Retire Next Year #1

Your Personal Business Plan to Setting up a Beach Bar in Paradise and Living a Dream Retirement

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Retire Next Year #1

Your Personal Business Plan to Setting up a Beach Bar in Paradise and Living a Dream Retirement

Introduction

Welcome to the first Business Plan created exclusively for Palm Beach Wealth Builders Club members—your personal plan on how to retire next year by setting up your very own beach bar in Paradise.

As luck would have it, Mark came upon an establishment in Nicaragua—no, not a bar in a five-star resort, but rather a “funky, ramshackle bar that also served pretty good food,” and an ah-ha moment occurred.

He realized that life was pretty good for John, the owner of the Crobar... the excerpt below from Mark’s original essay introduces you to the concept and to the Crobar in Gigante, Nicaragua...

Mark's Guide to Setting up a Beach Bar in Paradise and Living a Dream Retirement

...A few miles south of my home in Nicaragua is a small fishing village called Gigante. It is a quaint little town that sits on a bay shouldered by steep cliffs on one side and, on the other, an outcropping of rock islands that resembles a giant’s leg.

Ten years ago, it was practically deserted. But now, thanks to Rancho Santana, the entire southwestern coast of Nicaragua is booming. In addition to Rancho Santana (in which I have a financial interest), at least a dozen smaller residential real estate developments have sprung up in the area. And just a few miles south of us, Nicaragua’s wealthiest family is building a very large development, the size of Rancho Santana.

What this means is that Gigante is now bubbling with nascent commercial activity. Along the town’s main road, which parallels the water, a few dozen little shops, restaurants, and bars have appeared.

One of these places is The Crobar. It is a funky, ramshackle bar that also serves pretty good food. It sits on the beach, so the view is terrific. In addition to food and drink, it offers traveling customers several small rooms to crash in. Above those rooms is a spacious apartment in which the owner lives.
There are many places to eat and drink at The Crobar. You can sit at the bar or in a seating area adjacent to it that offers sports enthusiasts cable TV. You can also dine in a nice little courtyard next to it or in any one of a half-dozen seating areas that are available on a multilevel wooden deck facing the ocean.

The chairs and table settings are eclectic. They even have overstuffed sofas and chaise lounges. It’s a very pleasant place to have breakfast, lunch, or dinner or simply to lounge on one of the hammocks, reading a book in the in-between hours. For more active entertainment you can rent a kayak or Jet Ski...

**How I Came up With This Idea**

On one of my many visits to the Crobar, I was sitting with K, sipping a tequila-based mojito (I call it a Tequito) and watching the sun set on the horizon. “Life doesn’t get any better than this,” I said.

Then it occurred to me: The Crobar was, for the guy who owned it, a retirement dream come true. “This guy— whoever he is— has done it!” I thought. He’s escaped the stress of “making it” in the USA and is living like a king in paradise!

Here I was, a wealthy guy with a big house just a few miles away, yet I was jealous of him. My house in Rancho Santana, cheap by U.S. standards, had cost me nearly half-a-million dollars. The owner of The Crobar had a cooler place to live with a built-in stream of income, a never-ending circle of friends, and a view that was every bit as good as mine. And he did all that, I was quite sure, for a relatively small financial investment.

If I felt I could be happy living his life, then so perhaps could some of my Palm Beach Wealth Builders Club members...

The business model for the Crobar is not a one-shot deal. The Crobar’s owner based it on sound business practices, and the model can be duplicated.

As a Palm Beach Wealth Builders Club member, you pride yourself on being informed. You know that your retirement number—the amount of money you need to have saved to retire—is a function of two things:

1. How much cash you will be spending during your retirement. Mark calls this your retirement lifestyle burn rate, or RLBR.
2. How much money you have earmarked right now for retirement.

For more on your retirement number and your lifestyle burn rate, see Chapter 8 of the e-book *11 Secrets Every Wealth Builder Must Know.*
If the numbers do not add up the way you need them to, particularly if you will be retiring sooner than later, you may have to get creative. In addition to spending less and saving more, you will have to develop additional income.

And if your retirement is close—10 years or less—then you might want to reimagine your retirement by opening yourself up to some new and very exciting ideas.

Mark, Tom, and the PBL staff had some serious brainstorming sessions to identify all of the ways they could help Palm Beach Wealth Builders Club members achieve their wealth-building goals.

Retire Next Year is the result. It is a series of alternative retirement lifestyle options that have been thoroughly researched, vetted through professional business owners, and tested. Our recommendations and complete blueprints for action will give you a realistic plan, helping you to visualize the opportunity. But it goes beyond visualizing.

Retire Next Year will give you the step by step details and insider’s secrets to make your retirement dream in paradise a reality.

You may recall from Mark’s original essay on this topic that he and the PBL staff promised to:

- Prove to you that it is possible to drastically lower your expenses and save more while improving the quality of your life right now.
- Give you an outside-the-box idea about creating additional income.
- Inspire you to consider some retirement lifestyles that you may have never considered before.
- Clearly outline how you can enjoy this retirement lifestyle on a very ordinary income, achievable in fewer than 12 months if you start working on it today.
- And finally, a very substantial report—a blueprint—outlining how to make this dream a reality, one step at a time.

**The Criteria for Your Perfect Retirement**

We have identified certain guidelines to ensure that the opportunities we present meet your needs.

- The opportunity must be located in some sort of retirement paradise: by the sea, in the mountains, in a quaint town, etc.
- It must include not only a great lifestyle but also a way to earn extra income on a part-time basis.
- It must be affordable: i.e., club members who want to pursue it should be able to begin with an investment of between $50,000-100,000 and an income of no more than $2,000 per month.
- It must be relatively easy and realistic: It can't be something that requires obscure skills or technical knowledge or undue hardship of any kind.
• It must be immediately available: Members should be able to make it happen in a year or less (based upon meeting the appropriate residency requirements of the country you choose.)

This is the first in the Retire Next Year series of how-to manuals about ways you can quit your job next year and live in a tropical (or mountain top) paradise on a small budget.

**Section One** outlines particular locations that *International Living* has identified specifically for our readers. *International Living*, a sister publication at Agora, has been helping its readers find retirement opportunities abroad for more than 30 years.

When you sit at home reading *The Palm Beach Letter* and wonder where in the world you could ever open a Beach Bar, we give you some ideas. These are locations that meet Mark’s original criteria—locations that are worthy of some further research on your part.

In **Section Two**, we provide summaries on each corresponding country. We took notes on the ins and outs of setting up residency and the appeal of different types of residency visas; looked at the ease or complexity of renting, leasing, or buying property.

We considered any factors that might impact doing business in each country, including a look at tax laws, if relevant. Finally, we provided a snap shot of health care. Surprisingly, some of the countries we have noted are on the “health care tourist list”—countries people settle on after shopping internationally for the best health care at the best price.

We are pretty excited to share **Section Three** with our readers. After extensive research and interviews with people who have opened bars and restaurants in tropical locations, and after much discussion, we identified a variety of myths. False assumptions that many new business owners held formed these myths. The myths often led our interviewees to a series of costly lessons learned.

We studied the myths and discussed them with Mark and other business experts. We realized beneath the myths were actual secrets—*insider secrets that would have proven beneficial to the retirees we interviewed*.

The result? We have prepared a whole section on Insider Secrets, vetted through professional bar and restaurant owners, to help you follow a proven method for success.

**Section Four** is your Blueprint. We have summarized everything we learned. We present it in a format that will give you a complete checklist of best practices and “to do” lists. We want to be sure you leave nothing chance should you wish to pursue this opportunity.

Last, but not least, **Section Five** will give you additional resources. The references will help you do your homework from the comfort of your living room and provide you with key contacts to approach when you are ready to do research on the ground to explore your potential paradise.
Welcome to the inaugural issue in the Retire Next Year Series
*How to Set up a Beach Bar in Paradise and Live a Dream Retirement...*

**SECTION 1**

**Location, Location, Location**

Mark has repeatedly said he wants to provide our readers with information based in reality, not wishful thinking. With the help of *International Living (IL)*, we have completed the first step in the process of “Setting up a Beach Bar in Paradise” for you.

Based on our criteria, *IL* provided us with locations that warrant further research on your part.

We cannot say that if you buy or rent property for your new business at a SPECIFIC location, you will be successful. But we can tell you the areas that show promise. They are locations worthy of a visit where you can “kick the tires”—where you can experience the weather, the local residents, the climate for new business opportunities, and explore the real estate opportunities.

They are locations where you can be a tourist, looking at the opportunity from an outsider’s perspective, before you consider being an insider.

We want you to be successful. But success is more than a dream of retiring in paradise. It is predicated on due diligence and a sound business plan.

**The Big Picture—*International Living’s Report “The World’s Best Real Estate Markets in 2012”***

*International Living* has done all of the in-depth research. “*The World’s Best Real Estate Markets in 2012*” lists 27 places in the world today that boast the most attractive, and potentially lucrative, real estate opportunities.

Of the 27 locations, nine also match our “Beach Bar” criteria.

Although we talk about a “beach bar,” we also realized that paradise is broader than a waterfront location. *IL’s* research has uncovered amazing real estate opportunities in beautiful places tucked into lush jungle-clad hills, on white sandy coves, in bustling cities, and in small colonial towns.

**Boots-on-the-Ground Experience**

*This isn’t the result of months of research done from a desk. This is based on years of boots-on-the-ground experience. I spend up to two weeks a month on the road scouting... on foot, by horseback, helicopter, speed boat, SUV, and rickshaw...* —Ronan McMahon, *International Living*
Each of these locations has something special to recommend it... some attribute you won’t find elsewhere. Those that top the list hold the most profit potential right now. Those at mid-table and below are ones to watch—where serious opportunity could be right around the corner.

The analysis of the world’s best real estate markets takes into account:

- Value for your money. How far do your dollars stretch? Are you getting “a lot” for your money? “A lot” can mean quality construction, location, views, and amenities... in the town or city the property is located in.
- Appreciation potential. Are prices likely to rise?
- Income potential based on rental opportunities.
- Costs and ease of buying includes the buying, holding, and selling costs; the availability of English-speaking contacts; the legal protection you get as a foreigner; and the availability of services such as title insurance.

We don’t recommend that you purchase property immediately, but this will let you see the big picture. At the end of all of the research, you have a total number, giving you an overall rating when all factors are taken into account. You have a great place to start to dig deeper.

### The Scores: The World’s Best Real Estate Markets

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<th>Income Potential</th>
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A Deeper Look at *International Living’s* Recommendations

*IL* has selected 13 areas within eight countries for your consideration. Many overlap with the “World’s Best Real Estate Markets.”

**Ecuador**
- North Coast, Canoa

**Costa Rica**
- Southern zone near the town of Ojochal
- Lake Arenal

**Dominican Republic**
- Las Terrenas

**Nicaragua**
- Southern Pacific Coast

**Honduras**
- Roatan

**Cambodia**

**Panama**
- Gorgona
- Coronado
- The highlands at Santa Fe

**Belize**
- Corozal
- Caye Caulker
- Punta Gorda
ECUADOR

The North Coast

Ecuador’s coast continues to offer some of the best investment opportunities in the country. The coastline offers miles of rugged cliffs, beautiful sandy beaches, sleepy fishing villages, and thriving resort areas.

In Canoa, Ecuador, Ron and Cynthia could afford to build their dream home right on the beach. Source: http://internationalliving.com/2012/05/beach-life-in-ecuador/

Canoa certainly meets the criteria for a potential spot for a beach bar. The area has been long popular with vacationing Ecuadorians but is now known as a hot spot for tourists. Canoa boasts one of the finest stretches of Pacific beach you’ll find anywhere.

Boat access and the dirt road to enter the town have been replaced with a four-lane highway and a bridge across the bay between neighboring San Vicente and Bahía de Caráquez. The potential for the idyllic beach town has just begun. Property prices stayed low because this area was difficult to get to. Now Ecuador’s nicest stretch of coast has become the most accessible beach area in Quito.
The appeal is both geography and the cost of living. Expats find they can buy acres of land to build a home, grow papayas, banana trees, coconut trees, and tropical flowers in addition to buying fresh fruits and vegetables, local meat and chicken—all for a fraction of the price of what they would pay back home.

**A Full Meal for $12**

*Despite the increase in the number of westerners calling Canoa home, the new arrivals have not brought the high prices found farther north with them.*

*In the local market, a sack of veggies costs just $5. At beach-side restaurant, a dinner of pan-fried chicken for two, served with a mountain of seasoned rice, black beans, fried plantains, and spicy house-made sauce called aji, plus a plate of ceviche, all washed down with a cold beer the size of a bottle of wine, costs a little under $12.* —Chuck Stanley, *International Living*

*International Living* has a variety of articles and special reports on Ecuador [here](http://www.lonelyplanet.com/maps/south-america/ecuador/map_of_ecuador.jpg).
Southern Zone (near the town of Ojochal)

Costa Rica’s Southern Zone runs south of Dominical to the border with Panama. It is an area of deserted beaches and virgin rainforest. Picture a bright, thick, green jungle canopy that rolls down to a coast of sandy beaches and rocky points. While prices in the north soared, prices in the Southern Zone stayed low because it was difficult to get to the area. But that is all changing now.
Costa Rica’s Costanera (coastal) Highway officially opened in 2010, reducing driving time from San José from eight to three hours.

