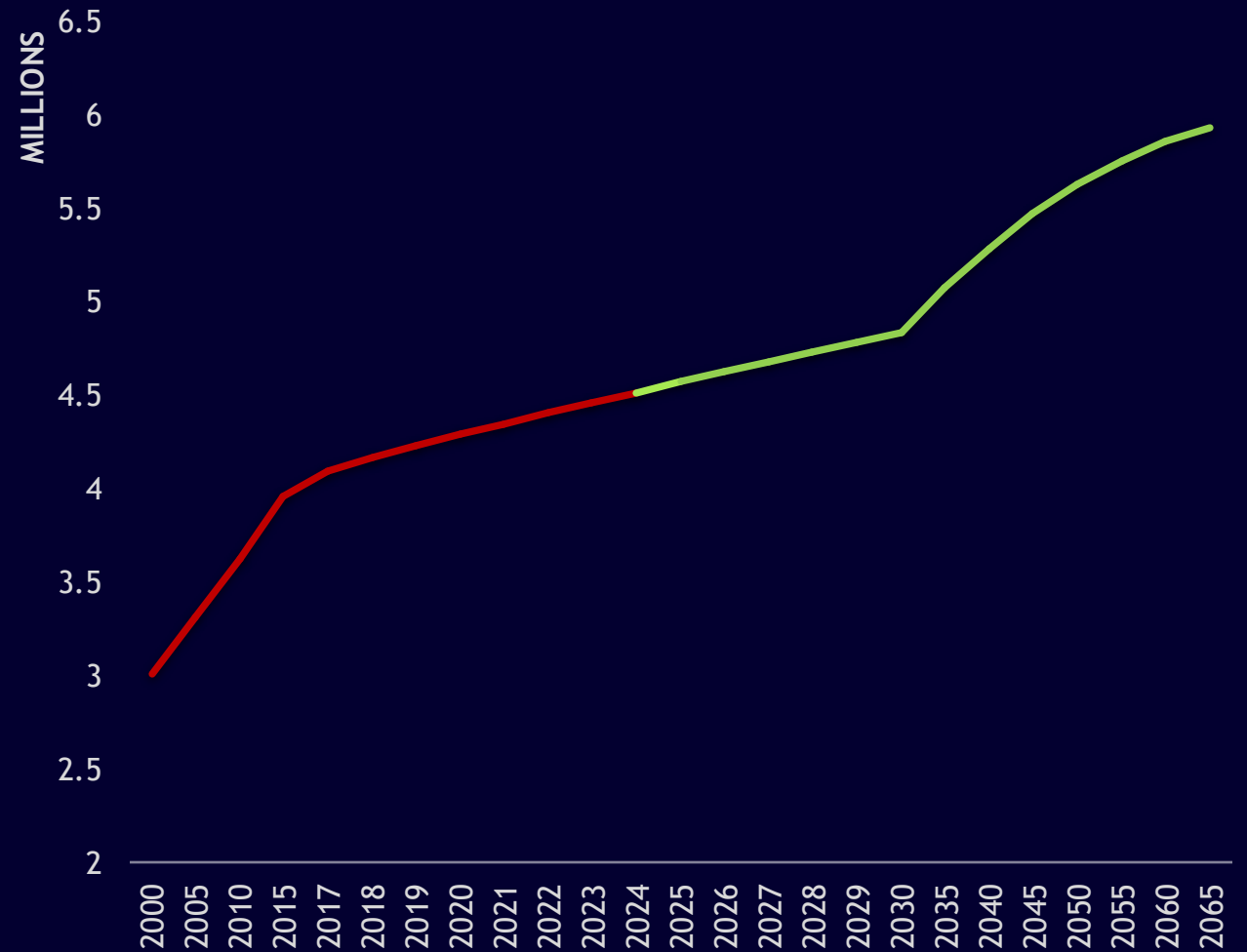
<https://www.statista.com/statistics/1392929/net-foreign-direct-investment-panama/>

Black/Grey Lists and Credit Ratings

Being on these lists affects Panama's attractiveness as a destination for foreign investment, especially in the banking and offshore services sectors.

List	Info	Status	
Financial Action Task Force (FATF)	Inclusion on this list indicates that the country has committed to improving its AML/CTF measures but has yet to meet international standards fully.	Currently listed (as of 2024)	Potentially removed in 2025
European Union (EU) List of Non-Cooperative Jurisdictions for Tax Purposes	Inclusion on this list can deter EU-based businesses from engaging in transactions with entities in Panama and can lead to increased tax scrutiny and potential sanctions if not addressed.	Partially Compliant	not formally blacklisted but under scrutiny
United States Treasury Department - "Primary Money Laundering Concern"	Should the U.S. Treasury designate Panama as a jurisdiction of primary money laundering concern, this could lead to severe restrictions on transactions with U.S. financial institutions.	Not listed	Not currently listed, but previously under scrutiny
GAFILAT (Financial Action Task Force of Latin America)	Enhanced follow-up can lead to further international pressure for reforms in its financial sector.	heightened monitoring	Enhanced follow-up since joining the FATF grey list.
Moody's	Moderate investment grade status but with some economic vulnerabilities	Baa3 05/25	Stable
Standard & Poor's (S&P)	concerns over growing public debt, fiscal deficits, and reduced economic flexibility	BBB- 11/24	Stable
FITCH	Downgraded to BB+ from BBB-, reflecting a loss of investment-grade status.	BB+ 12/24	Stable

Population Growth ^(e)

