AADK Meridian

AADK GROUP REAL ESTATE

INVESTOR RESOURCE

The U.S. Investor's Guide to Colombian Real Estate

A plain-English walkthrough of how to buy property in Colombia as a U.S. investor — the regions, the ways to invest, the buying process, the M-Investor visa, and what it means for your U.S. taxes.

FROM GROUND TO KEY — BACKED BY AADK GROUP

Prepared September 2026 · Figures current as of publication and subject to change · Not investment, legal, tax, or immigration advice

WELCOME

Before you invest a dollar, understand the whole picture.

Buying real estate in a foreign country is unfamiliar territory for most U.S. investors — not because the underlying transaction is exotic, but because nobody has walked you through it end to end. This guide does that.

AADK Meridian is a real estate development company under the AADK Group umbrella, built to give U.S. investors a single accountable partner across the full lifecycle of a Colombian property investment — from land acquisition through turnkey delivery. We wrote this guide because the investors we talk to ask the same handful of questions, and they deserve straight, sourced answers before they commit capital, not after.

> This guide is educational, not advice. Every figure here is sourced and dated, but Colombian tax, visa, and property law change — sometimes more than once a year. Nothing here substitutes for your own independent attorney, CPA, and immigration counsel; AADK Meridian is a developer, not a registered investment adviser, broker-dealer, or tax advisor.

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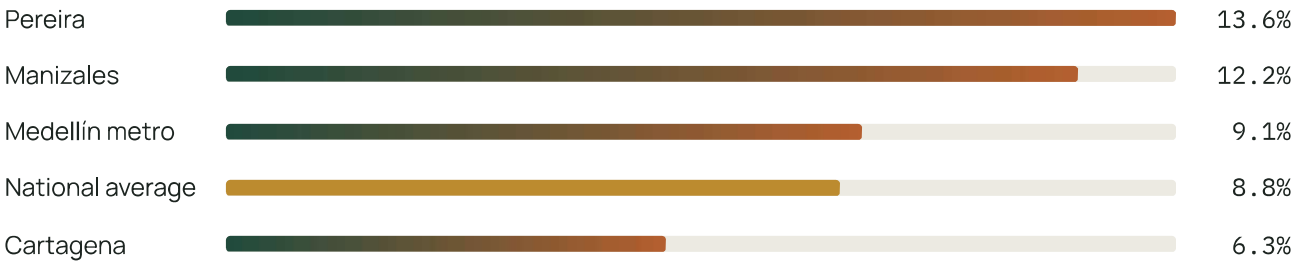
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01 · MARKET OPPORTUNITY

Why Colombia, Why Now

2026 new-home price appreciation across our three focus regions — the Coffee Region and Medellín metro are outpacing the national average; Cartagena is more moderate, anchoring our Caribbean coast strategy.



Source: Colombia real estate market analysis, 2026 (thelatinvestor.com, citing DANE new-home price data). National new-home prices overall rose ~8.8% while construction starts fell ~17.9% and sales ~11.3% over the same period — a supply-constrained market, not a demand-led spike.

VISA THRESHOLD

~$190K

Approx. USD minimum property value for the M-Investor visa route (moves with COP/USD — see p.8)

TAX TREATY

None

No comprehensive U.S.–Colombia income tax treaty — see p.10 for what that means in practice

PARTNER

One

AADK Meridian controls land through construction directly — a single accountable team

02 · REGIONAL FOCUS

Where We Build

AADK Meridian concentrates in three regions chosen for a mix of appreciation, livability, and established expat infrastructure — not spread thin across the whole country.

Medellín & Surroundings

Alto de las Palmas, Rionegro, San Jerónimo, Santa Fe de Antioquia. Colombia's most established international destination, with a deep base of long-term expat residents, reliable infrastructure, and year-round temperate climate (the "eternal spring"). El Poblado and Envigado anchor the urban core; the surrounding towns offer larger lots and a slower pace within 30–60 minutes of the city.

Coffee Region — Pereira & Manizales

The fastest-appreciating tracked markets in our 2026 data (13.6% and 12.2% respectively). Mountain landscapes, coffee-growing heritage, and lower entry prices than Medellín, with growing infrastructure investment and a smaller but active expat community.

Cartagena & the Caribbean Coast

Colombia's tourism and turnkey-vacation-property market, with UNESCO-listed colonial architecture and a strong short-term rental economy. Price appreciation here is more moderate (6.3%) than the interior markets, which typically means a more mature, less speculative pricing environment for buyers focused on lifestyle and rental income rather than pure appreciation.