Local towns like Ojochal feel surprisingly cosmopolitan. You have a choice of cuisines—French, German, Italian, Indonesian... or you can enjoy organic food, wood-fired pizza, smokehouse chicken, and crusty French bread.

And here is one reason this area is worth considering: The new highway has kick-started the opening of this region to mainstream tourists and second home buyers. You can see progress everywhere you look. Three bricks-and-mortar banks replace a single ATM behind a school; three car rental agencies now compete for business; there are eight new commercial plazas; and the 85,000-square-foot Hospital de Osa in Cortes. And a draw for tourists—nearby Ballena Marine Park includes four beaches. There are also government plans for an international airport to replace the tiny domestic airstrip.

Lake Arenal

Lake Arenal in Costa Rica is a 33-square-mile lake about three hours northwest of the capital San José and the international airport.

The area boasts spectacular views, great weather, affordable real estate, a low cost of living, and a laid-back peaceful setting.

It will take you about an hour to make your way from one end of the lake to the other. On either side of the perimeter road, you’ll find restaurants serving everything from steaks and BBQ to German cuisine to the local fare of rice and beans, as well as eco-lodges and family-run B&Bs.

There are a variety of entrepreneurs who have already discovered the area, operating deep sea fishing tours, wind surfing rentals and lessons, boutique hotels, restaurants, bakeries, B&Bs, art galleries, and even a microbrewery.

Everyone has a different expectation of what they want from their small business: It’s up to you if you go big or go small, according to Alex Krauskopf of the Lucky Bug B&B. “We could contract with some of the large tour buses that pass through the area and have them stop here for lunch. But that’s not what we want.”

Development is increasing around Arenal, but developers and builders know that lake views and the laid-back lifestyle are what people want. So homes meld with the scenery.

Warm Baguettes
The baguettes from the bakery are sold warm, always fresh and crisp. You can buy your cheese next door; it’s worth the short trip. The fridge at the delicatessen is piled high and deep with premium produce from Europe’s trophy cheese-producing regions. This is also the place to match wine or champagne with your selection. —Ronan McMahon, International Living
The small town of Nuevo Arenal is the epicenter of expat life. It has a few food stores, a bank, a gas station, and a couple of restaurants. Across the water, on the southern shore, the character is a bit different, with art galleries and small hotels. The town of Tilarán, with a population of 8,000, is about 20 minutes from the lake.

Lake Arenal may be worth a visit!

*International Living* has a variety of articles and special reports on Costa Rica [here](http://internationalliving.com/2012/11/stunning-lake-views-in-arenal-costa-rica/).

**Watch This**
*Seeing is believing. Check out this video by IL’s Latin America Editorial Director Suzan Haskins. She explains why Ojochal in Costa Rica’s Southern Zone is high on her list of dream retirement destinations.*
DOMINICAN REPUBLIC


Las Terrenas

It is easy to see why *International Living* recommended Las Terrenas in the Dominican Republic. People describe Las Terrenas as a “little piece of paradise” with winding roads through hills of palm trees, descending to bright blue water, glass flat, with boats bobbing in the background. The area boasts whale watching, cruise ships, and jaw-dropping views.

**Stunning Views**
The views over the water are stunning as you approach town. The newly carved road descends toward and along the ocean. This is the Atlantic. But it looks picture-postcard Caribbean. Waves break on distant reefs. Turquoise, light and dark blue waters shimmer in the sunshine. —Ronan McMahon, *International Living*
The beaches in the Dominican Republic are long expanses of fine white sand that stretch out along the coast. The blue-green waters are excellent for diving, swimming, surfing, and wind surfing. The country has so many advantages for second-home buyers that many people wonder why property bargains still abound. Source: *International Living Postcards*

But paradise is more than a beautiful tropical location. Las Terrenas also has:

- The best real estate prices in the Caribbean.
- An established infrastructure.
- New flights are coming to the El Catay airport 20 minutes away from JFK and Toronto.
- A strong rental market if you want to rent out your home part of the year.
- A new highway cuts the drive time from Santo Domingo to less than two hours.
- The stunning Las Terrenas and Samana peninsula is now easy to get to from an international airport.
- Development has been tightly restricted. There are no high-rise buildings. Outside of town, there are a couple of larger all-inclusive hotels. That’s it. Everything else is boutique.

All beaches here are public. Condos and hotels are on the landward side. Cafes, bars, and restaurants are right on the beachfront. An estimated 8,000 expats call this area home. Many have set up business providing services to each other and the tourism industry.

If you want to move somewhere and test the waters before you actually open your business, this location may be perfect for you. The rental market is strong because this is such an attractive and accessible location. You can purchase a home to use as a base when you come to explore—while making a rental income from it when you are back home. *This approach would certainly fit in with the best practices of a “Reluctant Entrepreneur.”*
Excerpt from “How a Couple Can Live the Caribbean Island Dream for $66 a Day”

In Las Terrenas and other resort towns across the island, the day begins for many expats with a cup of strong coffee in one of the local cafés. The influx of French expats has brought with it flaky croissants, pain au chocolat and crusty, fresh baguettes.

After your light breakfast for less than $3, there are a variety of ways to get your blood going. I like running on the beachfront road between Las Terrenas and La Barbacoa. You can run more than six miles along the coast under the protective shade of hundreds of palm trees. To cool off, take a dip in the turquoise-blue ocean.

Many of my friends meet in town for yoga each day. In addition to being a great way to stay fit, the classes are full of expats from different backgrounds. They arrange ladies’ luncheons, men’s poker nights, and “co-ed” BBQs and are quick to include new arrivals in the fun. Groups often form based on shared language and you have plenty of variety. English, French, Spanish, Italian, and German are all spoken here.

You find fresh seafood at the Fisherman’s Village on the beach east of town. Select an enormous mahi-mahi for about $20 or stock up on single-serving red snapper for around $3. For a few extra pesos, the vendors are happy to filet and portion your fish.

Walking throughout town, you will also find hardware stores, clothing boutiques, and various home furnishing shops along the way. If you don’t have a shopping list, just enjoy the sights as you take a stroll.

Thirty years ago, Las Terrenas was a rustic fishing village. Europeans began to visit—mostly French and Italian. Some stayed to make homes and start businesses. Today Las Terrenas has a total population of 25,000—a third are expats. And now in increasing numbers, Americans are coming to this comfortably “European” enclave. —Yana Beranek, International Living

*International Living* has a variety of articles and special reports on the Dominican Republic [here](#).
Nicaragua has earned a well-deserved top spot on the tourist trail. Progress is apparent, and in many ways it far outshines its more-visited neighbors. You can explore rainforests, cloud forests, romantic colonial cities, Caribbean islands, and more secret surf spots along its 230-mile Pacific coast than any other country in the region. Not to mention that Nicaragua has 19 active volcanoes (dozens more that are dormant) and the largest freshwater lake in Central America.

Major highways up and down the coast are now paved and pleasurable to drive. Internet access is everywhere.

Nicaragua is also an up-and-coming retirement destination. One reason is Law 694, enacted just two years ago, which allows foreigners to easily obtain a resident visa and bring household goods, a car, construction materials, and more into the country duty-free. On top of that, the cost of living is low.
Of course, it’s not all sunshine and blue water for everyone. The economic downturn has left some owners strapped. As a result, this may be the best time in recent years to purchase bargain-priced real estate anywhere in Nicaragua, including popular beach locales. Many properties are now selling for less than they originally sold for pre-construction four or five years ago.

Consider This

Suzan Haskins wrote this real estate information is for a 2011 International Living article. The prices may have changed, but the this excerpt is a great overview of the opportunity if you know how to search out the bargains...

One of the most popular surfing beaches, just 20 minutes from San Juan del Sur, is Playa Maderas. Near here is the seven-acre Mango Rosa, a hybrid residential/resort community.

“We’re number one on Trip Advisor,” Greg, the owner/developer, proudly informed us. And that’s for the ranking of all San Juan del Sur hotels.” The project consists of fully outfitted bungalows with a refreshing pool and a large open-air restaurant beneath a giant palm rancho—and, of course, there’s Internet if you prefer surfing of a different kind.

Prices? An 800-square-foot, one-bedroom bungalow here—fully furnished, appliances included—is being sold for $59,000. The asking price for a spacious 1,600-square-foot, two-bedroom home is $124,000.

International Living has a variety of articles and special reports on Nicaragua here.
Roatan

When you need to do your research to find your perfect tropical paradise, you just can’t beat International Living. With their researchers and writers living, breathing, and exploring in every nook and cranny possible, they do all of the work for you. And that brings us to “Five Reasons to Move to Roatan, Honduras.”

However, we have changed it to “Seven Reasons to Open a Beach Bar in Roatan!”

1. Tourism.

Remember the criteria?

“What you are looking for is pretty simple: a piece of property within a few miles of a gringo hotel, resort, cruise ship terminal, or community that you can buy for non-gringo prices.”

Hundreds of thousands of new cruise ship visitors arrive in Roatan each year. Countless others are taking virtual real estate tours on House Hunters International. The secret is out!
Because it’s a tourist destination, you’ll find a variety of good restaurants offering everything from sushi to Thai to steak. And the large expat community is now supporting four modern supermarkets with almost everything you can buy at home, and some items that you can’t.

2. Roatan is beautiful.
Everywhere you look, you see beautiful shades of blue from the ocean, deep green land, and beautiful flowers. The water is clear and warm, the beaches are white-sand, and the area boasts the world’s second largest coral reef.

3. It’s affordable and a great place to retire.
In 2011, Islands Magazine named Roatan the No. 1 island in the world to retire to and Kiplinger.com listed it as among “8 great places to retire abroad.”

4. Getting residency is easy.
You can get a retirement visa, for example, by showing an income of $1,500 per month.

5. Property ownership is easy.
You can own title on up to 3/4 acre of land in your own name or an unlimited amount through a corporation. Property taxes are a fraction of that in the U.S., and foreign-earned income is not taxed.

Roatan in Honduras is affordable and a great place to retire.
Photo Source: http://internationalliving.com/2012/05/five-reasons-to-move-to-roatan-honduras/

**Quite the Thing**
The new cruise ship terminal opened in 2010. It can accommodate two of the largest categories of cruise ships at any given time. The terminal area has an impressive selection of shops, a private beach, and even a chair lift. It’s quite the thing… and under the gaze of those mountainous cruise ships. —Ronan McMahon, International Living
Our interviewee Daphne’s restaurant Besos (Kisses).

6. Roatan is easy to get to.
Honduras is two-and-a-half hours south by plane from Houston. Several major airlines provide daily service to its airports. There are also direct flights from Miami. In the winter, charters fly from a variety of cities, including Toronto, Montreal, and even Milan, Italy.

7. It’s a good time to buy property here.
Real estate in Roatan has long been tied to the economies of the U.S., where most of the large community of expats and second homeowners come from. Sales are just now starting to show momentum after a two-year slump, beginning with the lowest priced properties selling at a discount.
Imagine This...

Real estate prices can change quickly. These deals are long gone, but this gives you a hint of what you can find if you are in the right place at the right time:

“While visiting one of the established projects, I caught word that the owner of a resale lot that had been listed at $160,000 was reducing his asking price to $50,000. He needed the cash. I visited the lot. It’s stunning... with views of the reef and breaking surf. Neighboring lots were selling in the $150,000 to $180,000 range.”

The most enticing deals come and go fast. But you can check out a page of current listings here and here.

*International Living* has a variety of articles and special reports on Honduras here.
The French colonized what are now Cambodia, Laos, and Vietnam in the mid-19th century, and these three countries collectively became known as French Indochina.

French Indochina conjures up images of ancient temples in the mist, colorfully dressed ethnic tribes working terraced paddy fields up steep hillsides, weathered colonial charm, remote river journeys with breathtaking sunrises; religious ceremonies reflecting centuries of cultural complexity; and busy markets, fantastic food, and natural riches.

Emerging from a prolonged era of conflict, Cambodia is one of these three countries that is once again offering visitors a unique experience. Today, Cambodia is an area of opportunity.

The country has put its troubled past behind it and is fast becoming the hottest destination in Asia for expats looking for low costs, good living, and exotic adventure. Situated between Thailand and Vietnam, Cambodia is rich in untapped natural resources and a tourism industry just in its infancy.

The population is young, labor is cheap, taxes are low, and regulations are limited. You cannot buy land, although land can be leased for up to 99 years. Beautiful public areas have been created along the waterfront and colonial buildings have been brought back from their worn torn shells to their original brightly colored grandeur.
Signs are everywhere that the economy is picking up. Comparisons are being made to Thailand of 40 years ago. But while new hotels are opening every month, among the 70 or so islands offshore you'll still find deserted beaches and small, traditional fishing communities.