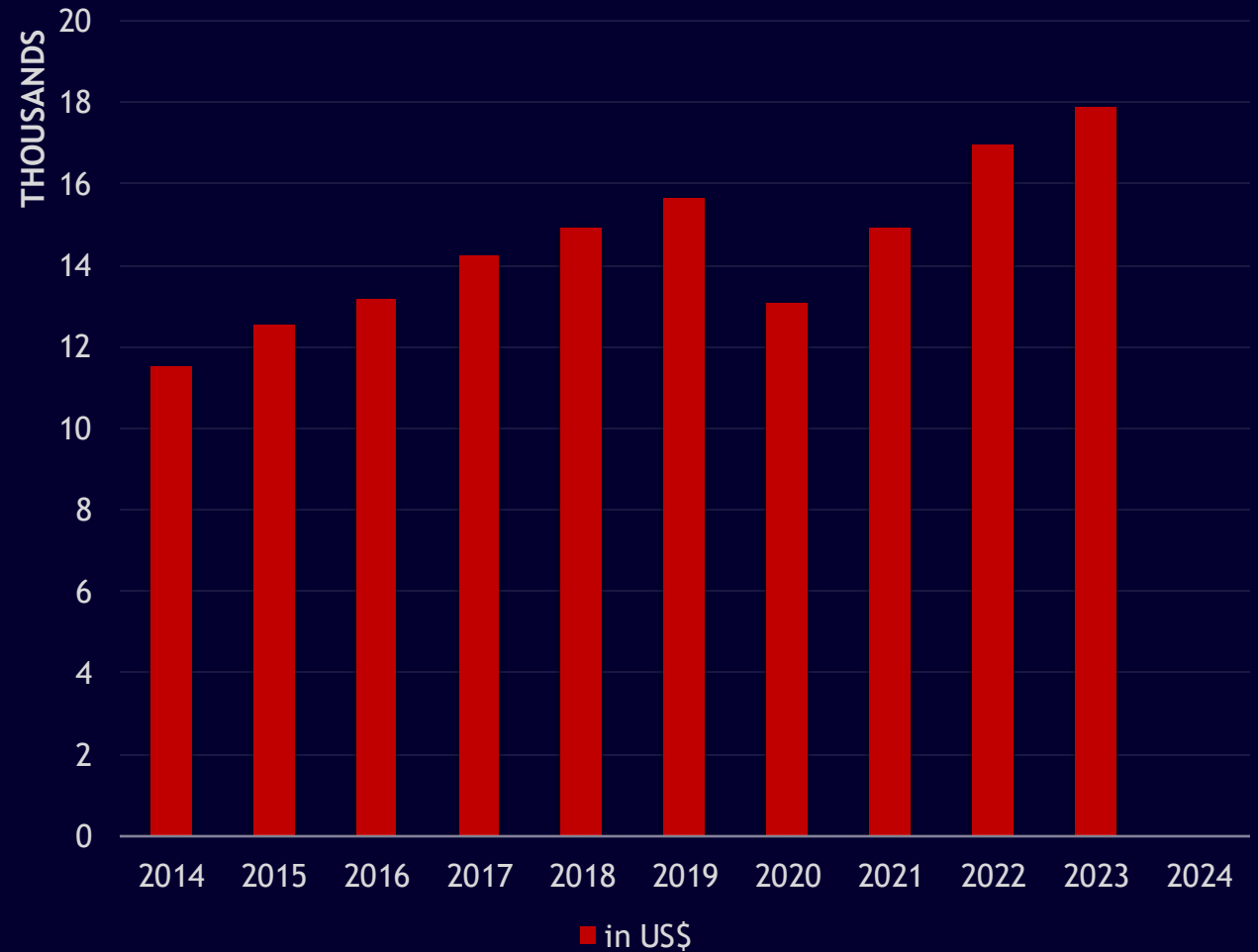


<https://worldpopulationreview.com/countries/panama>

GNI per capita

(Income per person)

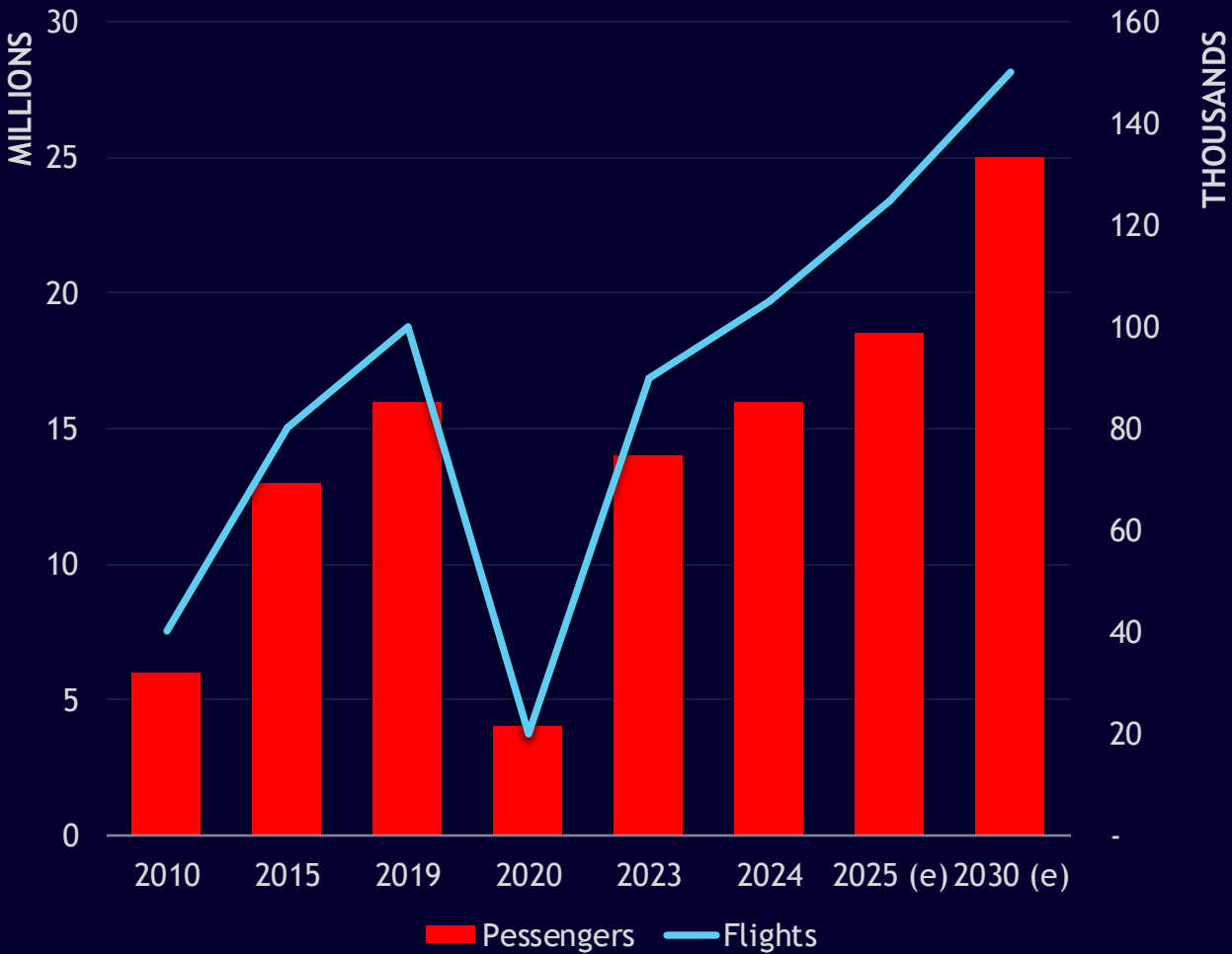
According to the World Bank, Panama's GNI per capita has shown significant growth, reflecting the country's economic development.



