IDEAS REAL ESTATE · REGULATORY REPORT

Qualified Investor Executive Decree No. 17

Panama's new residency-by-investment regime

Analysis of ED 17 of September 8, 2026 · Official Gazette No. 30613

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1 Executive summary

Executive Decree No. 17 of September 8, 2026, enacted in Digital Official Gazette No. 30613 on September 16, 2026, **fully replaces** Executive Decree No. 722 of 2020 and its amendments (ED 109 of 2022 and ED 193 of 2024). It is in force from its promulgation (art. 21).

The key change for real estate is a **distinction by property status**: the B/.300,000 threshold is kept only for **first-sale** properties (new, unoccupied, transferred by the developer), while **secondary-market** properties require B/.500,000. The decree also introduces **net computable value**, risk-based valuation checks, mandatory bank guarantees for pre-construction purchases paid in full to the developer, and a 3-year cap on status backed only by purchase promises.

Indicator	Value under ED 17/2026
First-sale property (art. 4.a)	**B/.300,000**
Secondary-market property (art. 4.b)	**B/.500,000**
Purchase promise / pre-construction (art. 7)	B/.300,000 · escrow trust or 100% payment with bank guarantee
Securities market (art. 8)	B/.500,000 · hold 5 years
Time deposit private bank / BNP–Caja de Ahorros (art. 9)	B/.750,000 / B/.500,000 · 5 years
Main applicant fees (art. 11)	B/.5,000 Treasury + B/.5,000 repatriation
Maximum processing times (art. 15)	MICI 15 business days · SNM 30 business days
Investment holding (art. 12)	5 years · annual proof
Transition for prior investments (art. 19)	6 months from entry into force

Reflection. The decree does not make Panama more expensive; it steers investors toward new inventory. For a broker, the question shifts from "how much does it cost?" to "what is the property's legal status and what is it worth *net*?".

2 What changed from the previous regime

Comparison between ED 722/2020 (as amended by ED 193/2024) and ED 17/2026, for real estate purposes.

Topic	Previous regime	ED 17/2026
Real estate amount	From B/.300,000 in unencumbered property, new or resale	B/.300,000 first sale · B/.500,000 secondary market
Financing	Unclear whether a mortgage was allowed	Amount above the minimum may be financed if documented and traceable (art. 5.b)

Topic	Previous regime	ED 17/2026
Recognized value	Purchase / cadastral value	Lower of price paid and supported market value, minus liens (art. 5.a, 6.10)
Verification	ANATI certificate	ANATI + independent appraisal when reasonable doubt exists; risk-based model (art. 6)
Pre-construction	Promise or trust	Escrow trust, or 100% payment backed by irrevocable bank instrument; 3-year cap (art. 7)
Time deposit	B/.750,000	B/.750,000 private bank · B/.500,000 BNP or Caja de Ahorros (art. 9)
Dependents	At filing	Direct inclusion of later spouse and children (art. 17)
Naturalization	General route	Filed via MICI window after 5 consecutive years (art. 14)

3 Investment options

The decree recognizes four routes. The first two are the core of Ideas Real Estate's business.

Option	Minimum	Term	Key conditions
First-sale property	B/.300,000	5 years	New, unoccupied, transferred by developer or successor. Proven with Public Registry, construction or occupancy permits and tax records.
Secondary-market property	B/.500,000	5 years	Previously sold, occupied, leased or transferred to an unrelated third party. Segregation, inheritance, trust or merger do not count as prior sale.
Purchase promise	B/.300,000	Max. 3 years on promise	Escrow with licensed bank or trust company, or 100% payment to developer with standby L/C, bank guarantee or performance bond.
Securities market	B/.500,000	5 years	Through a licensed broker-dealer: private equity funds, government bonds, shares, REITs.
Time deposit	B/.750,000 / B/.500,000	5 years	Unencumbered; B/.500,000 only at Banco Nacional or Caja de Ahorros.

Watch out: "secondary market" does not mean "second home". A new unit that the developer has already leased or occupied, or that a buyer resells, now requires B/.500,000. Verify property status before signing.

4 Net computable value: the deciding rule

Art. 5.a states that the value that counts is the **lower** of the price actually paid and the reasonably supported market value, **minus the balance of any lien**. Art. 5.b allows financing the amount above the minimum, provided no lien reduces net value below the threshold.

Applying the rule to illustrative cases (Ideas Real Estate assumptions, not client cases):

Case	Price	Mortgage	Net value	Result
New unit bought from developer	$320,000	$0	$320,000	Qualifies (≥ $300K)
New unit with mortgage	$450,000	$150,000	$300,000	Qualifies, at the limit
New unit with high mortgage	$450,000	$200,000	$250,000	Does not qualify
Resale in Costa del Este	$420,000	$0	$420,000	Does not qualify (< $500K)
Resale with mortgage	$650,000	$200,000	$450,000	Does not qualify
Premium resale, cash	$550,000	$0	$550,000	Qualifies (≥ $500K)

Assumes supported market value equals or exceeds the price paid. If an appraisal supports a lower value, that value applies (art. 6.10). Arithmetic application of the rule; does not replace MICI review.