**Low-Cost Beach Living**

*For the most beautiful deserted beaches in Asia—and the lowest prices—the Cambodian coast is hard to beat. You can rent a 2,000-square-foot house on a quiet part of the beach, in a secure lot, with free high-speed Internet and all utilities included, for just $150 a month. You'll eat a three-course lunch for $5 and spend all day on a tropical beach without seeing a single soul.* —Keith Hockton, *International Living*
The expat community is made up of a mix of older Americans who arrived in the 1960s and 1970s for a little R&R and returned to retire after the civil war, and the 40-something generation who came in search of a Shangri-La-like coast. For a full description of the coastal towns and cities such as Kep and Sihanoukville, be sure to check out the *International Living* essay [here](#).


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**A Captivating Picture**

_if you want to see South East Asia at its most captivating, you need to head to Cambodia. Go and watch dawn break over the ancient temples of Angkor Wat and then watch the sun set over the mighty Mekong River that traverses its way through the Cambodian capital Phnom Penh. It’s a sight that you will never forget. But go also for the deserted beaches in Sihanoukville and its sleepy colonial villages._

_The temples of Angkor have lured travelers to Cambodia for centuries. Watching the sunrise over Angkor Wat (the most impressive temple of them all) should be on everyone’s list of must-sees and is a rich introduction to any tour of Cambodia. But your visit should also include taking in villages, urban buzz, and an island or two in the Gulf of Thailand._

*Excerpt from* Live Large for Less on the Exotic Islands of South East Asia, An International Living Report

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Canby Publications' guides and maps are available free of charge at select hotels, restaurants, travel agents, and other locations in Cambodia, and through select travel agents in Thailand and worldwide.

*International Living has a variety of articles and special reports on Cambodia here.*
Beaches at Coronado and Gorgona

Panama is a great place to do business and a beautiful spot to retire. Most of Panama consists of coastal areas with lots of affordable real estate still available.

Panama topped *International Living’s* Business Index in 2011, with solid scores across each of the eight categories: Access to Capital, Ease of Start-up, Market Opportunities, Future Outlook, Rents and Leases on Commercial Premises, Language, Business Infrastructure, and Local Business Culture. It still scores well in today.

The country boasts strong consumerism, a growing bilingual workforce, and a standard of infrastructure beyond what is seen elsewhere in the region. And good news for our readers. Panama is a great option for expats looking to set up anything from a bar or restaurant to an import-export business to a Bed & Breakfast.

There are two beach communities to consider: Coronado is a popular destination, known as the most developed beach town, just an hour from Panama City; and Gorgona, a less developed community.

Coronado has long been popular with the local elite, thanks to its location in the region known as the Arco Seco, or “dry arch.” This region tends to get less rain and offers more sunny days than any other beach destination in Panama. Both locals and expats have found that it is the ideal place to have weekend or full-time homes, and tourists flock there in large numbers. The town sees thousands of national and international tourists each year.
Coronado is a unique gated community with a variety of special features, including a resort that has a Fazio-designed championship golf course, professional tennis courts, a beach club, an equestrian club, a full spa with trained staff, outdoor Jacuzzis surrounded by beautiful gardens, an Olympic-sized swimming pool, restaurants, bars, conference rooms, and an exclusive play areas for kids.

Gorgona is an example of a smaller beach town where you can find excellent bargains within a 15 to 30 minute drive from Coronada. It lays nestled on the central Pacific coast of Panama, about an hour’s drive from Albrook, or about one-and-a half to two hours from Tocumen Airport in Panama City. The community is close enough to the amenities of the larger communities, such as Panama City and Coronada, but still offers a low cost of living. In fact, many expats claim they have cut their spending by more than 50%.
Gorgona is a mixture of contrasts: white and volcanic sand on the beach and high-rise condos side by side with single-level lean-tos or old family concrete houses.

Gorgona and its neighboring beach areas are hot spots for both expats and locals alike when it comes to beachfront and resort real estate for weekend and retirement homes. One of the primary advantages of real estate in the area is that there is a significant amount of infrastructure already in place.

Such amenities include full-scale supermarkets, pharmacies, restaurants of every type and price range, medical and veterinary clinics, gardening centers, hardware stores, and outdoors markets.

For fish lovers, there is no shortage of bargains from the local fishermen. Daily catches may include Saltwater Catfish, Snappers, Triple Tail, Crovina, and Snook... just to name a few.

**Highlands at Santa Fe**

Santa Fe is near the Continental Divide in Panama’s Veraguas Province. Although it is definitely not a beach town, it meets many of our criteria for choosing the right location of your potential bar venture. Santa Fe is highland village sitting within the mountains, boasting spectacular views and tropical climate, kept cool by year-round breezes.
Santa Fe deserves some further study if you want to be part of an idyllic setting in an area that has “the best value real estate you’ll find in any mountain community in Panama,” (International Living, July 2012). This is certainly an area that is at the beginning of its development cycle. Tourism is a new industry, attracting visitors who want to photograph a wide variety of bird species, camp, hike, canoe, swim, or ride horses. Mountains, forests, rivers, and waterfalls provide the backdrop for outdoor activities.

The Santa Fe National Park is one of the best places in Panama to hike or bird watch and the nearby Forest Reserve La Yeguada is arguably the best place in the country to camp. An hour-and-15-minutes away, the provincial capital of Santiago is growing slowly but surely.

There are hospitals and clinics, shopping plazas and department stores, movie theaters, restaurants, and even a few discos.

Santa Fe has grown just enough in the past 10 years that resale homes are coming on the market. Many are post card pretty A-frames. A small home can be rented for $300 per month and land in town can be purchased for as little as $1-2 per square foot.

*International Living* has dozens of articles and special reports on Panama [here](#).
BELIZE

*International Living* has referred to Belize as the “last affordable Caribbean haven.”


**Corozal**

The area of Corozal in the north is a very desirable destination for both retirees and those who want a second home in the tropics. It is situated on the calm sheltered Bay of Chetumal in the north of Belize.

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**Like Florida in the 1940s**

*What we like the most about our move to Corozal in Belize is that we can now have a lifestyle like Florida in the 1940s, but at a price we can afford. Our stress level is down and our satisfaction with life is definitely up. We’re eating better, sleeping better, and enjoying social activity much more now than we did before. Living next to the water is something we had always wanted to do but could never afford before now.* —Chuck Bilbe, *International Living*
Corozal may be the most popular destination in Belize for expats who plan simply to retire. Costs here are low and amenities plentiful. Corozal itself is small—only about 10,000 people. But it’s only a stone’s throw from Chetumal, Mexico, a city of 151,000. Real estate in Corozal has historically been less expensive then in other beach destinations in Belize.

**Caye Caulker**

The cayes (pronounced keys) are islands that are located between the Belize mainland and the barrier reef. The offshore cayes and the 185 miles-long barrier reef are among the country’s main attractions. The island is smaller than some others but still attracts tourists and is the perfect setting for a tropical laid-back life... and there are still real estate bargains to be had.

The mangrove cayes are generally uninhabitable by humans but provide a superior environment for birds and marine life. The island cayes, distinguishable by their palm trees, provide the foundation for the development of many fine resorts to serve the water sports enthusiasts and the marine naturalists. Tourists come for superior scuba diving, snorkeling, fishing, boating, sailing, sea kayaking, and to discover nesting birds and turtles.

**Property Adjoins a Nature Reserve**

For only $15,000 you could buy a 75 by 90-foot lot just a few feet from the beach. The property adjoins a nature reserve, providing a degree of assurance that the area won’t be spoiled by unchecked development.

—International Living

### Punta Gorda

Punta Gorda—or PG as the locals call it—may be Belize’s final frontier. It is in the south and is literally “at the end of the line.” The well-paved asphalt roads end there. It is a great location to get a water taxi to Guatemala, a boat to the Sapodilla Cayes, or a flight to Belize City.

The sloping shoreline in Punta Gorda

Photo courtesy of Glynna Prentice, *International Living*

Punta Gorda sits on high ground. A rocky shore does not lend itself to sandy beaches, but the water is clear, cool, and good for swimming.
PG is primarily a fishing village with some tourism thrown in. The Cacao Festival in May and jungle excursions are popular. Some tourists also come here on their way to or from the Sapodilla Cayes. Despite the population of only 6,000, there are a number of comfortable, upscale hotels, several of which expats own.

PG tends to attract expats with a sense of adventure, especially those who love the outdoors. Real estate here is still inexpensive. For instance, a small two bedroom, one-bath house in town was listed (November 2012) for $74,000. A three-bedroom, beach-view home on the outskirts was selling for $135,000. If you’re looking to rent, you can expect to pay $300 to $500 a month for a small house.

If you want a genuine, Belizean, small town life, with easy access to both sea and jungle, Punta Gorda may be worth a visit.

*International Living has a variety of articles and special reports on Belize [here](#).*
SECTION 2

Country Report Summaries

The following Country Report Summaries provide a brief overview of some of the issues you will have to consider before making a move and starting a business. In the interests of time (and space!) we cannot give you definitive details on every topic. Residency programs change; new laws are enacted; rules are modified. But we have given you enough information to help you decide if one country’s incentives for retirees appeal to you.

You can do hours of additional research on International Living's website alone. You can also explore websites set up by expats—people who have actually made the move to new countries.

International Living also has an “Owner’s Manual” for each country. Section 5 provides the links to IL. The detailed reports provide anywhere from 100 to more than 200 pages of in-depth information to help you dig deeper with your research.

The information we are presenting here is very focused. What do you need to know to help you identify one or two—or even three—countries to visit to see which one really resonates with you?
ECUADOR

Fast Facts About Ecuador


Location: Western South America, bordering the Pacific Ocean at the Equator, between Colombia and Peru
Population: 15,223,680
Capital City: Quito
Climate: Tropical along coast, becoming cooler inland at higher elevations; tropical in Amazonian jungle lowlands
Time Zone: GMT-5
Language: Spanish (official), Amerindian languages (especially Quechua)
Country Code: 593
Coastline: 2,237 km

Ecuador offers something for everyone and at prices unheard of for years in North America and Europe. Travel can take you from snow-capped volcanoes to dense Amazon jungle, from sun-drenched Pacific beaches to the famous Galapagos Islands.
Taking up Residency

There are a number of ways to become an Ecuadorian resident or to stay in the country for extended periods. The process usually takes a few months to complete. Although the process has become a little more complicated recently, it is still considerably easier and less expensive than similar processes in most other Latin American countries.

When you enter Ecuador, you will receive a passport stamp, commonly called a T-3, allowing you to stay in the country for 90 days within a one-year period from your date of entry.

If you wish to stay more than 90 days within a year, you must apply for the 12-IX visa. Often referred to as the “tourist,” “commercial,” or “sports” visa, this allows you to stay in Ecuador for up to 180 days in a year. If you are planning to apply for permanent residency, you are required to have the 12-IX visa when you file your application.

While both non-resident and tourist visas can keep you in the country for extended periods, only the residency status will allow you stay on a permanent basis and to import your household goods duty-free.

*International Living* strongly recommends that you consult an Ecuadorian immigration attorney if you decide to pursue residency. The same rule applies anywhere: Obtain the services of a good attorney who knows the latest rules, since rules have a habit of changing.

Residency Options

Six varieties of residency are outlined in the Ecuador Owner's Manual. The most common for retirees to consider include:

**The Pensioner (9-I)** option is for retired persons who receive stable pensions of at least $800 per month from their native countries. This includes Social Security or money from other government or private retirement sources, an annuity, or income from a trust.

**The Investor of Real Estate or Securities (9-II)** option applies to real estate and securities investors who are investing at least $25,000. In the case of real estate, the $25,000 must be based on the municipal value, not on the purchase price of a property.

**The Economic Dependence (9-VI)** is for individuals who are economically dependent on a spouse or a blood-related family member with approved immigration status.

Additional choices include: Industrial Investor (9-III), Professional (9-V), and Legal Representative, Work, or Religious (9-IV).

A complete overview of each of these options and the types of paperwork to be filed are
The differences between residency and visa status are twofold...

First, residency doesn’t expire; it’s permanent. Visas always expire after, at most, one year. Second, with residency, you receive a cédula, the national identification card issued by the Ecuadorian civil registry. With a visa, you will be issued a censo, a temporary ID that expires the day your visa expires, but you aren’t entitled to the cédula. Residents with cédulas are also issued censos, but these don’t need to be renewed every year.

Applicants will need:

- Visa application completed and signed
- The form that confirms the granting of your visa from the Ecuadorian consulate—“Certificado de Visación”
- Passport, valid for at least six months
- Doctor’s certificate and HIV test, indicating that the person does not have any communicable diseases
- Police certificate indicating that there is no record
- Copy of round-trip ticket to Ecuador
- Bank letter or other evidence stating that the person has good economic standing and can support himself
- Two recent color photographs, passport size.

Incentives for Retirees

Although Ecuador does not have an incentive program for foreign residents, such as Panama’s pensionado program, it does offer significant benefits to residents over the age of 65. The benefits are the same as those offered to Ecuadorian citizens.

The best of the benefits for most expats 65 and older are half-price rates on international and domestic airline tickets. For foreign residents living in the U.K., Canada, or the West Coast of the U.S., savings can amount to thousands of dollars per year. To take advantage of the discount, international flights must originate in, and return to, Ecuador.