<https://data.worldbank.org>

Flights and Passengers

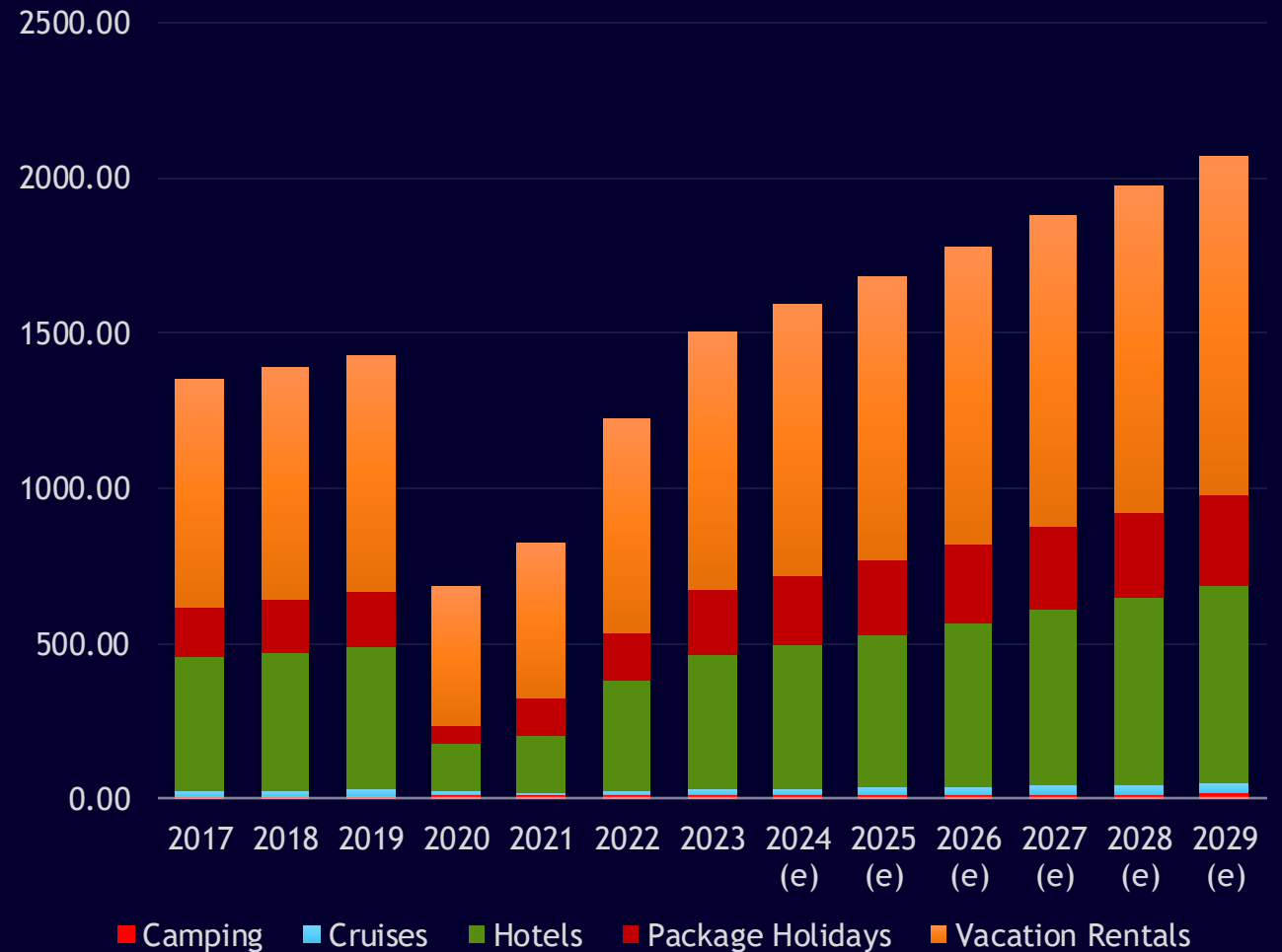
Destination	Flights/week
Central America	230
Asia/Australia	5
South America	280
North America	180
Europe	35



<https://www.migracion.gob.pa/estadisticas/>

Travel & Tourism and forecast

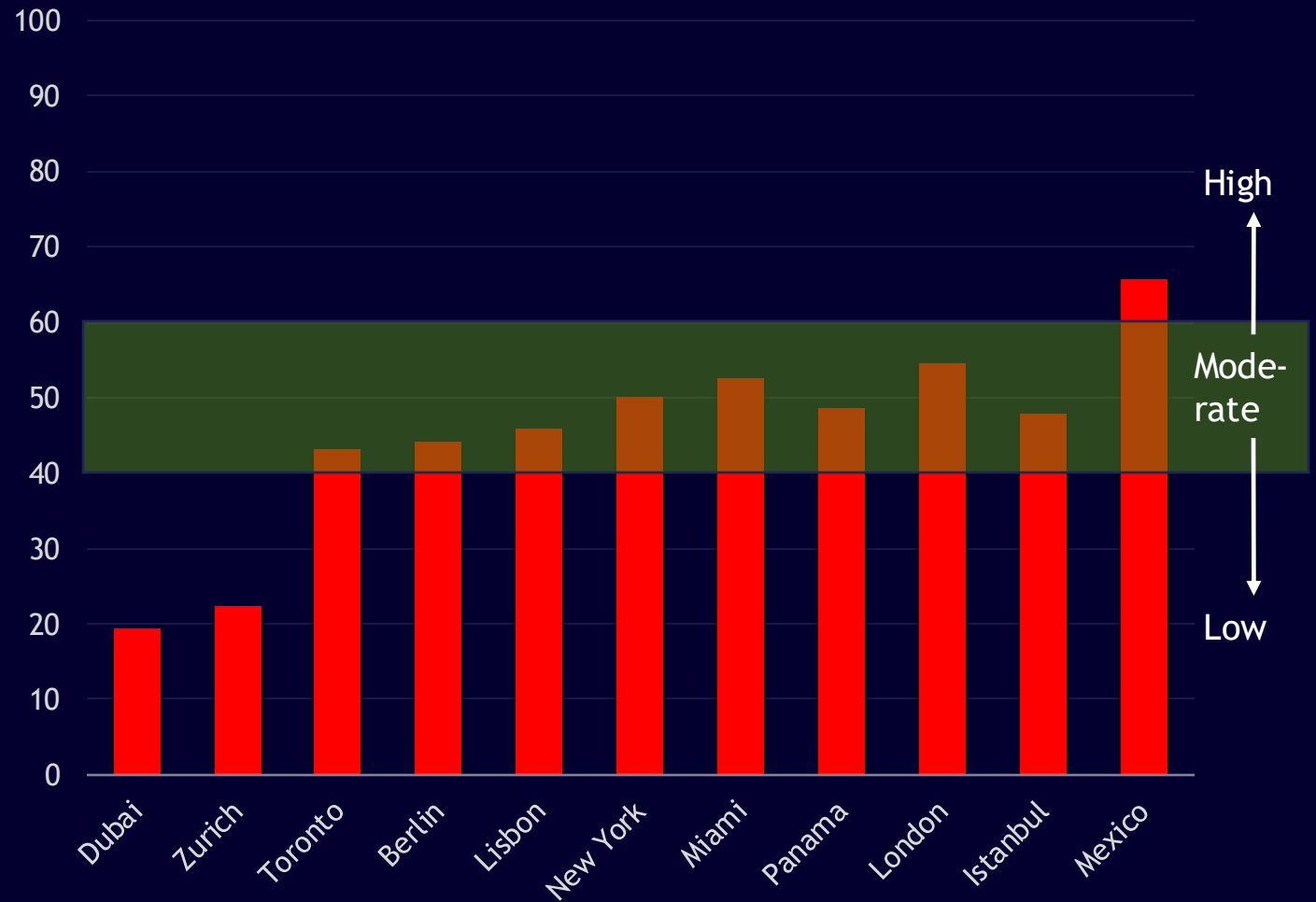
Vacation rentals will keep strong, followed by Hotel occupancy.



