



# Tel Aviv vs. Chisinau

## The 2026 Real Estate Arbitrage Case for Israeli Investors

### Key Finding:

Moldova delivers ~8.2% gross rental yield vs. ~2.6% in Tel Aviv — with acquisition costs of just 2.8% compared to 8-10% in Israel. Capital gains tax: 6% flat vs. up to 25% in Israel.

### Head-to-Head Comparison

Parameter	Tel Aviv ■■	Chisinau ■■
Avg. price / m <sup>2</sup>	€12,500 – 15,000	€800 – 1,500
75 m <sup>2</sup> apartment	~€940k – €1.1M	~€85k – €129k
Gross rental yield	2.6% – 5.0%	8.2% gross
Acquisition costs	8% – 10% + VAT	~2.8% max
Income tax on rent	Marginal 30%–47%	12% flat
Capital gains tax	Up to 25%	6% only
EU membership	Non-member	Candidate — 2030
Market trend 2026	Supply crisis, rising prices	EU convergence arbitrage

8.2%

Gross rental yield in Chisinau

6%

Capital gains tax (vs. up to 25% in IL)

2.8%

Max acquisition costs in Moldova

2030

EU membership target year

### Why 2026 Is the Entry Window

#### EU Accession Trajectory

Bilateral screening completed Sept 2025. Moldova is on track for 2030 membership — the same convergence path that tripled Romanian property values post-2007.

#### Pre-Accession Arbitrage

Chisinau prices remain 8-10x lower than Tel Aviv. As EU membership nears, institutional capital will enter and compress this gap — early movers capture the spread.

#### Tax Efficiency

12% flat income tax on rental income. 6% capital gains. No wealth tax. Double-taxation treaty with Israel. Net returns substantially exceed Israeli equivalents.

#### Geographic Diversification

Moldova sits outside the Middle East conflict zone. Real portfolio diversification unavailable within Israeli borders — with yields that more than compensate for the frontier premium.