Other 65-and-older savings include 50% reduction on public transportation, such as buses; 50% reductions on admission to sporting and cultural events; and 50% reduction on utility bills. With some extra paperwork, additional savings of up to $1,560 per year are available for food, medical care, medicine, and some taxes.

The best part of being 65 or older is that you never have to stand in line. If you’re a senior citizen, when you make a bank deposit or pay your utility bill, it’s the law that you go directly to the front of the line... so you’ll have more time to relax and enjoy your retirement in Ecuador.
Buying Property in Ecuador

You can find real estate in Ecuador that is both charming and affordable. Photo source: http://internationalliving.com/countries/ecuador/real-estate/

*International Living* has written extensively on the benefits of investing and retiring in Ecuador. For the past four years, *IL* has actually ranked it as the world’s best retirement destination, due to its exceptional quality of life and low cost of living.

The process of buying property is relatively straightforward. Foreigners have the same rights as Ecuadorian citizens to own property. You do not need a corporation or local partner here, and the government does not keep a record of whether a property is owned by a foreigner or by an Ecuadorian citizen. With a basic understanding of the steps involved and competent legal advice, you should have no problem—as long as you also understand some key differences in what you might be used to back home. For instance:

- There is no such thing as a multiple listing service
- Agents can be trained and licensed, but they may not be
- Many agents are simply friends of the sellers who happen to have the time and willingness to show a property
- Many properties are sold by word of mouth and never make it into the newspaper classifieds or onto agents’ lists
- Few properties have “For Sale” signs. When houses are listed with an agent, it’s not uncommon to find them advertised with several real estate agents, sometimes at different prices, since there are relatively few exclusive listings
- Unlike the U.S., the “square footage” (or “square meterage,” as it is in Latin America) often counts all covered construction space. For example, when you
hear that a house is 2,100 square feet (about 200 square meters), this may include the garage, covered patios, and porches. Be sure to clarify this as you compare properties.

Most sales to foreigners are cash deals. Although financing is available through local banks, most require the borrower to be a resident.

*IL* suggests that unless you are fluent in Spanish and have connections in Ecuador, you are better off hiring an agent who works with foreign buyers. The agent will speak English, understand the buyer’s expectations, and have properties suited to foreign tastes. Many of them are expats themselves and can share valuable information.

**Pathfinder Intl.**

*International Living*’s preferred real estate advertising partner is Pathfinder Intl. Director Margaret Summerfield shares wonderful stories in several of the Owner’s Manuals about her vast experience in real estate. As she says: “I’ve been to places you’ve never heard of... spent hours meeting local contacts... and seen more projects in Latin America than just about anyone you’re likely to meet.” For more details about the best places in the world to live and invest – including regular dispatches from Margaret – go here.

**Title Insurance**

Title insurance is available in Ecuador through First American Title Insurance Co. If your attorney suggests that you buy title insurance after they have conducted a title search, *IL* strongly advises you to follow their advice. This is an inexpensive way to protect yourself as you navigate a strange process in a foreign country.

**Cost of Living**

Ecuador is one of the least expensive countries in the world in which to live. From the price of real estate and rent to the cost of hiring a full-time maid, to the price of produce and dinner at a good restaurant, you’ll be surprised at the low cost of living. A survey of some expats living in Ecuador came to the conclusion that it costs about 50-70% less to live in Ecuador when compared to a similar standard of living in North America.

Some expats use the low cost of living in Ecuador as a means to enhance their lifestyles. Many foreign residents have main homes in the city, but also have a country homes, beach properties, or even properties in other countries.

**Starting a Business**

Over the past few years, Ecuador has made a concerted effort to attract foreign investment by liberalizing its investment regulations. Equal treatment is given to local
and foreign investors, so you’ll receive the same rights of entry into any market as Ecuadorian citizens will. Practically all sectors are open to investors. There is a good labor pool, with minimum compensation levels set by Congress (as specified in the country’s new constitution). In 2011, the average minimum wage was about $300 per month.

*International Living* writers say they notice that many of the people moving to Ecuador aren’t retiring as much as starting a new life. These folks want unique, exciting business challenges, and they’re finding them in Ecuador.

There is an extensive list of potential businesses that could succeed in Ecuador. It is a great place for a small export business. The markets are overflowing with handicrafts, jewelry, sweaters, and similar products, all on sale for bargain prices. From gold, silver, and leather goods to statuary, fine alpaca apparel, and magnificent textiles, the choices are endless.

On a small scale, buying merchandise in markets and shops overseas for resale back home can easily pay for your travel. On a larger scale, it can provide a steady stream of income. And what do the tourists need while shopping in the local markets? A friendly bar to have a bite to eat and an afternoon drink.

There is a need for businesses in hospitality, ecotourism, extreme sports, textile manufacturing and export, real estate development, and infrastructure provisioning for upcoming private telecommunications concessions, to name just a few.

The Ecuadorian government has singled out three business sectors to promote, providing incentives for investors—and one of the areas is tourism. Good news if you are considering investing in a small establishment to cater to visitors to the area.

**Banking**

Opening a bank account is relatively simple if you are an Ecuadorian resident. Since the country is typically not a source of (or a destination for) laundered funds, the banking controls are not as strict as in other Latin American countries. On the other hand, Ecuador is not an international banking center and all banks are Ecuadorian owned and operated. Most banks require that you have a resident’s visa to open a checking account but most will open a savings account for non-residents.

In addition to providing proof of residency, you’ll need a copy of a utility bill showing your address and a photo ID to open a checking account. Depending on the bank, you may also be asked to provide references. The process usually takes less than two hours. An attorney, local resident, or real estate agent can assist you in opening an account and make sure you understand the rules and requirements.
Tax Laws

Your Obligation to Your Home Country

Regardless of your tax liability in Ecuador, you’ll most likely have some sort of tax obligation to your home country. If you are a U.S. citizen, you are liable for taxes on your worldwide income.

Ecuadorian Income Tax

Foreign residents of Ecuador are taxed on their Ecuadorian-sourced income but not on income earned outside of the country. Most foreign retirees have no income tax liability. For tax purposes, you’re considered a resident of Ecuador if you hold a permanent residency visa or a temporary visa and have been in Ecuador longer than six months. If you’re a visa holder earning income in Ecuador, tax is charged at progressive rates, ranging from 5-35%. The first $8,570 of an individual’s income is not taxed.

Two sample tax brackets for individuals are: $16,370-32,740, taxed at a rate of 15%, and $49,110-65,480, taxed at 25%. All annual income of more than $87,300 is taxed at 35%. If you own three or more rental properties and do not pay income tax, you will be subject to a flat 25% tax on income.

Value-Added Tax

Most of the tax revenue in Ecuador is generated by the IVA, which translates in English to “value-added tax.” The rate is 12%, and it’s added to just about everything you buy, except for groceries and medicine. Typically, any price that is quoted to you will already have IVA added on, so you pay exactly what’s marked on the merchandise. This applies to everything from cars to perfume.

Business Taxes

If you have an Ecuadorian business, you’ll need an RUC number from the Ecuadorian IRS that serves as your tax identification number. Your RUC will then be used to track your purchases from suppliers and your sales to customers so that the IRS can verify that the IVA is being handled appropriately by all parties.

While the tax laws aren’t particularly complicated, it will be well worth the small cost to hire a local accountant to manage your business records. The penalty for not having your records up-to-date, or for not collecting the appropriate tax, is a seven-day closure of your business for the first offense.

Tax Returns From Overseas

For more on filing your tax returns as an American overseas, see International Living’s specially commissioned guide on taxes for expats. Written by a tax expert, it will walk you through the process of filing your U.S. tax returns when you live overseas. For more details, go here.
**Real Estate Taxes**

If you do some comparison shopping, you will find that real estate taxes and transaction fees in Ecuador are among the lowest in the world. Even on a large house, annual real estate taxes rarely amount to more than $200, and it is unusual to see a capital gains tax that amounts to more than a few hundred dollars.

In general, the total amount of taxes and transaction fees comes to about 1.5% of the purchase price.

**Exit Tax on Wired Funds**

As of December 2011, Ecuador banks are required by the government to charge a 5% fee on all funds wired out of the country. Because the country uses the U.S. dollar as its currency, it is unable to print more money, and the government has implemented the tax to discourage an outflow of funds.

If you are selling real estate or a business and want to send the proceeds out of the country, we recommend that you arrange to have the funds deposited directly into an out-of-country bank. This is perfectly legal, and your Ecuadorian attorney can handle the paperwork locally.

**Health Care**

One of the great perks for foreign residents living in Ecuador is high-quality, low-cost health care. Here, you will receive personal attention from medical practitioners not seen in the U.S. since the 1960s. An Internet comparison of health care costs from around the world found that Ecuador’s costs are lowest—lower than those of China, Malaysia, India, Mexico, and Panama.

In the bigger cities, you’ll find hospitals with state-of-the-art equipment, as well as specialists in most fields and physicians with private clinics. The average visit to the doctor’s office costs just $30, with the fee to see a specialist costing about $40.

Name-brand medicines are much cheaper than in the U.S. Generics cost a fraction as much, and availability is good.

In general, you can expect to pay 10-25% of what you would in the U.S., including major surgery and dental care.

House calls are not uncommon, most doctors do not have nurses, and the average office visit is 30-45 minutes.
Health Insurance

Health insurance is a bargain in Ecuador. A review of comparable insurance policies for a 60-year-old man in the U.S. and Ecuador tell the story. In the U.S., the man would pay a monthly premium of $1,200; in Ecuador, he pays $70. A woman aged 50-60 would pay $72 for the same policy in Ecuador, while coverage for a dependent child, between 2 and 17 years of age, costs $15.69 per month.

The policy cited by *International Living* is offered by Salud S.A., Latin America’s largest health insurance company, and pays 80% of doctor’s visits, 60% of medications costs, and 100% of hospitalization. It also offers extra coverage for walk-in procedures and accidents.

Keep in mind that the policies of major insurers consider pre-existing conditions and require that you sign up for coverage before you reach the age of 70 (some companies require signup by age 65).

Ecuador recently invested hundreds of millions of dollars to upgrade its national social security (Instituto Ecuatoriano de Seguridad Social, or IESS) health care system and is allowing foreign residents a “buy-in” option. Costs are higher for those with pre-existing conditions, and most doctors recommend that the program should be considered supplemental coverage, since waiting periods for appointments can be long. The new system is certainly worth researching further to see if it would meet your needs.

The Ecuador Rolodex

The Ecuador Rolodex is part of the *IL Ecuador Owner’s Manual*. It includes phone numbers and contact information for a variety of resources under the following headings:

- Architects and Builders
- Attorneys
- Business and Investment Resources
- Ecuador News
- Embassies and Consulates
- Health Insurance
- Hospitals
- Hotels and Hostels
- Ecuador Internet Resources
- Primary and High Schools
- Real Estate Contacts
- Real Estate Resources
- Relocation and Moving
- Spanish Language Schools
- Title Insurance
International Living also has a variety of articles and special reports on Ecuador here, including the following:

- Beachfront Property in Ecuador
- The Economy in Ecuador
- Making Money in Ecuador
- Live in Ecuador
- Reasons to Retire in Ecuador
- Move to Ecuador
- Health Care in Ecuador
- Ecuador Fact File
- Why Ecuador?
- Ecuador Visa and Residency Information
- Ecuador Real Estate
- Travel in Ecuador
- Taxes in Ecuador
- Rolodex: Contacts in Ecuador
- Invest in Ecuador
- Free Ecuador Report
- Retiree Benefits in Ecuador
- Ecuador Climate
- Renting in Ecuador
- Cost of Living in Ecuador
- Find Out More About Ecuador
- Ecuador Classified Ads
COSTA RICA

Fast Facts About Costa Rica

**Location:** Central America, bordering both the Caribbean Sea and the North Pacific Ocean, between Nicaragua and Panama  
**Population:** 4,636,500  
**Capital City:** San Jose  
**Climate:** Tropical and subtropical; dry season (December to April); rainy season (May to November); cooler in highlands  
**Time Zone:** GMT-6 hours, Central Time Zone  
**Language:** Spanish (official), English  
**Country Code:** 506  
**Coastline:** 1,290 km

Taking up Residency

Although Costa Rica’s immigration laws changed in 2010, they still offer prospective residents a wide range of options.
There are four categories of visas, depending on where you’re from. If you’re from the U.S., Australia, Brazil, Canada, the European Union, or several dozen other countries, all that you’re likely to need is a passport to enter Costa Rica, and you can stay for up to 90 days. Citizens of several other countries, including Guatemala and Venezuela, can enter on their passport and remain for up to 30 days. Nationals of India, Colombia, Peru, and several other countries can also stay for up to 30 days, but they must obtain visas before entering Costa Rica.

These regulations are in place to encourage those who stay for more than a few months to become legal residents of Costa Rica.

We say repeatedly throughout this report that laws and regulations are ever-changing. It is important to use our research as a starting point. Costa Rica is a good example. A new Costa Rican immigration law took effect on March 1, 2010. New guidelines, rules, and interpretation of the law were issued in May 2012.

