



***RETIRE OR INVEST IN
PORTUGAL***

***OUR FAVO(U)RITE HAVEN
FOR 8 YEARS IN A ROW***



**RETIRE OVERSEAS VIRTUAL CONFERENCE
SEPTEMBER 13-17, 2021**

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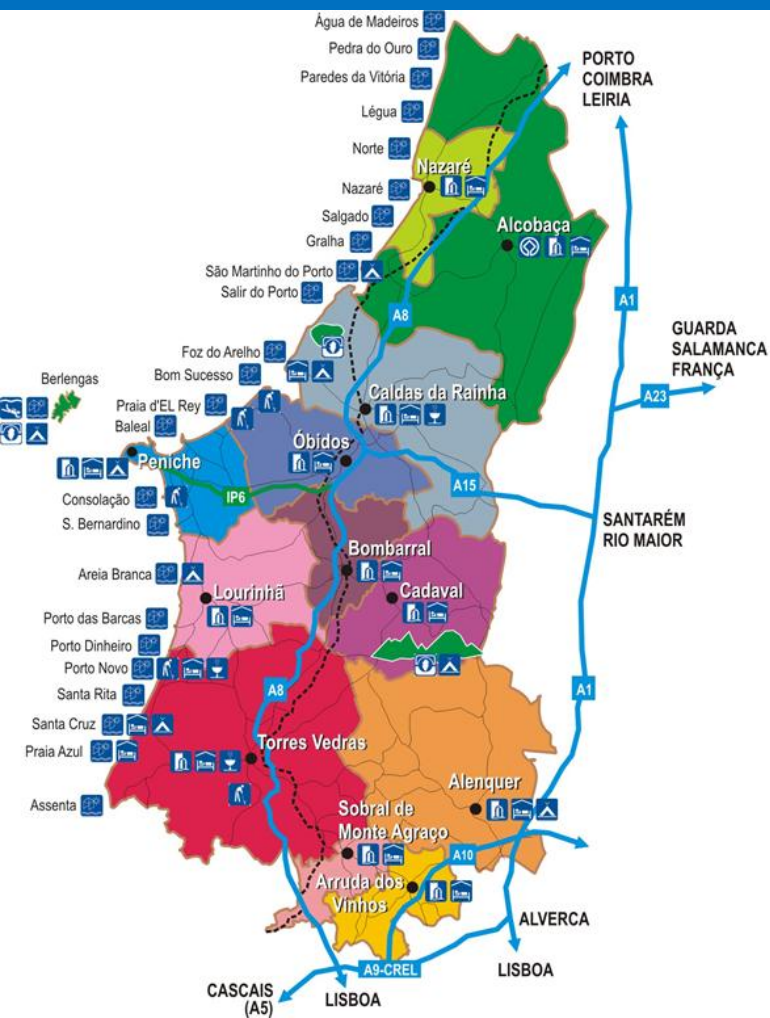
BLOCKBUSTER OPTION FOR RESIDENCY



1. The fundamentals:
 1. 2nd best country at integrating expats
 2. 4th safest country
 3. 12th best healthcare, up to 90% cheaper than US, for example
 4. World's 6th most powerful passport (for those who choose citizenship)
 5. Cheap public transportation, ease of travel and connectivity (air, rail, road)
2. Euro: a stable currency used by around 450 million people.
Exchange rate: August 2021 USD : EUR rate the same as August 2017
3. The Awards
 1. Top 10 Best Places to live in the world
 2. Best Place in the World to Retire, 9 years in a row
 3. Among top 10 places for Americans to Live and Work, in the world
 4. World's best beach destination, best golfing destination, best marina location, Europe's best city break destination, conference destination and many more...
4. Lowest cost of living in W. Europe: with the exception of housing and fuel/gas/electricity
5. Attractiveness to retirees: including the income-based D7 residency visa and Golden Visa
6. Low (0-10%) tax programmes such as Non Habitual Residency (NHR)
7. The ability to rent OR buy to access many of the residency and tax programs



WHY THE SILVER COAST ?