<https://www.statista.com/outlook/mmo/travel-tourism/panama>

Crime Index

Moderate Crime (40-60): Mixed perceptions; crime may not be rampant, but certain types (like theft) could be common. Caution is advised, especially in specific areas.

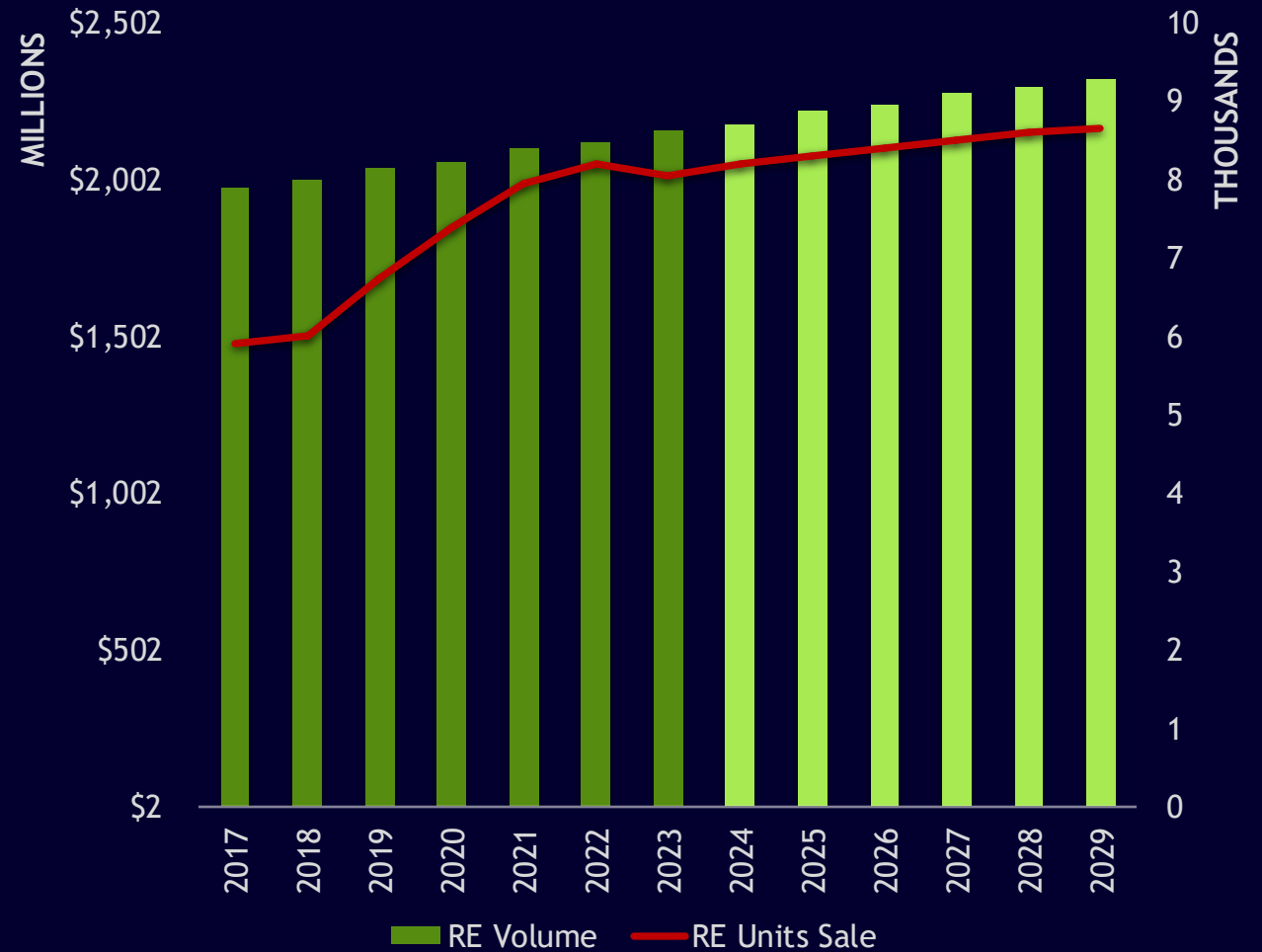


Source: <https://www.numbeo.com/>

Real Estate Residential Market

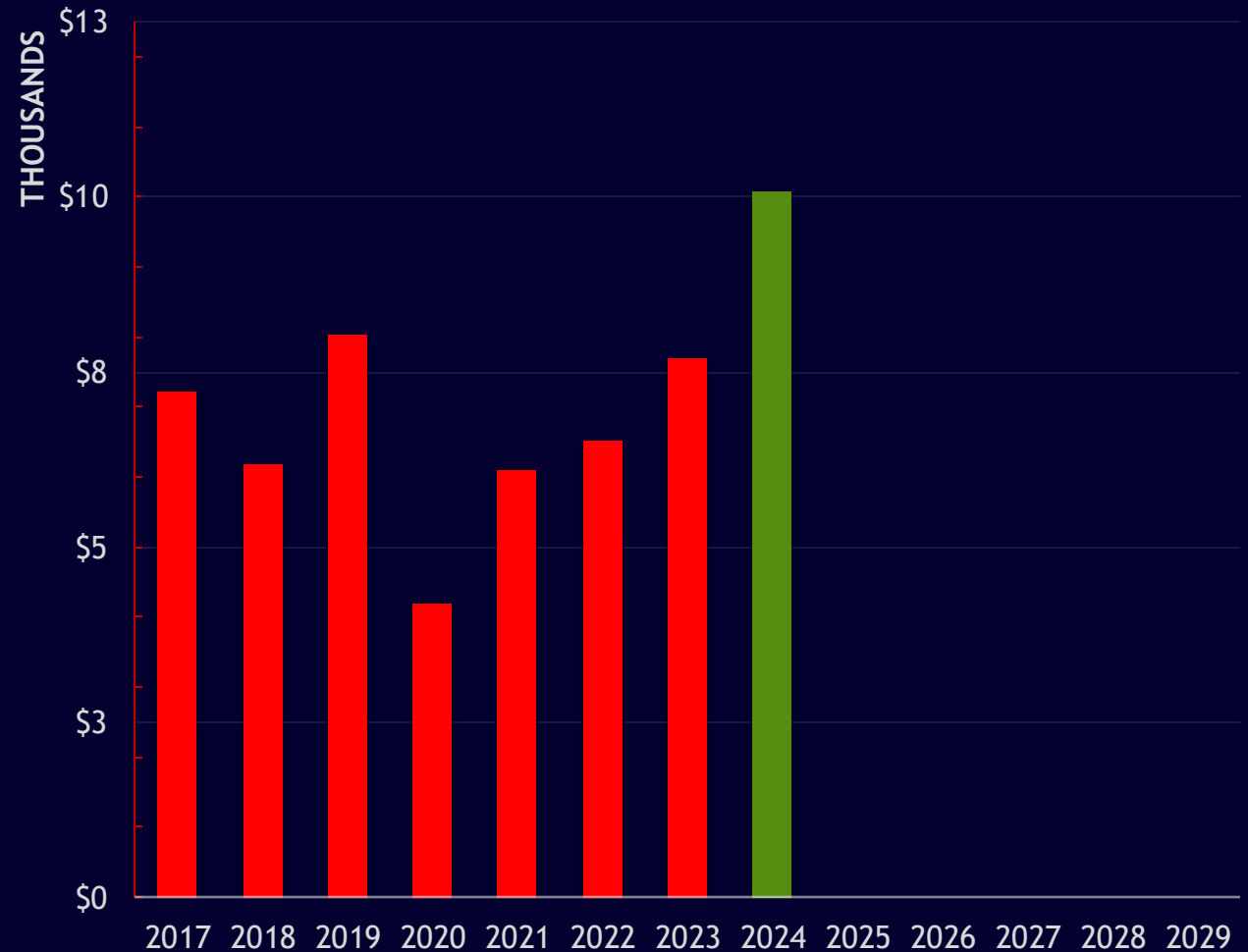


Residential Sales