The new law, formally known as Law 8764, Ley General de Migración y Extranjería, made extensive and important changes to the requirements to apply for legal residency. The guidelines for the implementation of those changes are contained in the 2012 law books. More detailed information on the new residency application requirements can be found here.

Most expats explore the pensionado program. There were no changes made to this program. It requires proof that you have at least $1,000 per month in income from a pension or other retirement plan. You won’t be able to work as an employee in Costa Rica, but you can own a company and receive dividends from it. As a pensionado, you must remain in the country at least four months each year. One pension allows both husband and wife to apply for residency.

There were important changes made to the rentista program for people without fixed retirement income. The rentista monthly income requirement is $2,500. The exact same amount of $2,500 per month applies to all applicants, whether the applicant is single, married, or married with children.

The new requirement is that applicants must prove the ability to receive $2,500 in monthly income for 24 months (two years), instead of the 60 months (five years) mandated under the prior requirement. The income can be proven by a bank letter stating the applicant has an account with a balance of at least $60,000.

The inversionista program applies only to investors, not their families, and requires an investment of $200,000. This program also saw recent changes. The investment can
be made in any type of business, commercial real estate, and (new) non-commercial real estate.

**Buying Property in Costa Rica**

Costa Rica has some unique property rules. Therefore, it is important to retain a top real estate agent and attorney when buying real estate.

Attorney Roger Petersen has provided *International Living* with a great deal of insight into the Costa Rican real estate system. The Owner’s Manual for Costa Rica outlines pages of details on a number of key topics, including:

- Titles and transfers
- Ensuring a clear title
- Closing costs, including government transfer tax and registration fees (real estate transfer tax, documentary stamps, notary fees, etc.)
- Mortgage costs
- Registration of the transfer deed
- Property taxes and utilities
- Property with a corporate title
- Investing in title insurance
- Agents and attorneys.

**Of Special Note: Buying Beachfront Property**

In most cases, beachfront property is untitled, because in Costa Rica, the ownership and possession of the shoreline are governed by the Maritime Zone Law, which was passed in 1977 and which restricts the possession and ownership of beachfront property.

By law, the first 200 meters (656 feet) of beachfront, starting at the high-tide markers, are owned by the government. Of those 200 meters, the first 50 meters (164 feet) are deemed public zones, and nobody may possess or control that area. Of the remaining 150 meters (492 feet), referred to as the “Restricted Zone,” the government—through the local municipality—will lease the land, by way of concessions, to private individuals or corporate entities.

The Maritime Zone Law provides restrictions for foreign ownership or possession of beachfront property, so a more in-depth and careful study is always required when considering an investment in beachfront property in Costa Rica.

**A Recommendation**

Roger Petersen is the author of *The Legal Guide to Costa Rica*. This book can be ordered directly at his website, [www.costaricalaw.com](http://www.costaricalaw.com). He can be reached at Petersen & Philps, Apartado 643, Centro Colón, San José 1007; tel. +506 2288-2189 and +506 2288-6228 extension 101; fax +506 2228-7094; website: [www.plawcr.com](http://www.plawcr.com).
Starting a Business

To start a business in Costa Rica, you must register with the Tax Department to get your taxpayer identification. You also need a municipal business license from the local government where the business is located.

As long as you abide by the Costa Rican labor code, there are no restrictions as to the number or nationality of the people you employ, and you can open up any type of legal business you like.

Costa Rica’s main source of revenue is tourism, with the bulk of visitors coming from the U.S. Because of this, businesses targeting tourists have proven to be very attractive to overseas entrepreneurs.

The business outlook for Costa Rica is good. Many medium-to-large businesses have relocated from the U.S. to Costa Rica to cut costs, and this trend seems to be growing. However, for small business, there is an increase in bureaucracy, regulations, and taxes that can make it difficult, depending on the type of business.

Both personal and business accounts are relatively easy to set up. Access to capital to start or operate a business will depend on the type of business and the collateral that will be provided. For example, Costa Rica wants to promote exports so it is easier to obtain capital for businesses that export products out of Costa Rica. But as long as an expat has legal residency in Costa Rica, access to financing would be similar to that of a Costa Rican.

Most American, Canadian, and European expats in Costa Rica spend much less money on day-to-day expenses than they do in their home countries. But because of a higher-priced colón and persistent inflation, the cost of living for expats in Costa Rica has recently been increasing at a rate that experts say is between 10% and 15% per year.

Tax Laws

In Costa Rica, the taxation of individuals is based on the principle of territoriality, meaning that all personal income that has a foreign source is tax exempt. Only revenue earned by an individual within Costa Rica is subject to an assessment by the tax authorities.

The principle of territoriality is perhaps the most significant aspect of the country’s fiscal regime. Costa Rica does not discriminate between the taxes payable by residents and non-residents. The main taxes affecting an individual are income tax, employee
social insurance, withholding taxes, capital transfer tax, and sales tax.

Income tax is levied on both employment source income and non-employment source income (e.g., dividends on shareholdings, rental from a property letting, etc.)

**Social Security Taxes**

The employer pays a contribution of up to 26% of gross salary, and the employee pays a contribution of up to 9% of his/her gross salary.

Self-employed persons are also required to contribute to this fund.

Foreigners temporarily working in Costa Rica are not exempted from this tax, even though it is evident they can never benefit from it. The new immigration law imposes a requirement that all foreign residents register and contribute to the social security system.

Employers are required to insure their employees against accidents at work and, depending on the monthly salary and the nature of the risks, premiums can vary from 0.5-22% of the employees’ salaries.

**Capital Gains Tax**

Capital gains are not taxed in Costa Rica unless they are derived from habitual transactions. Capital gains derived from habitual transactions are taxed at the standard income tax rate.

**Property Transfer Tax**

A property transfer tax of 1.5% is payable by the purchaser on the value of real estate purchased.

**Municipal Property Tax**

The municipal government where the property is located will levy a property tax on the value of the property as assessed by the tax authorities. The municipalities levy these taxes at the flat rate of 0.25%.

**Luxury Home Tax**

In order to raise money to build public housing, the Costa Rican legislature passed a law that has commonly been referred to as the “luxury home tax.” You are liable for the tax only if the value of the construction on the property is greater than 100,000,000 colones (about $194,400 at the time of writing).
Sales Tax

Sales tax (the equivalent to value-added tax) stands at 13% and is levied both at the point of importation and at the point of sale (unless the sale is by way of export).

Taxes Paid to Your Home Country

You may have tax obligations to your home country that apply, regardless of what you are paying in Costa Rica. U.S. citizens, for example, owe tax on their worldwide income no matter where they live. Canadians, on the other hand, do not.

Health Care

By almost any standard, Costa Rica has some of the best health care in Latin America. Not only that, but the country’s public and private health systems are constantly being upgraded—new hospitals, new equipment, and improvements in staff training. Despite the advancements, costs are low in comparison to those in the U.S. and even some European countries. Health care costs are about a third of what you’d pay in the U.S.

Most U.S. health insurance policies are of limited value outside the country because you’re typically covered overseas for only a number of days. Also, most policies won’t reimburse you for travel back to the U.S. in case of a medical emergency. In Costa Rica, however, you have the options of joining the government-run La Caja or taking out health insurance with INS. Keep in mind that if you apply for residency, you must be enrolled in the La Caja public system, so that may also influence your ultimate choice.

As in nearly every other country, you can also buy an international health insurance policy that covers medical expenses overseas. Many international policies also pay the cost of evacuation to the U.S. in the case of an emergency, but this feature isn’t often needed in Costa Rica.

Medical tourism has become big business in Costa Rica. People around the world are realizing the benefits of the country’s high-quality, low-cost medical services.

The World Health Organization ranks Costa Rica’s health care system slightly above that of the U.S. This achievement is the result of a large government investment in the health sector. The influx of foreigners in Costa Rica has also been a big incentive for private hospitals to open and expand their operations.

More than 50,000 Americans, including many retirees, live in Costa Rica, and more than 700,000 Americans make annual visits. With hundreds of board-certified physicians, surgeons, and dentists practicing in or near the capital city of San José, health travel has gained a strong foothold in this nation of nearly 4.6 million people.

Around 15% of international tourists come specifically to take advantage of its medical services, mostly cosmetic surgery and dental care. And the nation is among the top five visited by Americans for medical treatment.
The Costa Rica Rolodex

The Costa Rica Rolodex is part of the IL Costa Rica Owner’s Manual. It includes phone numbers and contact information for a variety of resources under the following headings:

- Attorneys
- Embassies
- Expat Resources
- Health Care/Hospitals
- Relocation Contacts

- Title Insurance

*International Living* has a variety of articles and special reports on Costa Rica [here](#), including:

- Living in Costa Rica
- Taxes in Costa Rica
- Costa Rican Title Insurance
- Health Care in Costa Rica
- Costa Rica Real Estate
- Travel in Costa Rica
- Move to Costa Rica
- Retire in Costa Rica
- Beachfront Property in Costa Rica
- Rolodex: Contacts in Costa Rica
- Why Costa Rica?
- Costa Rica Fact File
- Costa Rica Visa and Residency Information
- The Economy in Costa Rica
- Renting in Costa Rica
- Working in Costa Rica
- Cost of Living in Costa Rica
- Free Costa Rica Report
- Costa Rica Classified Ads
DOMINICAN REPUBLIC

Fast Facts About the Dominican Republic

Source: https://www.cia.gov/library/publications/the-worldfactbook/graphics/maps/newmaps/dr-map.gif

Location: Caribbean, eastern two-thirds of the island of Hispaniola, between the Caribbean Sea and the North Atlantic Ocean, east of Haiti. The Dominican Republic shares the island of Hispaniola with Haiti.

Population: 10,088,598
Capital City: Santo Domingo
Climate: Tropical maritime; little seasonal temperature variation; seasonal variation in rainfall
Time Zone: GMT-4, Atlantic Standard Time
Language: Spanish
Country Code: 809,829,849
Coastline: 1,288 km

The Dominican Republic has great weather and world-class beaches, a low cost of living and a stable government—all within a short travel time to the U.S.

The north coast of the island has some of the finest beaches in the Caribbean, and the east coast is a sportsman’s paradise with some of the newest designer golf courses in the
Caribbean. There are also new tennis courts, an equestrian center, three polo fields, archery areas, a fitness center, and a full-service marina.

The country’s capital, Santo Domingo, has Old World charm with some of the top cultural venues in the world, including the oldest cathedral (Cathedral Basilica Santa Maria la Menor), the first paved street in the New World (Calle de Las Damas), the oldest monastery, ruins of the first hospital, the oldest surviving European fortress, and one of the first two-story European-style residences. The city has been declared a World Heritage Site by UNESCO.

**Taking up Residency**

Travelling to the Dominican Republic is relatively easy. It can be reached easily from North America, as the Dominican has the most international airports of all of the Caribbean islands.


**Visa Requirements**

**Tourist visa:** U.S. and Canadian citizens will need a tourist card for visits of up to 60 days for U.S. citizens and 30 days for Canadian citizens. This can be obtained at the airport in the Dominican Republic at the time of entry.

**Residence visa:** The residence visa is the first step to obtain the residence card in the Dominican Republic. It can be obtained within approximately three months. The
Ministry of Foreign Affairs recommends that the process be started prior to the person arriving in the DR, although it can also be carried out once the person is in the country. You must prove that you have ties to the country in the form of marriage to a citizen, proof of economic solvency (investor, retiree), or a work contract. Contact your nearest embassy for more about these conditions.

**The Dominican Republic Retiree Program**

If you retire to the white-sand beaches of the Dominican Republic, a budget of $2,000 per month means you can live in a luxury apartment, employ a maid, and access good health care. Many expats live comfortably for much less.

In 2007, the Dominican Republic introduced Law 171-07, a special incentives law for retirees. Unlike similar programs, the great thing about this program is you don’t have to be of “retirement” age to benefit.

To qualify, you must have a stable source of income, from either a government pension (Social Security) or a private pension or annuity or an independent income from investments (dividends or interest) of at least $2,000 per month. There is no age limit.

Benefits include:

- Tax-free importation of your household goods
- Exemption of taxes on real estate transfers
- Exemption of motor vehicle taxes
- 50% off any annual real estate taxes.

**Buying Property**

The beaches in the Dominican Republic are long expanses of fine white sand that stretch out along the coast. The blue-green waters are excellent for diving, swimming, surfing, and wind surfing. The country has so many advantages for second-home buyers that many people wonder why property bargains can still be found.

In 1998, a law was written allowing foreigners to buy property in the Dominican Republic with the same rights and obligations as a Dominican citizen. The only requirement is that the title registry offices keep a record, for statistical purposes, of all purchases made by foreigners.

Real estate purchases in the Dominican Republic work a little differently than in the U.S. Instead of tendering a written offer, you first negotiate and reach a verbal agreement on the price with the seller. Then, a binding “promise of sale” or “option to purchase” is prepared by an attorney and signed by both parties. At this time, the deposit or advance payment is normally made.
Real estate agents in the Dominican Republic are not licensed or regulated by the government. It is imperative that you employ the services of a trustworthy, reliable real estate agent and attorney.