- The Silver Coast “Costa de Prata” is sometimes confused with the Centre “Centro” of the country. The latter extends to the Spanish border and includes cities such as Coimbra, Viseu, Guarda and Castelo Branco
- Its position between Lisbon and Porto is an advantage in terms of access to both airports and to city visits
- Its coastline is world-famous for large waves, but also stunning beaches. Many underestimate the cold/fog
- It’s perceived as being more “authentic” than the Algarve and Lisbon, yet not as much as the North
- Towns are smaller and more manageable. Properties with some land can be found close to towns
- English may not be spoken as widely, especially inland
- It is known for its traditional gastronomy and rich pastry
- Its property prices, especially new build and on the coast, have experienced huge inflation due to foreign buyers
- It is often a choice for people who perceive it to be cheaper than, or who do not like the “feel” of, the Algarve



Portugal
SENIOR LIVING

WHY THE LISBON/CASCAIS/ESTORIL AREA ?



- Several times voted Europe's best cruise, weekend break and city break destination
- Existing multinational expatriate population. English widely spoken
- An excellent mix of historical/traditional and modern real estate options
- The most popular destination for Portugal's Golden Visa program (similar to the US EB-5)
- Lisbon continues to undergo huge redevelopment, new build prices rising constantly
- North Americans choose the region more than many other nationalities (although still less than Algarve)



WHY THE ALGARVE?



- Voted the Best Place in the World to Retire, 9 years in a row
- Some of the best beaches, golf courses and marinas in the world
- Existing multinational expatriate population. English very widely spoken
- Food and wine among best and freshest in the world. Largest fish consumer in Europe
- Attractive and well-priced real estate. Algarve much less developed than Spain
- Many sporting, nature, historical attractions and activities
- A high degree of anonymity and respect for privacy
- An established expat population, including UK, DE, NL, BE, and now US, ZA (few CA)
- No longer Europe's most famous secret: pre-Covid 8.5 million a year visited it, most in the summer!



T2 APARTMENT PURCHASE/RENTAL BY REGION



- North: cheaper cost of living; history and culture; colder/rainier; increasing rental regulation; prices in Porto now high: €250K, €800/mo.
- Silver Coast: cheaper; history; new/modern product at premium; windier/cold sea. €150K; €750/mo
- Cascais/Estoril: cosmopolitan, existing expat community, expensive sales and rentals. €350K+, €1,350/mo+.
- “Linha”: easy access to Lisbon and Cascais; urban; less “character”; prices rising: €225K; €1,000/mo.
- Setúbal: within an hour of Lisbon; cheaper; coast but no beach; flat, good size, more “Portuguese”; €65K; €550/mo.
- Lisbon: some good yields; historical property; quick movers; strict rental regulation. €300K+, €1,500/mo.
- Algarve: top tourist destination. Highest no. real estate enquiries. 300+ sunny days a year (more than California). Large expat community. Best for winter/summer rentals; holiday investment property; best averages for ROI. €175K, €900/mo.

ALERT! Premium locations = premium prices. Do not ask for a sea view and expect countryside prices



