



How Indian Buyers Can Legally Own Overseas Property? Your Complete Guide

In recent times, specially post Covid era, the global travel & wealth have grown in unexpected proportions. Alongside this, cross-border investments have become simpler. As a result, more and more Indians are actively looking to **buy overseas property** for lifestyle upgrades, rental income, portfolio diversification, and long-term wealth creation. From Dubai to London to Phuket, the interest in **overseas property for Indian buyers** has surged in the last decade.

But the biggest question remains:

Can Indians legally own property abroad—and if yes, what rules must they follow?

The short answer is **YES**, Indians can legally own **overseas property**, but the process must follow the Reserve Bank of India (RBI)'s Liberalised Remittance Scheme (LRS).

This guide breaks down everything you need to know.

The legality comes under the **Foreign Exchange Management Act (FEMA)** and **RBI's Liberalised Remittance Scheme (LRS)**.

Under LRS, every resident Indian (adult or minor through guardian) can remit **up to USD 250,000 per financial year** for permissible capital and current account transactions.

Buying property abroad is specifically allowed under LRS.

This means you can **buy overseas property** using legally permitted remittances from India.

What the Liberalised Remittance Scheme (LRS) Allows

Here is what an Indian buyer can do under LRS:

- Purchase **residential or commercial real estate internationally**
- Acquire property individually or jointly
- Invest in real estate vehicles abroad (REITs, property funds, etc.)
- Pay property-related expenses: registration fees, legal fees, taxes
- Take a property loan abroad (if allowed by that country)

This makes it completely legal, safe, and structured for Indians to invest in **overseas property**.

What LRS Does NOT Allow

Although LRS is flexible, there are restrictions:

- You cannot remit money abroad for **margin trading, lottery, banned investments, and cryptocurrencies**.
- You cannot use LRS for purchasing **agricultural land, plantation property or farmhouses**, even overseas (depending on country laws).
- You cannot use remittances as **security for foreign loans**.

However, typical apartments, villas, townhouses, and commercial units are perfectly allowed.

How Much Money Can You Send to Buy Overseas Property?

You are allowed **USD 250,000 per person per financial year**.

This means:

- A married couple can combine limits to remit **USD 500,000/year**
- A family of four can remit **USD 1 million/year**

This flexibility helps buyers plan payments across financial years or through multiple family members.

If the property is more expensive (like London or Dubai luxury units), buyers typically:

- Combine family quotas
- Use multi-year remittance schedules
- Opt for developer payment plans
- Obtain local financing abroad

Can You Finance Overseas Property Through a Loan?

YES – but not from Indian banks.

Indian banks cannot finance property abroad.

However, you can take a loan from:

- A foreign bank in the country where you are buying property
- A financial institution abroad
- Certain developers offering in-house financing

Many international developers, especially in Dubai and Europe, offer **post-handover or interest-free plans**, making it easier for Indians to **buy overseas property** without heavy upfront capital.

Why Indians Are Buying Overseas Property

While we have understood the legalities, let's also understand why international property has become such a strong trend:

- **Better rental yields** in markets like Dubai, Europe and the US.
- **Currency diversification**, especially for HNIs and NRIs.
- **Retirement and second-home plans** in scenic destinations.
- **Children's education abroad**, making foreign real estate more practical.
- **Golden Visa and residency benefits** in places such as UAE, Portugal, Greece, and Cyprus.

With more developers offering easy payment plans and Indian banks allowing regulated remittances, **overseas property for Indian buyers** is more accessible today than ever before.

If you are looking to buy a property abroad, reach out to us on

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