Starting a Business

The Dominican Republic has long been viewed primarily as an exporter of sugar, coffee, and tobacco, but in recent years, the service sector has overtaken agriculture as the economy’s largest employer, due to growth in telecommunications, tourism, and free-trade zones.

The economy in the Dominican Republic is highly dependent upon the U.S., the destination for nearly 60% of exports. Remittances from the U.S. amount to about one-tenth of GDP, equivalent to almost half of exports and three-quarters of tourism receipts.

The growth of the Dominican Republic’s economy rebounded in 2010 from the global recession and remains one of the fastest growing in the region.

Tax Laws

Law No. 11-92 of May 31, 1992, commonly known as the Tax Code, governs taxation in the Dominican Republic (Código Tributario).

The Bureau of Internal Revenue (Dirección General de Impuestos Internos or DGII), an autonomous government entity that may also issue its own regulations, collects the taxes.

Dominican income tax law is primarily territorial. All income derived from work or business activities in the Dominican Republic is taxable, no matter if the person is a Dominican, a resident foreigner, or a nonresident foreigner.

Income derived from work done outside of the Dominican Republic, by Dominicans or resident foreigners, is not taxable in the Dominican Republic. The exception to the principle of territoriality is income from financial sources abroad.

A Dominican or a resident foreigner receiving income from financial investments (stocks and bonds, certificates of deposits, etc.) must pay taxes in the Dominican Republic.
Republic on their income from those investments. Pensions and Social Security benefits are exempt.

For the resident foreigner, this obligation starts three years after obtaining residency. For tax purposes, any person residing in the Dominican Republic for more than 182 days in a year is considered a resident.

It is mandatory for all taxpayers to register with the tax authorities and obtain a tax or RNC (Registro Nacional de Contribuyentes) number.

Health Care

There are three levels of health care in the Dominican: free care, a Social Security system, and private clinics. The vast majority of medical needs can be met on the island through private clinics in the larger cities. Interventions, however, requiring high-tech equipment or a long period of rehabilitation may not be available.

Private clinics are the most well-equipped and well-staffed by qualified doctors and nursing personnel. Fees, however, range from $10-750 for a first visit, depending on the clinic and the specialist. It is calculated that less than 10% of the Dominican population could afford private medical services if it were not for the medical insurance programs.

The Dominican Republic is ahead of many Latin American countries in laparoscopic laser surgery. A good volume of patients come from the Virgin Islands, the Lesser Antilles, and other parts of the Caribbean to take advantage of the good care and lower fees.

Dental services also offer value for money with very good treatment at reasonable prices. As always, thorough research into the best options available to you for extended health care insurance is highly recommended.

Additional Information

*International Living* has a variety of articles and special reports on the Dominican Republic [here](#), including:

- [Dominican Republic Real Estate](#)
- [Live in the Dominican Republic](#)
- [Retire to the Dominican Republic](#)
- [Dominican Republic Fact File](#)
- [The Economy in the Dominican Republic](#)

Further information on health care is available [here](#).
There is a lot of opportunity in Nicaragua due to the lucrative tax saving advantages. This has encouraged demand for foreign business entry to serve the local and flourishing international markets.

Tourism continues to grow and has fueled a booming real estate business in Nicaragua.
Enjoy being immersed in the vibrant culture of the people who live in Nicaragua.
Photo source: http://internationalliving.com/countries/nicaragua/live-in-nicaragua/

Taking up Residency

What does it take to move to Nicaragua? Well, if you are 45 years of age and able to prove an income of $600 monthly, the government makes moving to Nicaragua quite straightforward, because you qualify for the country’s excellent retiree benefit program. This program offers numerous benefits, particularly tax and import duty exemptions. It is critical to state that having residency is a prerequisite of attaining many items, such as a bank account or any type of financing.

All passports must be valid for at least six months beyond the date of your entry into the country. Those who require visas must also obtain an exit permit; however, if you are in Nicaragua on business, you are usually exempt from the requirement.

The benefits of residency come mostly in the form of tax incentives. As a foreign retiree, you are entitled to:

- Pay no taxes on any out-of-country earnings
- Bring into Nicaragua up to $10,000 worth of household goods for your own home, duty free
- Import one automobile for personal or general use and pay no import tax or protective tariff and sell it after five years, again exempt from consumer sales tax
- Import an additional vehicle every five years under the same duty exemptions.
You need to bring the following notarized documents to the Nicaraguan Consulate. The documents must be translated into Spanish by a lawyer, and the Spanish version has to be notarized, as well:

- A copy of your birth certificate
- A copy of your passport
- A certificate or letter from your doctor stating that you’re in good physical health, are free from communicable diseases, and are mentally sound
- A certificate or letter from your local police department stating that you’ve not been convicted of any crime
- A certificate of income from your bank or pension plan affirming that you’ll have enough money to meet the minimum requirement of $600 per month.
- A list of the household goods you will be importing.

There are, of course, some stipulations and restrictions. According to Article 8 of the law, a foreign retiree “cannot work in any industrial or commercial activity or hold a job paid in local currency.”

But apparently, the law is open to liberal interpretation. If you want to open a small hotel or restaurant, for example, an enterprise that would benefit the community in some way by attracting tourists or creating jobs, you’d have to present your plan to the Ministry of Economy and Industry and ask for an exception to the rule.

Of course, this is just an overview of the ins and outs of residency. The best place to start the process is at your Nicaraguan Embassy or Consulate and check the International Living website for more details.

**Buying Property in Nicaragua**

Our research indicates that due diligence is important everywhere and particularly when buying property in Nicaragua.

According to the Nicaragua/U.S. Embassy in Managua, you will be buying property in a civil law system, which differs from the common law system of the United States. Civil law is based solely on statutes and there is no such thing as an equitable remedy when problems arise. *Hence the need for due diligence.*

For more information readers are encouraged to visit:

- Nicaragua/U.S. Embassy [website](#)
- *International Living* [website](#)
- Attorney general’s [webpage](#) for the latest requirements. Note: The site is in Spanish.
The challenges of buying property in Nicaragua are compounded by several factors:

- There is likely no data available on the sale of comparable properties
- They do not offer multiple-listing services
- The government’s municipal offices are generally not equipped to keep track of the prices of property.

The following tips give you a brief overview of what you should attend to prior to purchasing property in Nicaragua. For detail on each of the points, visit the Nicaragua/U.S. Embassy website:

- Hire Your Own Attorney
- Purchase Title Insurance
- Conduct a Thorough Title Search
- Make Sure the Property is Properly Surveyed
- Ensure That the Seller Has All the Necessary Permits
- Review Access to Utilities
- Investigate the Developer's Reputation
- When Buying in a Development, Review the Plan of Development and the Developer's Documents
- Initiate the Title Registration Process Post-closing.

Prepared by the U.S. Embassy's Property Office with input from the American-Nicaraguan Investors and Developers Association (ANID).

IL also cautions that buying property here may be a bit different than what you’re used to. First of all, if you’re interested in a property, you could go directly to the source: the local farmer or fisherman who is selling it.

However, if you don’t speak Spanish and you don’t have time to really familiarize yourself with the market, working with the IL office in Granada is safer and more efficient. IL’s staff on the ground can connect you with reputable real estate agents or developers and advise you on the local property market.
The beachfront in Nicaragua can be described only as “awe-inspiring.”
Photo source: http://internationalliving.com/countries/nicaragua/beachfront/

With all of the caution, International Living has “been telling our readers about beachfront property in Nicaragua’s Pacific coast for the past 10 years. Though prices are on the up, this beachfront real estate still remains one of the world’s best beachfront bargains. You can purchase world-class beachfront... the same caliber of sand and coast as you can get farther north in Southern California... but for one-quarter—or sometimes even one-tenth—the cost.”

**Starting a Business in Nicaragua**

Although a special type of visa is not a prerequisite to starting a business, investors visas are available. You should recruit the services of a local accountant who understands the complex tax and accounting rules and the reports required to kick off a business.

In Nicaragua, it is recommended that you either speak some Spanish or have a Spanish-speaking business partner. The exceptions to this are businesses that target purely the expat community, but some level of fluency is required even for these enterprises. Nicaragua’s economic activity has shown high growth rates during 2011, according to the latest economic report published by the Central Bank of Nicaragua.

**Tourism, Tax Laws, and Law 306**

Nicaragua was recently ranked as one of the top 10 best value destinations for 2011 by Lonely Planet, one of the largest travel guidebook and digital media publishers and owned by BBC Worldwide. “Nicaragua is quickly becoming one of the most popular places to escape winter. Culture, adventure, sand, and surf are all part of its cachet.”
In fact, tourism continues to be one of the country’s main economic activities. And that is good news for any business that caters to tourists.

Anything that is considered part of the tourism business, or designed to promote tourism to the country, can benefit from incentives provided by Law 306. It is the most attractive—and most aggressive—tourism-incentive law in Latin America.

According to International Living’s Owners Manual for Nicaragua, if you open a restaurant, nightclub, bar, or casino, you could qualify for a 10-year holiday on real estate tax and pay no taxes on the renovation or building of your business.

The minimum investment is $100,000 in Managua and $30,000 outside of the capital—including the cost of the land. This may be more than our readers want to spend, but it reaffirms that point that there is potential savings and you should do your research to determine the fine print of Law 306 and how you might take advantage of it.

Furthermore, if your restaurant, nightclub, bar, or casino is registered with the Ministry of Tourism as one of the registered entertainment spots, you’ll benefit from the national and international promotional campaigns the government sponsors to attract tourists.

### Tax Laws

Few countries offer as light a tax burden as Nicaragua.

#### Income Tax

For individuals, income tax (IR) is calculated on a progressive tax rate, up to a maximum of 30%. Taxable income is based on Nicaraguan-source income. As a foreign retiree, you pay no taxes on out-of-country earnings.

#### Value-Added Tax

This tax applies to the following acts performed in the national territory: sales of goods, providing of services, and importation of goods. It is calculated at a flat rate of 15% on the value of the goods or services. If you own a business, the value-added tax will be returned to you.

#### Transfer Tax

Property transfers are subject to a 1-3% pre-payment income tax on the purchase price. While most sellers ask the buyer to pay it, you should be aware that it is a pre-payment of income tax; therefore, it is legally payable by the seller.

#### Real Estate Tax

Annual property taxes are approximately 1% of the 80% of the municipal *cadastral* value of the property. The *cadastral* value of the land is calculated substantially lower.
than the market price of the land.

**Health Care**

Health care in Nicaragua, particularly in the modern private hospitals in the Managua area, is of high quality and costs much less than in the U.S. or Europe. Emergency treatment in public hospitals is even free of charge, but you will have to pay for any medication.

The further away you get from the capital and the other major cities, the more rare and rustic the health services get.

Many Nicaraguan doctors have been trained in the U.S., Mexico, Europe, Cuba, or the Caribbean before taking their positions in Nicaragua. A doctor’s visit usually costs between $10 and $30, and even if you have to spend the night in a hospital, a private room won’t cost you more than $100.

The best way to find a good doctor or dentist? Ask the expats who have lived there for a while. *IL* will also have updated information on its website, as will your embassy.

**The Nicaragua Rolodex**

The Nicaragua Rolodex is part of the *IL* Panama Owner’s Manual. It includes almost 10 pages of phone numbers and contact information for a variety of resources under the following headings:

- Building contacts
- Notaries in Managua
- Business and investment
- Embassies and consulates
- Emergency numbers
  - English-speaking physicians in Managua
  - Hospitals in Managua
  - English-speaking dentists in Managua
- Health insurance
- Maps
- Property management services
- Title insurance
- Tourism and investment.

*International Living* has a variety of articles and special reports on Nicaragua [here](#), including the following topics:

- [Why Nicaragua?](#)
- [Beachfront Property in Nicaragua](#)
- [Taxes in Nicaragua](#)
• Make a Difference—Please Help the Roberto Clemente-Santa Ana Health Clinic
• Invest in Nicaragua
• Rolodex: Contacts in Nicaragua
• Travel in Nicaragua
• Live in Nicaragua
• Nicaragua Visa and Residency Information
• Health Care in Nicaragua
• Nicaragua Fact File
• Retire in Nicaragua
• Move to Nicaragua
• Nicaragua Real Estate
• The Economy in Nicaragua
• Cost of Living in Nicaragua
• Free Nicaragua Report
• Nicaragua Classified Ads.
HONDURAS

Fast Facts About Honduras


**Location:** Central America, bordering the Caribbean Sea, between Guatemala and Nicaragua, and bordering the Gulf of Fonseca (North Pacific Ocean), between El Salvador and Nicaragua. The country has only a short Pacific coast but a long Caribbean shoreline, including the virtually uninhabited eastern Mosquito Coast.

**Population:** 8,297,000

**Capital City:** Tegucigalpa

**Climate:** Subtropical in lowlands, temperate in mountains

**Time Zone:** GMT-6 hours; Central Standard Time

**Language:** Spanish (official), Amerindian dialects

**Country Code:** 504

**Coastline:** Caribbean Sea 669 km; Gulf of Fonseca 163 km
In Honduras, you can indulge your dreams, even on a limited budget. Honduras is a place of great natural beauty where property prices are reasonable, the cost of living and the crime rate are both low, and health care is top-notch and inexpensive. The country lives peacefully under a democratically elected government. It is also home to some of the best-preserved Mayan ruins in the world and has the second-largest barrier reef on the planet.