<https://www.statista.com/outlook/fmo/real-estate/residential-real-estate/panama#volume>

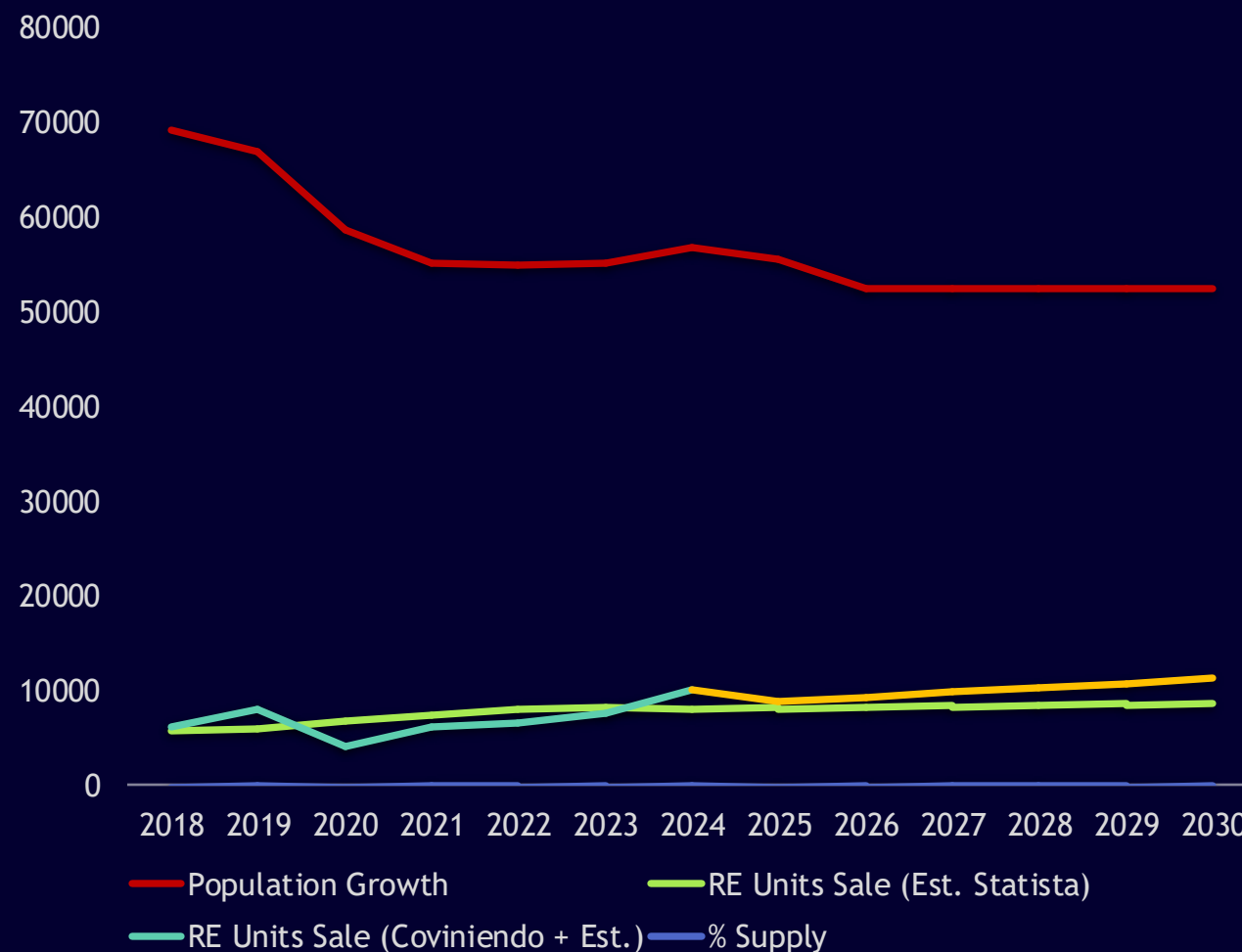
Residential Market - Unit Growth



Source: 2024_RESULTADOS-2023-PROYECCIONES-2024-CONVIVIENDA.pdf

Supply vs. Demand_(e)

The estimated new unit sales improving from 16-17% to 20%-21% in 2030 in relation to the estimated population growth. Compared to Dubai: 20-23% steady outlook. Compared to US, GB and Germany: demand around 40-60% of the population growth.