> We intentionally do not build in every market. A region enters our pipeline only once we have land control, permitting relationships, and a construction team we'd put our own name behind there.

03 · INVESTMENT STRUCTURES

Three Ways to Invest

Different investors want different levels of control, liquidity, and involvement. AADK Meridian offers all three rather than forcing one on you.

STRUCTURE	STATUS	HOW IT WORKS	BEST FOR
Direct Purchase	AVAILABLE NOW	You buy a specific unit or parcel outright, often at pre-construction pricing, delivered turnkey. Title is held in your own name.	Investors who want a titled asset and full control — and the *only* structure that satisfies the M-Investor visa's direct-ownership requirement.
Development JV	AVAILABLE NOW	You co-invest with AADK Meridian in one named project, under a defined split of cost, control, and profit.	Investors who want more say over a specific asset and are comfortable with a partnership structure rather than sole ownership.
Fund / SPV	POST TRACK RECORD	Pooled capital deployed across multiple projects for diversification, structured with securities counsel under a Reg D offering.	Investors who want diversified, passive exposure once AADK Meridian has a delivered project to underwrite the fund against.

We sequence deliberately: Direct Purchase and Development JV first, to build a verifiable, referenceable track record — then the Fund/SPV, once there's a delivered project to underwrite against rather than a projection.

TARGET INVESTMENT RANGE

$500,000 – $2,000,000

Per project, for Direct Purchase or Development JV.

The Buying Process, Step by Step

Colombian real estate closings follow a well-established legal process. Here is what actually happens, in order.

1 Promesa de Compraventa

A preliminary purchase agreement locking in price and closing terms. Buyers typically pay a deposit of around 10% at this stage. Notarizing this agreement (optional but recommended) strengthens its enforceability.

2 Title Search & Due Diligence

We pull the Certificado de Libertad y Tradición (title certificate) from the Oficina de Registro de Instrumentos Públicos (ORIP), review the full chain of title, and confirm the property carries no liens, mortgages, or embargoes.

3 Paz y Salvo Clearances

Property tax (predial), any valorización assessment, HOA dues (administración), and utilities are all confirmed current before closing — so you never inherit someone else's unpaid balance.

4 Escritura Pública

The deed is signed before a Colombian notary. If you can't be present, a foreign buyer can sign remotely via an apostilled, translated power of attorney. Payment is typically due at this session.

5 Registration at the ORIP

This is the step that actually transfers ownership — not the signing. Colombia runs on a first-to-register system, so the escritura must be filed at the ORIP within two months of signing, or the buyer's title is legally exposed. Registration typically takes 5–15 business days (statutory maximum: 15 business days).

> Signing the deed is not the same as owning the property. Until the escritura is registered at the ORIP, your title is not secure — this is the single most important legal fact for a foreign buyer to understand about how Colombian real estate law works.

What Closing Actually Costs

Total, contract to registered title, typically runs 30–60 days for a cash deal. Here's where the closing-cost dollars go.

ITEM	TYPICAL RATE	NOTES
Notary fee	~0.54% + 19% VAT	Regulated tariff, uniform nationwide; usually split 50/50 buyer/seller
Registration fee (ORIP)	Progressive, by value	Generally paid by the buyer
Registration tax	~1%	Varies slightly by department; applied to the higher of sale price or cadastral value
Stamp tax (real estate)	0% / 1.5% / 3%, progressive	0% below ~$328K; 1.5% on the amount between ~$328K–$820K; 3% on the amount above ~$820K, plus a fixed base — see example below
Independent closing attorney	$1,000–$2,500 flat	Not legally required, but strongly recommended for a foreign buyer
Seller's withholding tax	1–2.5%	Withheld from the seller's proceeds as an advance on their income tax — not a buyer cost

Illustrative example — a $900,000 purchase: notary (~$5,800), registration tax (~$9,000), stamp tax (~$9,800, since $900K falls in the top progressive band on the amount above ~$820K), plus registration fees and independent legal counsel. Total buyer-side closing costs for properties in our $500K–$2M range typically land around **3%–4.5% of purchase price.** Your closing attorney will confirm the exact figure for your specific transaction before you sign.

Colombia's real estate stamp tax is permanent legislation (Ley 2277 de 2022), separate from a temporary 1% surcharge that applied briefly in 2025 and expired January 1, 2026. Figures use the 2026 UVT (COP $52,374) and a representative COP/USD exchange rate; both move over time — your closing attorney will confirm current figures at contract.

05 · RESIDENCY

The M-Investor Visa, Step by Step

Direct property ownership above a set threshold can qualify you for Colombia's Visa M — Inversionista, a renewable temporary residency visa.

