

Portugal's Golden Visa Programme offers EU citizenship

Interest is running high in Portugal's recently announced Golden Visa Programme, which presents South African and those from other countries with the opportunity to qualify for European Union citizenship by acquiring property in Portugal.

Pam Golding Properties receives enquiries from 130 serious buyers

Chris Immelman, MD of Pam Golding Properties International and Projects Division, says the news has been extremely well received by the South African market. "Following an initial series of roadshows in major centres in South Africa, we've received some 130 serious enquiries from those wishing to purchase property in Portugal," he says. "Our first sales are already underway and several buyers will be visiting Portugal during the next few weeks to view properties. These purchases are across a broad spectrum, naturally affluent people due to the entry level price, and mostly families. Buyers are from various regions, the bulk being from Gauteng."



Cascais, Portugal

"Most of the interest has been in the Lisbon, Cascais and Estoril areas. We have accordingly secured opportunities in downtown Lisbon, with its mature rental market offering solid long-term rentals. While the beautiful areas of Cascais and Estoril, with their spectacular town squares and magnificent beaches offer all the benefits of leisure living, these are actually primary residential areas - with most residents working in Lisbon, which is a mere 20 minute commute away. As a result these areas also have a strong rental market, ensuring a very active property market," he says.

Portugal, with its beautiful beaches, appealing architecture and excellent cuisine, is globally recognised as a tourism hotspot so much so that it was once again recognised at the prestigious World Travel Awards for Europe, taking home no less than nine awards in 2013, while CNN believes that Lisbon could be Europe's 'coolest' city (CNN, 26 January 2014).

"Through an entry level property purchase of €500,000, the Portuguese Golden Visa Programme offers South Africans the freedom of obtaining Portuguese residency, which under current legislation ultimately qualifies one for a Portuguese passport, and therefore unrestricted access to move within the Schengen zone," says Immelman.

The Schengen zone currently comprises Spain, France, Germany, Belgium, Austria, Finland, Greece, Estonia, Denmark, Italy, Luxembourg, Malta, Hungary, Iceland, Latvia, Lithuania, Czech Republic, Portugal, Norway, The Netherlands, Sweden, Switzerland, Poland, Slovenia, Liechtenstein and Slovakia.

Offering a one-stop shop

Pam Golding Properties visited Portugal earlier this year to investigate the opportunities for South African investors firsthand. Immelman says: "We secured partnerships with like-minded professionals, engaging with real estate companies, lawyers and company administrators in the Algarve as well as in the greater Lisbon area. As a result we are able to offer a one-stop shop to purchase a suitable property as well as to handle the administrative process required to secure permanent residency. This is proving highly convenient for our buyers here in South Africa, who are able to work through us locally,

and are assured of dealing with a reputable organisation.



Portugal apartment

"In this regard we have formed a partnership with the Sable Group, an international group of companies, which is managing the financial, immigration and legal needs of our buyers in Portugal. The entire administrative process is taken care of on their behalf, from the moment they are met at the airport and taken to visit suitable properties, to completing documentation at the home affairs department.

"The response from high net worth investors has been very positive from the outset, with a key benefit being the ability to move freely in countries in European countries (as mentioned above) without having to apply for a visa. Buyers represent a mix of people from various backgrounds in major centres around South Africa, particularly those with families who find the options now available to them very appealing, especially from a tourism perspective. Some are even prepared to invest more than the required entry level price for sound investment property.

A key feature and some key criteria

Importantly, says Immelman, "They don't need to hold onto the property indefinitely - it can be sold after six years. The key feature of the Portuguese Golden Visa Programme is that having acquired a property for at least €500,000 in value, residency is obtained - initially for one year and then renewable every two years. After five years one qualifies for permanent residency and after six years is eligible to apply for citizenship and a European Union passport, subject, of course, to certain criteria being met.

"In regard to the properties which we are offering to purchasers, there are a number of key criteria which need to be met. Firstly it must be reasonably priced in accordance with normal market values, in other words it must be at the right price and not artificially inflated to secure the entry level requirement.

"During the five- or six-year period it must have the ability to generate some income yields for owners, and for those who wish to sell the property after six years, it must be situated in an area with a proven track record to ensure an easy exit," he says.

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