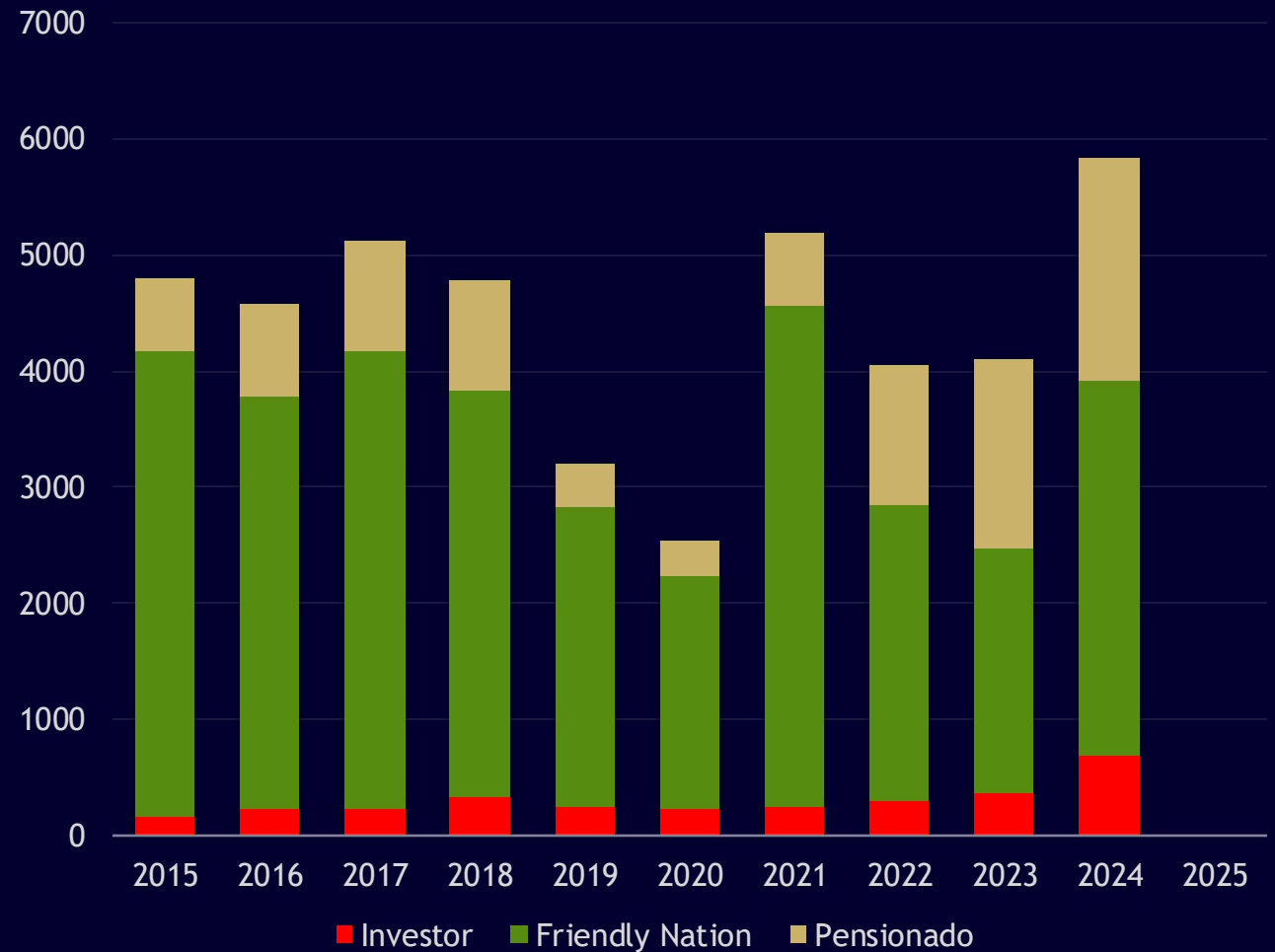


<https://www.statista.com/outlook/fmo/real-estate/residential-real-estate/panama#volume>

Rental Income Tax

Country	Tax Rate (Individuals)	Deductions Available	Special Notes
USA	10% to 37%	Mortgage interest, property tax, depreciation	State taxes apply
Canada	25% to 50% (varies by province)	Mortgage interest, repairs, maintenance	25% withholding for non-residents
Germany	0% to 45%	Repairs, depreciation, mortgage interest	5.5% solidarity surcharge
Great Britain	20% to 45%	Maintenance, letting fees, limited mortgage interest	Non-resident landlord scheme
Dubai	0%	N/A	9% corporate tax for business entities
Panama	0% to 10%	Repairs, maintenance, property management	Tax exemptions for certain economic areas

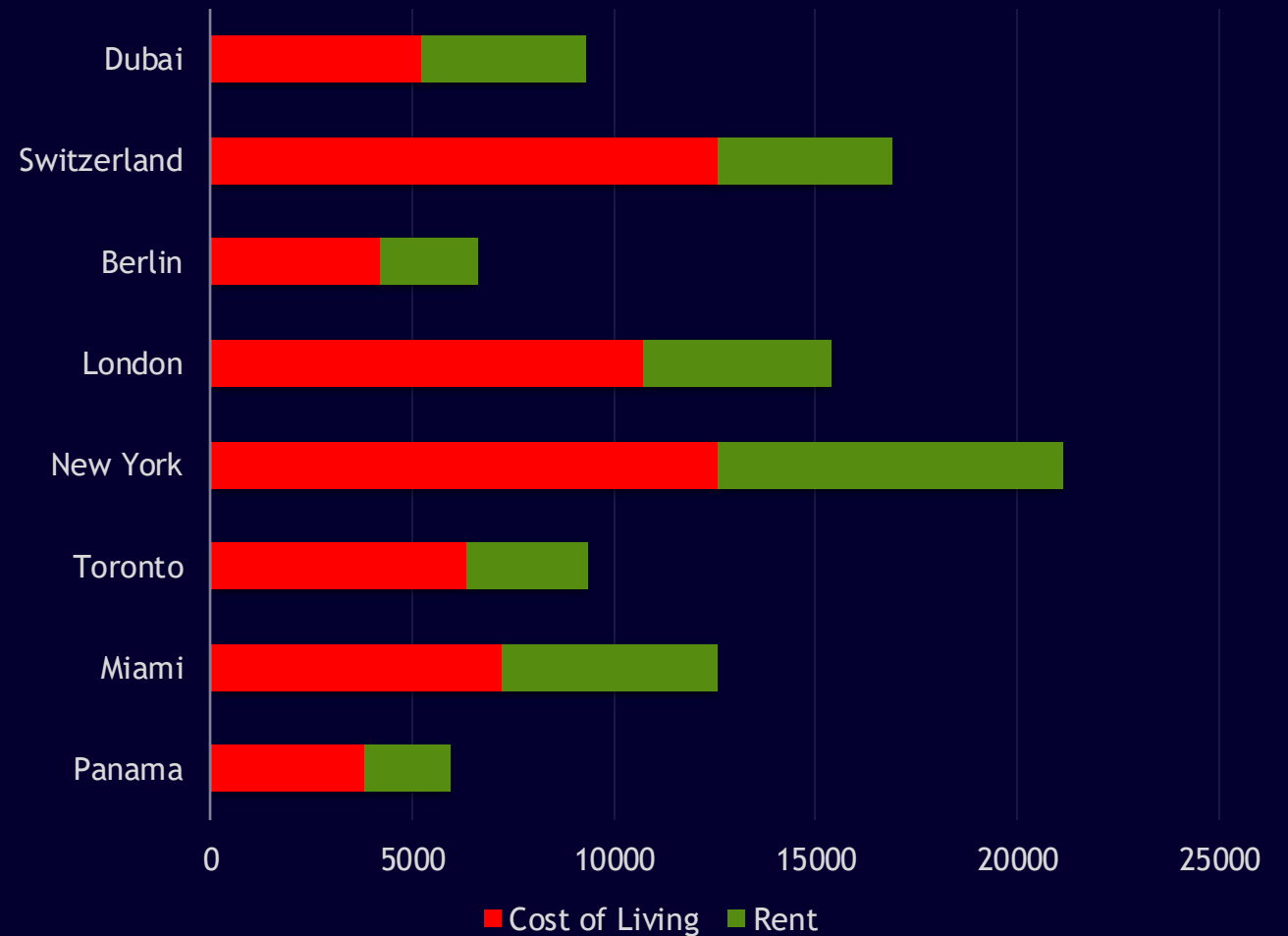
Investor | Friendly Nation | Pensionado - Visa Approval