INVESTMENT THRESHOLD

350 SMMLV

= COP $612,816,750 at the 2026 minimum wage — approximately $190,000–$192,000 USD at current exchange rates. This is a moving target: the COP figure resets every January 1 against that year's minimum wage, and the USD equivalent shifts with the peso. Treat the COP figure as the reliable number.

WHERE TO APPLY

Two channels

A Colombian consulate in your home country, or online via the Cancillería visa portal if you're already in Colombia with regular immigration status.

DOCUMENTS TYPICALLY REQUIRED

- Certificado de Tradición y Libertad showing the property in your name, recently issued
- The escritura pública de compraventa (your notarized deed)
- Proof your investment funds entered Colombia through the formal exchange market, registered with Banco de la República
- Three months of bank statements demonstrating financial solvency
- Valid passport with at least six months remaining, plus a passport-style photo
- Health insurance valid in Colombia (covering accidents, illness, hospitalization, and repatriation)

> Processing takes roughly 2 weeks to 1 month for a clean application (statutory maximum: 30 calendar days), plus a study fee of about $56 and an expedition fee of about $204 due on approval.

Validity, Renewal & the Path to Residency

MILESTONE	WHAT IT MEANS
Visa M validity	Up to 3 years, renewable while you continue to hold the qualifying property (re-tested against that year's threshold)
Presence requirement	This is a **maximum absence** rule, not a minimum stay: the visa lapses if you're away from Colombia for more than 180 consecutive days within any rolling 365-day period. You do not need to live there — you just can't disappear for six months straight.
Path to Visa R (Resident)	After holding Visa M continuously for 5 years, you become eligible for permanent residency (Visa R), valid for 5 years and renewable. Visa R is cancelled if you're absent for 2 consecutive years.
Path to citizenship	Colombian citizenship by naturalization typically becomes available after further years as a resident — confirm current requirements with immigration counsel, as this is the step most likely to change.

> This visa is tied specifically to **direct ownership** in your own name — it is available through Direct Purchase, not through Development JV or Fund/SPV participation, since those structures don't put title in your individual name.

Source: Colombian Ministry of Foreign Affairs (Cancillería), Resolución 5477 de 2022, and independent Colombian immigration counsel, current as of September 2026. Immigration regulations change; confirm current requirements with a licensed Colombian immigration attorney before relying on any figure here.

What This Means for Your U.S. Taxes

Two U.S. reporting regimes come up constantly in cross-border real estate conversations — FBAR and FATCA. Here is precisely how, and how not, they apply.

> **The property itself is not reportable.** Directly-owned foreign real estate, titled in your own name, is not a "foreign financial account" — it falls outside both FBAR (FinCEN Form 114) and FATCA Form 8938. Neither the IRS's FBAR guidance nor Form 8938's instructions treat real property as a reportable asset.

WHAT DOES TRIGGER REPORTING

- **A Colombian bank account** used to fund the purchase, hold escrow, or collect rental income — this is a foreign financial account, reportable once thresholds are crossed, even if the funds only pass through briefly.
- **Property held through a foreign entity or trust** (a Colombian S.A.S., a fideicomiso, or similar) — here, the ownership interest in the entity itself is a reportable asset, and may trigger additional forms depending on the structure. This is a conversation for your CPA before you set up any entity.
- **Rental income** deposited into a Colombian account — reportable both as a foreign account and as worldwide income on your Form 1040.

REGIME	THRESHOLD (SINGLE, U.S.-RESIDENT)	THRESHOLD (SINGLE, ABROAD)
FBAR (FinCEN 114)	$10,000 aggregate, across all foreign accounts, at any point during the year	
FATCA (Form 8938)	>$50,000 year-end or >$75,000 any time	>$200,000 year-end or >$300,000 any time

Married filing jointly thresholds are roughly double the single-filer figures shown. Confirm current thresholds against the latest Form 8938 instructions before filing.

No Treaty — What That Actually Means

There is no comprehensive U.S.–Colombia income tax treaty. In practice, that means no treaty-based allocation of taxing rights, no treaty-reduced withholding rates, and no treaty tie-breaker if both countries claim you as a tax resident.

That does *not* mean you're taxed twice on the same income with no relief. Under U.S. domestic law, the **Foreign Tax Credit** (Form 1116) generally lets you credit Colombian income tax — for example, on rental income, or the 15% *ganancia ocasional* capital-gains tax Colombia charges on a sale after a two-year hold — dollar-for-dollar against your U.S. tax on that same income, with any excess credit carried forward. It's procedurally clunkier than a treaty, but it functionally covers most straightforward rental and sale scenarios.