When you live in Honduras, you come to appreciate a speed of life that is a little slower than what many Americans are accustomed to. Source: http://internationalliving.com/countries/honduras/live-in-honduras/

Taking up Residency

If you are traveling to Honduras as a tourist, you will need a valid passport. A visa is not required if you are a citizen of the United States or a long list of other countries. Contact a Honduran Consulate for more details.

The types of residency permits that can be obtained in Honduras include renters, retired persons, investors, and relatives. You must make an application for residency through an attorney. To apply for residency, you will need:

- Your passport, valid for at least one year from the date of your application
- Your police record, showing you are in good standing with the law
- A health certificate (you may also obtain this certificate in Honduras)
- One photograph of the applicant, size 6 cm by 6 cm
- Documents related to the type of residency considered in the application
- Other documents that are to be obtained in Honduras, e.g., migratory records.

There will be a charge for each document processed through the consul office.

Retirees are given special residency privileges not available to foreign investors or permanent residents. The government will grant you retirement residency if you can
prove, among other things, that you have at least $1,500 per month in third-party, independent income. If you prove you have put $50,000 into an approved project, you are exempt from the $1,500 monthly.

If you choose to retire in Honduras, you’ll be entitled to tax breaks. In addition, the government encourages foreign investment in the tourism industry with attractive tax incentives. If you are involved with a government-approved tourism project—and that could be anything from a restaurant to a hotel to a souvenir shop—you’ll pay no income tax on your profits for 10 years.

It takes as little as two months for you to establish your retirement residency in Honduras. Once you have your residency visa, you can bring in household and personal goods—including your car—duty-free, one time. Every five years, you may trade or sell your car and bring in another one, again duty free.

After you have resided in the country for five consecutive years, you are eligible to apply for Honduran citizenship.

**Buying Property**

One of Honduras’ most attractive assets is its beachfront—and with 367 miles of Caribbean coastline on the mainland alone, there is plenty of it. Towns along the coast offer hospitable waterfront living with a mountainous backdrop. Of course, property prices vary depending on the location you are interested in.

There are some factors you must be aware of when purchasing waterfront property in Honduras.

Although I am sure this is not unique to Honduras, there have been cases in which a real estate agent convinced potential buyers that they could develop their own private beach by buying property near the water. The first thing you need to know is that all beaches are public property—and that is NOT uncommon.
When searching for beachfront property, be aware of the existing foliage and the expanse of the beach. The cutting down of mangroves in Honduras is against the law, as is the dredging of any beach sand. You may not be able to change the natural appearance of the land. There are new regulations regarding environmental safeguards, particularly in beach areas, so make sure you find out if your prospective property is able to accommodate your home or business if you are intending to build.

In Honduras, different types of real estate professionals specialize in offering different types of property.

Developers purchase or secure options on tracts of property. They survey the land, create new legal descriptions, secure government permits, and sell individual lots to buyers. Many developers only sell lots, while others will sell you a lot and construct a home for you.

Because developers primarily represent properties they own (or that are owned by related entities), you should not assume that the ones they show you are the only ones in a given market area. Real estate agents and developers in Honduras have no incentive to show a piece of property if they do not have a representation agreement with the seller.

Never buy into a project or subdivision without checking to see that the developer has government approval and that all environmental permits have been issued.

Assuming you have done your due diligence, the property-buying process in Honduras is relatively simple. After you select a property, you contact a notary. The highest type of licensing for an attorney in Honduras is a notary, and only a notary is permitted to complete real estate transactions. As in most Latin American countries, notaries are responsible for verifying what’s in the document, as well as the signature and date.

Hiring a lawyer to help you establish title to your property is one of the most important things you can do. Non-reputable agents have been known to inflate prices and, in the worst-case scenarios, sell land to unsuspecting foreign buyers without any authorization from the owner. Fortunately, title insurance is now available in most areas of Honduras.

You should not sign a contract written only in English, since it will not hold up in a Honduran court. Contracts are designed to protect the buyer, as well as the seller, and need to be drawn up by a lawyer and notarized.

Remember, safety nets provided by law in the U.S. and other developed countries—such as real estate professional licensing boards, better business bureaus, liability insurance, errors and omission insurance, and, in some areas, title insurance—are not common in Honduras.

It is important to understand what you buying, how it will be developed, and the pros and cons of the site you are considering.

Infrastructure is an important consideration, and it is important to know the long-term
facts. Can you live without a road? What about fresh water? Can you dig a well, or do you need a cistern? As always, the recommendation to live in the area you are considering is vital.

**Starting a Business in Honduras**

Inexpensive and beautiful properties, a low cost of living, and reasonable health care are just part of what Honduras has to offer in the way of financial advantages. The country also offers tax holidays to investors and entrepreneurs, duty-free import incentives, and tax incentives to businesses that employ Honduran workers.

If you operate a government-approved tourism project, you will not pay any income tax for 10 years on profits—regardless of how much profit you make.

You’ll be exempt from the local 12% sales tax (on wood and other building materials, for example). You will simply pay a 1% asset tax, on the capital registered, after two years of being in business.

Your project can be as small as a one-bedroom B&B or as large as a 100-room beach resort. It can be virtually any tourism-related project, such as a restaurant, disco, cafe, or souvenir shop. Practically anything that will support the tourism industry can qualify.

In addition to benefiting from the income-tax holiday and the sales-tax exemption, you will be able to bring in all construction materials, equipment, machinery, spare parts, sports equipment—anything you need to put a government-approved tourism project into operation—duty-free. Since taxes and tariffs normally range from 5-120%, you can figure you’ll save an average of at least 20% for extra costs.

To apply for government approval for a tourism project, you will need to present:

- Corporation papers
- A power of attorney
- A copy of your land survey
- Title to the land
- A set of plans for development.

For a tourism-development project, you will also need a feasibility study and an environmental impact study.

Once you receive approval, you will get, in effect, a duty-free license to do business. But you’ll need help to get the paperwork done. It can take a year or more to get approval. While your papers are being processed, you will want to bring in your vehicles, supplies, and so forth. Customs law allows you to ask for a 180-day temporary permit—which can be extended, if necessary—while your residency card and paperwork are being processed.

Honduras offers an abundance of skilled and unskilled labor, with wage rates among the
lowest in the region. They begin at $0.99 per hour, including benefits. A high percentage of senior managers have studied abroad. Many are bilingual and are able to effectively integrate international and local business practices. Productivity in Honduras is among the highest in the Caribbean region. Work stoppages in factories are practically nonexistent, and labor turnover is very low.

**Banking**


Requirements may vary throughout Honduras to open a bank account, but you will likely have to present identification and two letters of recommendation from people who already have an account at the bank that you choose.

- It is advisable to open accounts in both U.S. dollars and in the local currency, lempiras. Checks from home—including travelers cheques—may take between 15 and 30 days to clear.
- If you plan to do wire transfers of significant amounts to your Honduran bank, you may be asked to produce your last three years’ tax returns. The banks need to prove they are not laundering money to other countries.
- It is also advisable to obtain a debit card for the lempira account so you can use ATMs, instead of going to the bank every time you need cash. Lines in the bank can be long at the best of times, but on paydays—the 15th and last days of the month—the lines can be even longer. Fortunately, ATMs are becoming more common. *As long as they are stocked with money and working, you will be all set!*


**Tax Laws**

**Income Tax**

Foreign residents living on their foreign income, including pensions, are not subject to income taxes on their foreign income. Only the income earned in Honduras will be taxed. Income tax rates run from 10-25%.

**Capital Gains Tax**

Capital gains earned by non-residents from selling real property located in Honduras are taxed at a fixed rate of 10%.

**Sales Tax**

The sales tax rate in Honduras is 12%.
Health Care

Health care in Honduras is of a high standard, with many physicians having been trained in the U.S. It is also extremely inexpensive. Prescription drugs, for example, cost 40% of what they cost in the U.S.

Although the following costs may change slightly, they are still a good indicator of what you can expect in terms of health care. A visit to the doctor costs between $15 and $25, while a private hospital room costs $40-80 per day. Various tests can be completed for much less than they would cost in the U.S. For example, an X-ray costs only $11, and an EKG is $16.

As always, it is important to fully research health insurance and the ease of being flown out of Honduras if necessary due to a medical emergency.

Additional Resources

Although the Honduras Owner's Manual does not have a Rolodex of contact information, Appendix A, B, C and D contain more than 20 pages of additional information:

- Useful Notes and Statistics, Including Geography, the People, and Government
- Foreign Firms With Investments in Honduras
- Diplomatic Representation, Including Contact Information on Embassies
- Travel and Tourism Contacts

*International Living* has a variety of articles and special reports on Honduras [here](#), including the following topics:

- Taxes in Honduras
- Move to Honduras
- Travel in Honduras
- Live in Honduras
- Retire in Honduras
- Honduras Visa and Residency Information
- Honduras Fact File
- Honduras—Below the Radar and Above the Rest
- Rolodex: Contacts in Honduras
- Beachfront Property in Honduras
- Why Honduras?
- Honduras Real Estate
- Invest in Honduras
- Health Care in Honduras
CAMBODIA

Fast Facts About Cambodia

Location: Officially known as the Kingdom of Cambodia, it is located on the southern part of the Indochina Peninsula and is bordered by Thailand to the northwest, Laos to the northeast, Vietnam to the east, and the Gulf of Thailand to the southwest.

Population: 15,000,000
Capital City: Phnom Penh
Climate: Cambodia has a tropical climate. The rainy season runs from May to October, with temperatures around 22 degrees C (71.6 F), and this is generally accompanied by high humidity. The dry season lasts from November to April, and temperatures can rise up to 40 degrees C (104 F)
Time Zone: UTC+7 (12 hours ahead of Washington, DC during Standard Time)
Language: Khmer is the official language 95%; French and English make up the remaining 5%
Country Code: 855
Coastline: 443 Km

Taking up Residency

Cambodia is a relatively inexpensive place to retire. The cost of living is low, and basic necessities such as food and housing are readily available at a low cost. Many retirees live comfortably on significantly less than it would cost for the same standard of living in other countries.

However, life in Cambodia can be difficult. It is a very poor country resulting in fewer services available. But there is good news on the horizon as a result of relatively new policies by the Cambodian government and the influx of foreign banks and lenders.

To enter Cambodia, a valid passport and Cambodian visa are required. You can apply online for a Cambodian visa at the Ministry of Foreign Affairs and International Cooperation of Cambodia [here](#).

Several types of visas are available, including a business visa that can be obtained without any proof of income or employment. A business visa is valid for up to one year.

A foreigner can become a Cambodian citizen by payment of $50,000, which is paid to the government and noted as a donation. Practice caution though, as there are many examples of a much higher price being charged. And as always, do your research. According to the United States State Dept., "A person who acquires a foreign citizenship by applying for it may lose U.S. citizenship."

Staying Connected

The United States Embassy in Phnom Penh has set up the Warden Network, a system to quickly pass emergency information from the embassy to citizens visiting or living in Cambodia. Each individual (or one person from a family group) is asked to register with the embassy, providing the following information:

- Date arrived
- Planned date to leave
- Residence and work addresses and phone numbers
- Fax number
- Email address
- Alternative contacts
- Emergency contact telephone numbers.

This [link](#) outlines the system and how to keep your contact information current.

Buying Property

Cambodia is experiencing the largest real estate boom in Asia, particularly in the capital city of Phnom Penh. Foreign investors, combined with local partners, are building large condominium projects to capitalize on the features that foreigners tend to enjoy, such as
wide streets, visually interesting housing, a contemporary atmosphere, and an attractive river view.

Foreigners however, cannot purchase land in Cambodia, including apartments on the ground floor. Retirees who want to buy houses are able to purchase the house structure; however, special arrangements must be made for the land under the house.

There are several ways to control or own land in Cambodia:

**Leasehold**

Land can be leased on a short-term renewable basis or on a long-term lease for up to a 99-year maximum period.

**Condominiums**

Cambodia allows foreigners to own condominiums, although the specifics of this are still developing.

**Company Ownership**

Cambodian-registered companies with a majority Cambodian ownership are allowed to buy land here. In the past, it has been common for foreign nationals to acquire an interest in Cambodian land as minority shareholders in a Cambodian majority company.

**Company Sponsorship**

The Cambodia Investment Board (CIB) and the Cambodia Development Council (CDC) sponsors companies. Foreign companies with CDC and CIB privileges can own or lease land and build factories in Cambodia.

**Cambodian Spouse**

A Cambodian spouse of a foreigner may be allowed to buy land or property in Cambodia in his or her own name.

**Renting in Cambodia**

Renting in Cambodia is quite cheap, and a small apartment can be had for $100-200 per month. In the $400-plus range, you’d have access to swimming pools and other luxuries. Apartments often come furnished and may include cable TV, Internet, air conditioning, and utilities. Electricity is not usually included, and foreigners are charged a higher rate than Cambodians.