<https://www.migracion.gob.pa/estadisticas/>

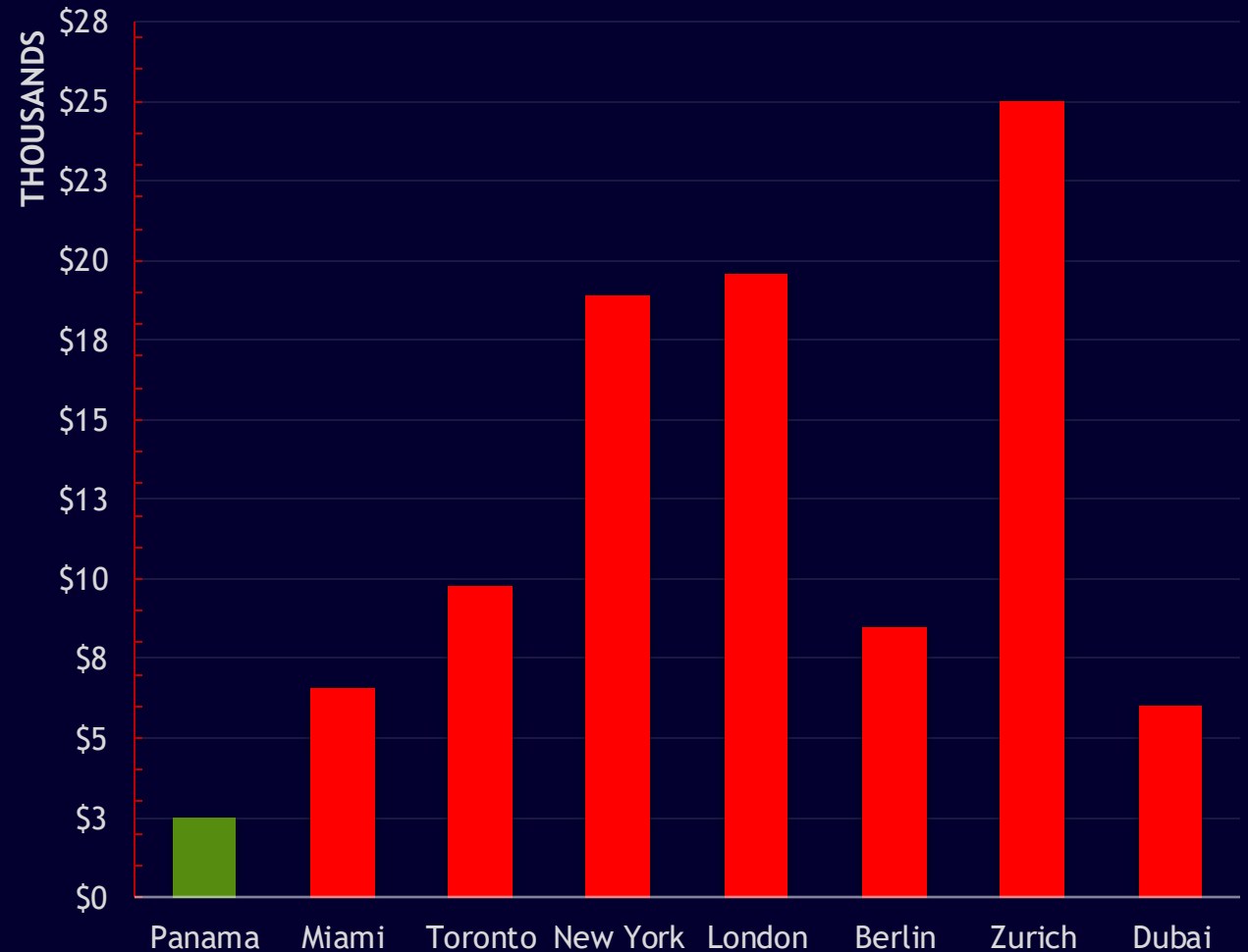
Cost of Living incl. Rent

Family of 4



Source: <https://www.numbeo.com/cost-of-living/city-estimator/in/Panama-City>

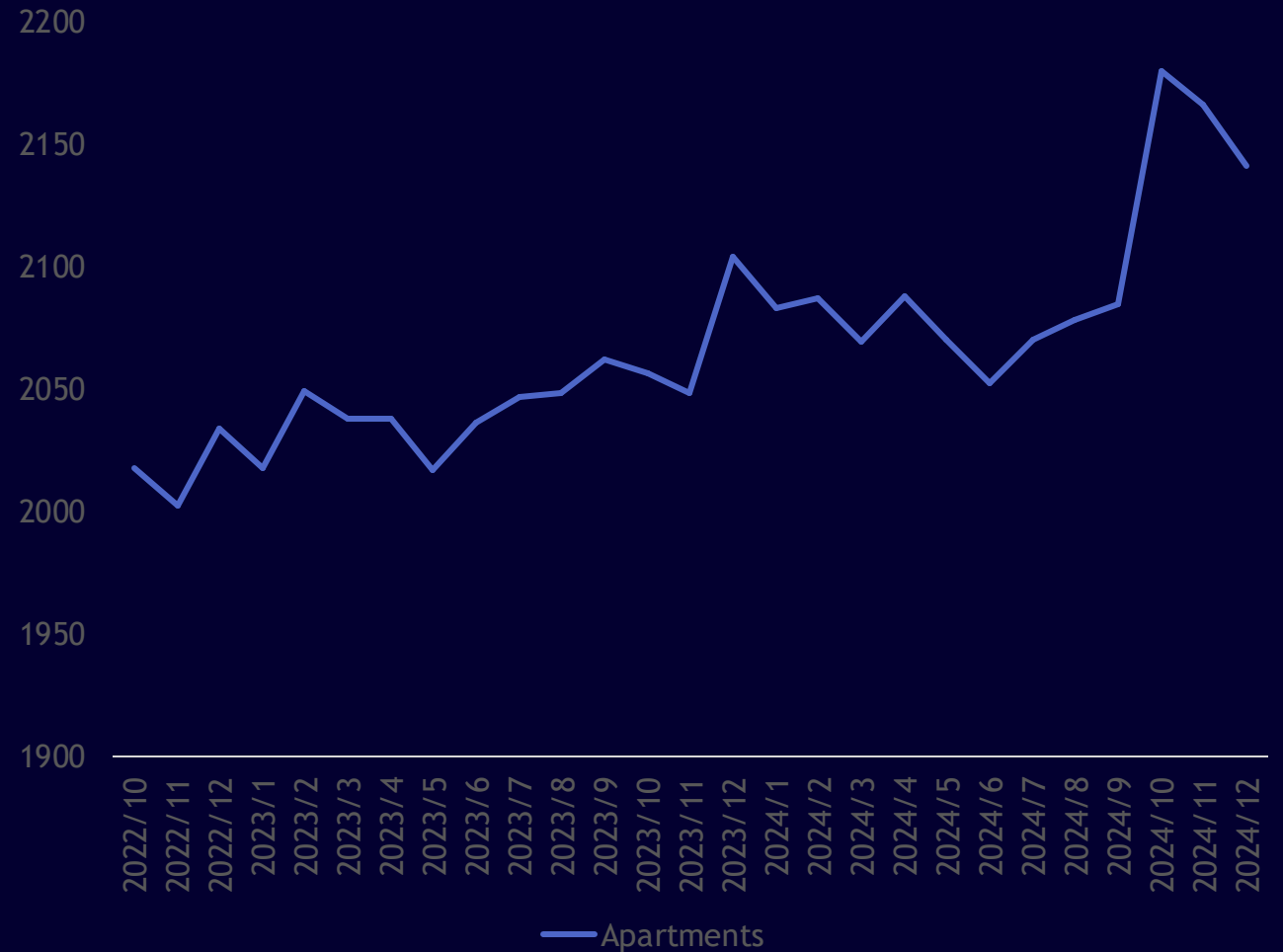
Apartment - Price per m2 in Major Cities