Separately, the U.S. and Colombia do have a FATCA intergovernmental agreement, meaning Colombian banks report U.S. account holders' information to the IRS. That's an information-sharing mechanism, not a tax-relief mechanism — it doesn't replace the need for the Foreign Tax Credit analysis above.

> **Bottom line for a straightforward Direct Purchase buyer:** if you never open a Colombian bank account and never form a foreign entity, your FBAR/FATCA exposure from the property itself is minimal. The moment a Colombian account or entity enters the picture — which is common for rental income or a JV structure — get your cross-border CPA involved before, not after.

This section is general education, not tax advice. AADK Meridian is not a tax advisor. Every investor's situation differs, and we require every client to consult an independent cross-border CPA as part of onboarding.

07 · CONSTRUCTION & CAPITAL PROTECTION

How Your Capital Is Protected During Construction

The biggest blocker for a first-time cross-border buyer isn't price — it's not knowing whether the money is actually being spent on the building.

1. **Milestone-based draws**

   Funds are released in stages — foundation, structure, close-in, final — never on a calendar, only against verified physical progress.

2. **Third-party inspection**

   An independent inspection confirms each milestone before the next draw is released, so payment always follows verified work rather than a promise.

3. **Video progress updates**

   Regular video documentation of the build, so you can see the state of construction without needing to fly down.

4. **One accountable team**

   AADK Meridian controls land sourcing, permitting, and construction directly — we are not reselling someone else's project, so there is one team to hold accountable at every stage, not a chain of subcontracted parties pointing at each other.

> This is the structural answer to "how do I know my money isn't just gone." It's not a promise — it's a payment mechanism that makes it structurally difficult for capital to leave your account without matching physical progress on the ground.

08 · HONEST ASSESSMENT

Risks to Understand Going In

Every real estate investment carries risk. Cross-border investment carries a few specific to the setting — here's how we think about each.

RISK	HOW WE MANAGE IT
Construction cost or timeline overrun	Fixed-price contractor agreements, a contingency reserve, and phased draws tied to verified progress
Currency risk (COP/USD)	USD-denominated investor agreements; construction costs hedged where practical
Regulatory and securities exposure	Reg D-compliant structuring with specialist securities counsel before any public capital raise
Cross-border trust gap	Transparent reporting, third-party escrow, and verifiable project documentation you can check independently
Land title and diligence risk	Independent local legal counsel, title insurance where available, and phased land closings

> No developer — here or anywhere — can eliminate these risks entirely. What we can do is be specific about them upfront, structure the transaction to limit your exposure, and give you the documentation to verify each stage yourself rather than asking you to take our word for it.

Frequently Asked Questions

Do I need to visit Colombia before investing?

No — Direct Purchase and JV investors can transact remotely, with video site updates and documentation handled by our local team. A visit is recommended, and encouraged before final closing on larger commitments, but not required.

Which structure is right for me?

Direct Purchase suits investors who want a titled asset in their own name and is required for the visa route. Development JV suits investors who want more control over one specific project. Fund/SPV, launching after our first delivered project, will suit investors who want diversification with a passive role.

Can I finance part of the purchase?

Most of our current investors purchase in cash or via a JV capital contribution; local financing options for foreign buyers are more limited and typically carry higher rates than U.S. financing. Ask your AADK Meridian contact for current options for a specific project.

What happens if I want to sell later?

You can sell at any time as the owner of record. Be aware of Colombia's 15% capital gains tax (*ganancia ocasional*) on the gain for property held over two years, and plan for the same closing process described in this guide, in reverse, with you as the seller.

Is this guide legal, tax, or immigration advice?

No. It's educational material to help you ask better questions of your own independent attorney, CPA, and immigration counsel — all of whom we require every client to engage before closing.

NEXT STEPS

Ready to see what's actually available?

This guide covers how AADK Meridian works in general. The next step is a direct conversation about your budget, timeline, and which of our three focus regions fits what you're looking for — plus a look at current project availability.

invest@aadkmeridian.com

aadkmeridian.com

Medellín, Colombia

AADK Meridian is a real estate developer, part of AADK Group, and is not a registered investment adviser, broker-dealer, tax advisor, or immigration attorney. Nothing in this guide is investment, legal, tax, or immigration advice. Figures for market appreciation, visa thresholds, tax thresholds, and closing costs are sourced from the parties cited throughout this guide and are current as of September 2026; Colombian and U.S. regulations change, and dollar figures tied to the COP/USD exchange rate move continuously. Consult independent, licensed counsel in the relevant jurisdiction before making any investment, tax, or immigration decision. © 2026 AADK Meridian, part of AADK Group.