GOLDEN VISA AS RESIDENCY SOLUTION



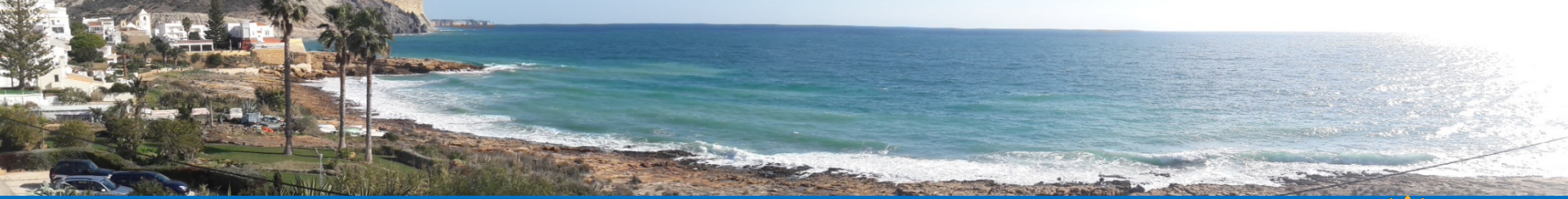
- Golden Visa program will end for residential properties in high density areas, on Dec 31, 2021
- Four Golden Visa categories:
 - €280K, €350K, €400K, €500K
 - Depend essentially on location
- Where should new Golden Visa buyers be considering?
 - €280K in more popular regions such as the Algarve where demand is highest (notwithstanding that it will be in a low density area) :
limited opportunities but should hold value, and will be resaleable to another GV applicant in 5 years (assuming the program still exists)
 - €400K low density on the coast: limited opportunities but could represent capital appreciation
 - €500K high density areas: “clean” and quick options
- What to avoid
 - €350K (refurbishment, 30 years old, in ARU) in high density areas: requires detailed documentation and time too short
 - High density historical areas: either GV-overpriced OR within area where short-term rentals are not allowed
 - Projects with guaranteed buy-back (unless backed by a real guarantee such as insurance policy, or first charge/lien – a contract is not sufficient security)

€280K LOW DENSITY INLAND



1. FOCUS: CHEAPEST PRICE
2. Among the cheapest GV in Europe
3. Located within existing hotel project with track revenue and revenue
4. Fixed income (3% rising to 5%) for 5 years
5. Personal use including ability to stay in other locations for value up to €1500 per annum
6. Possibility to resell to another GV investor if program in place in 5 years





€400K LOW DENSITY COASTAL



1. FOCUS: RENTAL HISTORY
VALUE FOR MONEY,
POTENTIAL GROWTH
2. Built properties with
history of rental revenue
3. Realistic annual gross
yield of 5-6.5% p.a.
4. Golf course and beach
locations, 15 minutes
from major towns,
international schools
5. 2 property strategy (may
require spending a little
more) to balance risk
6. Possible to resell to
another GV investor if
program exists in 5 years





D7 AS RESIDENCY SOLUTION



- **What is it ?**
 - Income-based residency visa
 - Can be obtained EITHER via a property purchase with no minimum value OR a long-term residential rental contract
 - Can be combined with tax programs (where applicants qualifies)
 - Application must be done from country of origin
- **What are the challenges ?**
 - Requires gathering different information and data, not all of it easy to understand
 - Covid-19 travel restrictions mean greater difficulty in dealing with matters in Portugal
 - Having to coordinate multiple providers with insufficient knowledge to vet quality
 - Cost: many professionals or intermediaries are charging high (or exaggerated) prices
 - Expats serving fellow expats can charge premiums for the “comfort” of dealing with fellow expat, often much less qualified and experienced than local, Portuguese person
 - Many service providers are local/regional, not helpful when still unsure where to settle
 - Follow-up may be slow, or difficult, or language barriers may exist
 - Portuguese consulates apply rules inconsistently and assistance varies considerably



REASONS TO RENT BEFORE BUYING



- **CHOICE OF COUNTRY:** In a limited number of cases (12% of those moving to Portugal move away again, for different reasons, with 35% of those doing so within the first year) a rental will avoid an expensive purchase mistake
- **CERTAINTY:** ability to use a period of time to determine whether the region and type of accommodation is right for you.
- **SPEED:** a rental transaction is quicker (days to weeks) than a purchase (months)
- **CONTROL OF TIMING:** the timing of any rental transaction is controlled by Landlord and Tenant (and any intermediary) and does not involve any government entity, which always implies delay
- **RISK:** Especially in times of limited travel, purchasing a house unseen (even with virtual tours and video visits) is unacceptably risky for many, while accepting a rental is by definition a non-permanent step
- **RESIDENCY:** without accommodation no residency visa application is possible
- **COST:** rental represents a much lower initial capital outlay
- **RIGHT PROPERTY NOT AVAILABLE TO BUY:** simply have not liked anything yet
- **BUILDING OR DOING A RENOVATION PROJECT:** but still want to gain residency or accompany the project and cannot live in property yet