Source: https://www.numbeo.com/cost-of-living/city_price_rankings?itemId=100

Price Trend Resale - Apartments

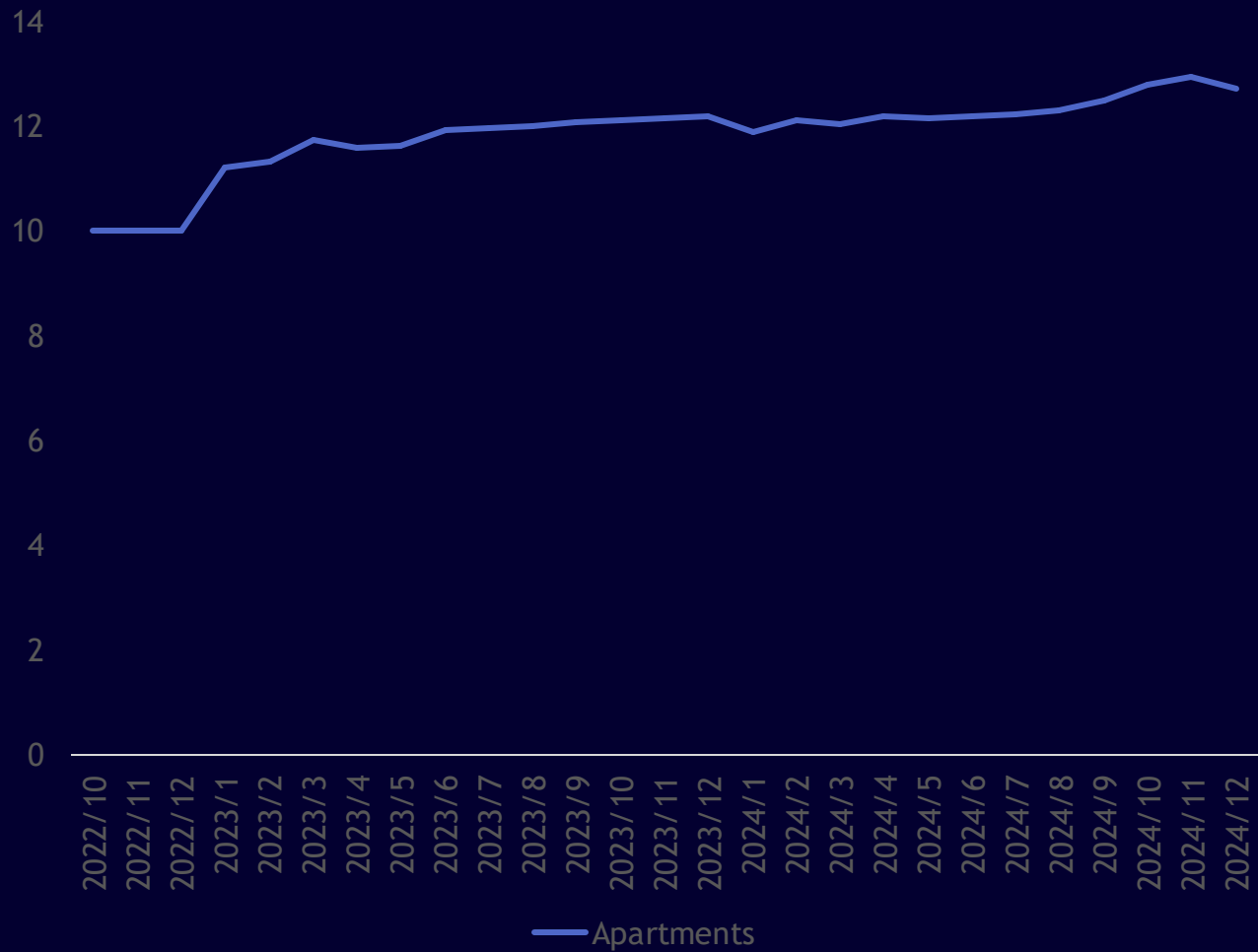
Panama City



<https://www.encuentra24.com/panama-en/cnad/statistic/type/realestate>

Price Trend - Rental

Panama City



<https://www.encuentra24.com/panama-en/cnad/statistic/type/realestate>