5 Pre-construction: new safeguards and limits

Art. 7 governs off-plan purchases through a B/.300,000 purchase promise. There are two routes: (a) an escrow trust managed by a licensed bank or trust company, disbursed to the developer under the promise; or (b) 100% payment to the developer, which **must** be backed by a standby letter of credit, irrevocable bank guarantee or performance bond, valid until the unit is registered in the investor's name and renewed yearly with MICI.

If the developer defaults, the investor has 180 business days to substitute the investment. Substitution with another promise may be used only once, and total time backed only by promises cannot exceed 3 years (art. 7.6–7.8).

> **Commercial implication:** few developers currently issue bank guarantees in favor of buyers. For clients seeking residency off-plan, the escrow trust will be the practical route, and developer strength becomes a selection criterion.

6 Process, costs and timelines

Step	Time / cost	Basis
Investment Certificate (MICI)	15 business days after admission; 15 business days to cure defects	Art. 3, 15.1
Certificate validity	3 months; must be valid when filing with SNM	Art. 3.4
Immigration resolution (SNM)	30 business days from complete file	Art. 15.2
Main applicant fees	B/.5,000 Treasury + B/.5,000 repatriation	Art. 11.1
Fees per dependent	B/.1,000 Treasury + B/.1,000 repatriation	Art. 11.2
Source of funds	Traceable international transfer; gifts not accepted	Art. 2, 3.7, 3.9
Annual proof	Within 30 days before anniversary, for 5 years	Art. 12.5
Reinvestment if investment ends	Notify within 30 days; reinvest within 90 days	Art. 12.2–12.3
Filing from abroad	Allowed via attorney; biometrics before ID card	Art. 16

7 Transitional rules

Situation	Treatment
Applications already filed	Governed by requirements and amounts in force at filing (art. 19).
Investments or binding contracts perfected before entry into force	May use the previous regime if filed within 6 months of entry into force. Ideas Real Estate estimate: until mid-March 2027, to be confirmed with counsel.
Economic Solvency residents	May convert to Qualified Investor within 12 months, meeting minimum amounts (art. 18).
Investments before October 15, 2020	Not eligible (art. 18).
Appraisal rules	Not retroactive, except where fraud or simulation is indicated (art. 19).

8 Implications for Ideas Real Estate

The decree turns legal verification of the property into part of the brokerage service. Proposed action lines:

Line	Action
Classify inventory	Tag each unit as "first sale" or "secondary" and its applicable threshold in listings and dashboards.
Prioritize solid pre-sales	Focus residency clients on new projects of B/.300K–450K with partner developers and escrow.
Premium resale	Position resales from B/.500K cash; below that, sell them for rental or use, not residency.
Qualification checklist	Price, status, liens, appraisal, source-of-funds traceability and corporate structure before any offer.
Legal partnership	Coordinate with an immigration attorney from reservation; Ideas Real Estate does not give legal advice.
Honest urgency	Communicate the 6-month transition only to buyers who already hold binding contracts.

9 Strengths and weaknesses of the new regime

Strengths	Weaknesses
Rules unified in a single instrument	Resales between B/.300K and B/.500K lose residency appeal
Defined maximum timelines (15 and 30 business days)	Bank guarantees for payment to developer are costly and rare
Stronger buyer protection off-plan	Discretionary appraisal on "reasonable doubt" adds uncertainty
Financing of the excess now explicit	3-year cap on promises exposes buyers to construction delays
New dependents and path to naturalization	Heavy source-of-funds documentation burden

10 Technical note, sources and disclaimer

Primary source: Executive Decree No. 17 of September 8, 2026, Ministry of Public Security, Digital Official Gazette No. 30613 of September 16, 2026 (15 pages), reviewed in full. **Secondary sources consulted Sep 22, 2026:** MICI press release (Sep 21, 2026), analyses by Icaza, González-Ruiz & Alemán, Morgan & Morgan, NDM and CLD Legal.
Methodology: article-by-article reading and comparison with ED 722/2020 and ED 193/2024. Section 4 cases are illustrative assumptions. The transition deadline is an arithmetic estimate. Translation of legal terms is informal; the Spanish text prevails.
Disclaimer: this document is informational and is not legal, immigration, tax or financial advice. Ideas Real Estate is a real estate brokerage; any investment decision for residency purposes must be validated with a licensed Panamanian attorney. Interpretation and application of the decree rest with MICI and the National Immigration Service and may be further regulated or amended.

11 Verdict

ED 17/2026 is industrial policy dressed as immigration law: it rewards new construction and penalizes mid-range resales. For Ideas Real Estate it is an **opportunity** if the team masters the net-value rule and property status, and a **reputational risk** if a unit is sold as “residency-eligible” without verification.

> **Decisive question: does your investment qualify because of its price, or because of its legal status and net value?**