PLANNING & INVESTING FOR THE FUTURE

- **THE RETURN OF THE OFF-PLAN PURCHASE:** increase in demand for modern, purpose-built real estate is back. Considerations include accessibility, comfort, domotics, security, Covid safety
- **FIT FOR PURPOSE:** property and accommodation that is perfect for independent retirement but can also be used to generate income from tenants with similar profiles when not used by you
- **CERTAINTY:** ability to acquire European real estate at current values when US economy is buoyant (good time to sell real estate, cars, etc.) and exchange rate reasonable
- **CONTROL OF TIMING:** off-plan investment property comes with a staged payment plan that allows for better cash flow planning
- **RISK:** controlled by progress reports at each stage of a development
- **RESIDENCY:** without accommodation no residency visa application is possible
- **FLEXIBILITY:** option to treat the purchase as a residence or as an investment, with the decision possible at any point in the process



ALGARVE'S FIRST LUXURY COASTAL RETIREMENT CONDOMINIUM



6,240 m² plot

Largest urban plot close to beach

38 1 and 2 bedroomed apartments

An extensive range of on-site amenities

Landscaped gardens and outdoor spaces

Construction license issued, expected completion 2023



RESIDENCE OR INVESTMENT OPPORTUNITY: POTENTIAL 27% ROI



- 1 bedroom (T1) prices from €275,000
- 2 bedroom (T2) prices from €475,000
- **Payment options:**
 - **STANDARD PURCHASE:** Pay a reservation, sign promissory contract, make stage payments and pay 40% on completion.
 - **DISCOUNTED PURCHASES:** 10% discount on five ground floor 2 bedroom, 1 bathroom apartments, priced at €485,000 (discounted to €436,500), for reservations signed by October 15th, 2021
 - **INVESTOR OFFER:** after completion, developer will resell your unit, and after deducting the remaining 40% from the sales proceed, profits are shared 60-40% in favor of investor
- **An example in numbers for a 1 bedroom property:**
 - Apartment price: €275,000 (\$323,675)
 - Reservation: €10,000 (\$11,770)
 - 10% (less reservation) on promissory contract: €17,500 (\$20,598)
 - 5 stage payments of 10% (€27,500/\$32,368) each, spread over 2 years
 - 40% (€110,000/\$129,470) deferred until resale
 - **AVERAGE investment over 2 year period: €110,000 (\$129,470)**
 - If apartment is resold for €325,000, you will earn $60\% * (€325,000 - €275,000) = €30,000$ (\$35,310)
 - This would be a 27.2% return on your capital invested (\$35,310/\$129,470)



ABOUT US



- Founded in 2014
- Focus on International Retirement Migration (IRM)
- UK headquarters; destination markets Portugal and Spain; Ambassadors in SE, BR, US, FR
- Multilingual team located in the regions: Algarve, greater Lisbon/Cascais, Porto
- Enquiries from 75+ countries
- Clients from ~ 30 countries
- Many years of experience with NHR, D7 and Golden Visa clients
- ONLY company to work strategically with BOTH rentals and sales, Portugal-wide
- Company tries to help clients with a broad range of budgets:
Rentals from €700 - €4,000+, property sales from €100K - €2M+
- Network of 50+ local specialist partners including lawyers, banks, insurance, car importation, etc.
- Network of over 120 local real estate agencies and an in-house search team
www.propertyfinderportugal.com
- Largest regional long-term rental portfolio www.algarvelonglets.com
- Portugal's largest "rolling" expat survey: Living In, Moving or retiring to Portugal survey



FOR MORE INFORMATION



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