Bonna Realty has the largest number of condos and houses for rent and sale. For more information, see [www.bonnarealty.com.kh](http://www.bonnarealty.com.kh).
Starting a Business

Cambodia sits on untapped natural resources, including oil and gas. It has a vastly underutilized agricultural capacity and a tourism industry in its infancy. The potential to catch up to its richer neighbors is clear. The scene is being set for people who want to be on the ground floor of business opportunities in Cambodia.

With increasing tourism, the expatriate community is also growing in Cambodia. Many expats own small businesses that put them in the center of the nightlife such as hotels, bars, and restaurants. Other retirees and expats work with nonprofit programs or non-governmental organizations associated with the United Nations.
The countries of Southeast Asia have always attracted retirees due to their weather, low cost of living, and friendly local residents. In recent years, Cambodia has become a boom market, attracting many foreign investors and non-Cambodians who want to enjoy the growing economy and the beauty of the countryside.

The Cambodian government wants to attract foreign visitors and residents. If opening a bar appeals to you, seek legal advice on the rules and regulations around foreign business ownership. Research confirms there are many changes in this area, and we noted variations in the dos and don’ts on a variety of Internet sites.

In addition to *International Living*, which constantly adds new information about Southeast Asia to its website and magazines, we found additional useful information at:

- **Cambodia Law**  

- **BNG Legal**: “A leading Cambodian law firm providing comprehensive legal services to foreign and local clients. Registered with the Bar Association of the Kingdom of Cambodia, our legal professionals combine international standards with local expertise.” It has a report for download, *Maintaining Corporate Compliance in Cambodia - BNG Legal*.

According to the report, properly setting up a company is only the beginning of your legal obligations. Once registered to operate, a business must:

- Submit annual declarations to the relevant authorities
- Maintain proper accounting
- Pay taxes
- Renew licenses
- Authenticate corporate structural changes.

- **Healy Consultants**, “Healy Consultants assists international clients with Asia business set up, legally minimizing local and international taxes...”

**Banking**

Setting up a bank account with a large international financial institution with branches in Cambodia, such as Bank of America or Citicorp, can help retirees receive their retirement income from home. These institutions understand the challenges often experienced by an expat and can help a retiree move money to and from the United States.

For instance, U.S. Social Security checks cannot be mailed to Cambodia. They must be either deposited into a retiree’s bank account or sent to the embassy for pickup by the retiree.
Some brokerage firms may not allow retirees to maintain the account they opened in the United States if they are permanently living in Cambodia. As always, a reputable accountant can help.

The United States dollar is commonly accepted with the local Cambodian currency given for change. ATMs for several international banks in Phnom Penh dispense U.S. dollars and cash advances can be obtained using a Visa card at international banks.

**Tax Laws**

Be sure to investigate the Cambodian income tax rules. There is a sliding scale tax rate that charges up to 20% on all income earned from anywhere in the world, including retirement income. Individuals who have lived in Cambodia for a total of 182 days or more in a calendar year are liable for Cambodian income taxes.

A report entitled “Taxation of Individuals in Cambodia” prepared by BNG Legal provides more detail on the following:

**Tax on Salary**

Tax on salary is imposed each month on the salary paid to individuals for the purpose of fulfilling employment activities in Cambodia (Article 41, Law on Taxation). Whether a person is an employee or an individual earning profit depends on “the degree of subordination to the employer” (Prakas 1173 Section 1.2 31 Dec 2003).

**Withholding Tax**

Persons who earn income from business activities that fall outside the scope of employment have to pay withholding tax on that income. The rate due varies, depending on the source of the income and the residency status of the earner. Non-residents have to pay a withholding tax of 14% on all income derived from management or consultancy services, royalties from use of intangible property or mineral resources, rental income, interest income, and dividends.

**Tax on Individual Income**

The Law on Taxation provides that profit realized by a physical person, outside the scope of tax on salary or withholding tax, shall be taxed on a sliding scale.

**Health Care**

Health care in Cambodia is relatively primitive by Western standards, and Cambodia is not a medical destination of excellence. Most hospitals do not provide any treatment beyond emergency care.

Basic health care, prescriptions and over-the-counter medications are available in Phnom Penh and Siem Reap; however, they are usually difficult to find in the rural areas.
People with major illnesses, or those requiring surgery, are usually evacuated to Thailand.

You can review the list of major hospitals, clinics and dental practices at www.pacificprime.com/countries/cambodia/hospitals/.

Retirees who move to Cambodia should consider "expat health insurance."

*International Living* has a variety of articles and special reports on Cambodia [here](#), including the following topics:

- Cambodia's Colonial Mansions, White Beaches, and Bright Future
- Inside Asia: Low Costs, Good Living, Exotic Adventure
- Finding Fulfillment in Southeast Asia
- Cambodia: French Colonial Splendor Meets the Exotic East
- Starting a Business in Cambodia
- Live Large for Less on the Exotic Islands of South East Asia 2012

**Additional Resources**

http://gocambodia.com/Retiring_in_Cambodia/

http://seniors.lovetoknow.com/Retire_in_Cambodia


http://www.healyconsultants.com/company-incorporation/cambodia-sole-proprietorship.html#

http://cambodianlaw.wordpress.com/category/company-setup/
Panama offers the best range of lifestyle options, a relatively low cost of living, and an attractive package of legal incentives, from residency to taxation laws and more. The country is firmly committed to democracy, political stability, and economic growth.

**Taking up Residency**

The government of Panama has set up a number of attractive programs and special zones in order to attract foreign investors and business people. Since this is just an overview of information that may be useful to you, our scope does not allow us to outline all of the various ways you can take up residency in Panama. *International Living* has devoted almost 15 pages to this topic alone, including a checklist of what you need to do in order to work through the residency process.
Popular Residency Options

Tourist Visa

If you are from the U.S. or Canada, you do not need a visa for tourist visits of up to 90 days. Citizens of other countries with visa waiver agreements with Panama may also visit without a visa. Check with your nearest Panamanian consulate or embassy or your country’s foreign affairs office prior to travel to confirm the tourist visa requirements that will apply to you.

The Pensionado Program

No other country on the International Living radar does more for retirees, both local and foreign, than Panama. The pensionado residency program is the most popular option for potential expats for many good reasons. It’s easy and inexpensive to get, it provides foreigners with permanent residency, and it sets forth a savings scheme—in the form of a wide array of discounts—that makes the overall value absolutely unbeatable.

To qualify for a pensionado or retiree residency permit, you simply need documentation to show that you have been receiving, and will continue to receive, a steady pension income.

Panama’s pensionado program offers a whole host of discounts and benefits that can save you money. International Living has prepared a short video to explain more detail about this great residency program. Click here to view the video.

The New “Immediate Permanent Resident” Visa

There is a new category of permanent residency that applies to qualifying expats from select countries.

The program requires one easy application, with candidates required to deposit a minimum of $5,000 in a local bank account, plus an additional sum of $2,000 for each dependent. Applicants also have to show evidence of one of the following:

- Investment in real estate in Panama; or
- Ownership of a Panamanian corporation with business license or an employment letter and contract from a business in Panama.

Business Investor Visa

There are no special visas required to start up a business in Panama, although you do need to secure a business license. However, you can use the fact that you are setting up a business in Panama as a means of securing residency. Going this route means applying for what is called a “business investor visa.” These come in a number of categories that you can research through International Living.
Additional Visa Options

These are just the most popular residency programs. Panama continues to offer a host of additional permanent and temporary options for students, workers, executives, investors, and businesspeople. For example, special investment zones include the Panama Pacifico Special Economic Zone and the Clayton City of Knowledge. Each of these investment zones has a special regime that offers a range of benefits, including allowances for work and residency.

Buying Property

Anyone can own property in Panama, due to the fact that foreigners are accorded basically the same property rights as Panamanians.

The information on buying property is a good example of the detail available to you in the Panama Owner’s Manual. Following are some highlights.

Buying property in Panama is very safe, and it is legal for foreigners to own titled property here. Private property in Panama is protected by the constitution of the Republic of Panama, and more than a dozen laws in Panama have been created specifically to protect foreign property buyers.

Foreigners can hold titled property in Panama in their personal names, although, for asset protection and tax reasons, you may want to hold property via a Panamanian corporation. *International Living* does not recommend the purchase of untitled or ROP (rights of possession) property.

From start to finish, the time frame to purchase property in Panama can be as short as four weeks, once negotiations between buyer and seller are complete. If you are financing the purchase, you should plan on at least three months before closing.

There are financial companies in the U.S. offering services that facilitate the use of your IRA or 401(k) funds, which you can then use to invest in property anywhere in the world.

In Panama, land within 22 meters (about 72 feet) of the shoreline is deemed public. This little bit of land generally doesn’t get bought or sold when a parcel changes ownership. This doesn’t mean you cannot buy on the water. Foreigners and locals can buy and sell beach property generally without restriction. Just keep in mind that the last 22 meters before you hit the shoreline are considered public, the idea being that locals should be able to walk along the beach past your home or property.
Good Advice for Choosing a Real Estate Agent

Choosing a real estate agent is critical when you are purchasing property in overseas markets. *International Living* offers three excellent suggestions for choosing a real estate agent in Panama:

- **Check the licenses.** Many countries don’t have a licensing system. But in those that do (Panama and Brazil, for example), work only with licensed agents. That way, you have some recourse if things don’t go as planned.

- **Second, don’t think a familiar brand name will deliver better, more reliable, or more trustworthy service than a local independent agent will.** The only difference is that the franchise holder paid a fee to use that familiar name.

- **Third, find an agent with local ties.** If your agent was born in the area, married a local from the area, or has lived there for a long time, he or she will usually have more in-depth knowledge of local market history, dynamics, and pricing. And if things don’t go as planned, that person will be more likely to try to fix it, rather than flee.

Pathfinder is *International Living*’s real estate advertising partner. Sign up for its free e-letter [here](#):
Starting a Business in Panama

Panama boasts a large, educated, bilingual population. The literacy rate is over 90%, and English language classes are compulsory throughout grade school and high school.

The infrastructure mimics that of the U.S., with excellent roads, power, and water service. Panama’s telecommunications are widely acknowledged to be the best in the entire region; five of the world’s major fiber optic cables intersect here, and Panama offers high-speed Internet nearly everywhere you go.


Banking

The U.S. dollar is the official currency and consumerism is strong. Panama’s International Banking Center (IBC) is the most modern and successful international banking center in Latin America. Panama was one of only five countries in the world that did not have a banking crisis, thanks to ultra-conservative laws that force the banks to limit lending and maintain liquidity.

Tax Laws

If you’re considering a move to Panama, you’ll want to make sure you know all about potential tax obligations. Fortunately, in Panama, you’re not likely to face huge tax burdens. You may be liable to continue paying certain taxes in your home country. Always consult with both a U.S. tax advisor and one in Panama—that way, you can ensure you get the full picture.

Panama doesn’t tax income generated outside its territory, and many residential properties come with property tax exemptions of up to 20 years.
Panama has long been deemed one of the world’s best offshore destinations. The country’s investor friendly policies, asset protection laws, strong anti-money laundering law, useful statutory legal entities, and qualified offshore professionals and bankers all play a role. So does the existence of a territorial tax system with tax exemptions for foreigners. The *International Living* Panama Owners Manual has a great deal of detail on tax information, including:

- Income tax
- *Pensionado* tax breaks
- Transfer tax
- Inheritance tax
- Rental income tax
- Capital gains tax
- Taxes paid to your home country.

**Business Choice Restrictions**

Non-Panamanians are not allowed to own or operate retail businesses selling food produce, which would be covered under a Class B license. Beyond that, you are free to enter any field of business you like.

**Expenses**

Utilities for business purposes are charged at a higher rate than those for residential use, but generally lower than U.S. rates.

Municipal taxes are applied to businesses. These taxes are set by councils themselves and as such vary greatly depending on the municipality you set up in, the size of your premises or offices, the amount of employees, and the type of business operation.

Leases on commercial properties are business friendly and, depending on the area you choose, they can be inexpensive. But even the upper end of commercial property in Panama is cheaper than what you would find in the U.S.

**Labor Laws**

Panamanian labor laws, while relatively relaxed in comparison to the rest of Latin America, clearly favor the employee. If you need to hire staff, you would be wise to thoroughly research the Panamanian labor code.

**Tourism**

There is good news for anyone wanting to open a business that depends on tourism. While global tourism has been hit by the international economic crisis, Panama has been largely spared.
Panama attracts more than 2 million visitors annually, helping to ensure the country’s spot in the top three of the Latin Tourism Index.

Learn More About Moving Offshore
The Complete Guide to Offshore Residency by Robert Bauman reveals how you can become an independent “world citizen”—free to live, work, and acquire property anywhere in the world. For more information, visit here.

Health Care

Panama offers excellent, quality medical care and modern hospitals in Panama City and other large towns or cities, including Chitre, Coronado, Boquete, and David. Many Panamanian doctors are U.S. trained. Plus, standards at Panama’s hospitals compare favorably with those in the U.S., Canada, and Europe. Outside of major hubs, smaller towns tend to boast clinics or small facilities that offer basic services and are able to coordinate transfers to larger facilities nearby.

Private health insurance in Panama is much less expensive than in the U.S., in large part because doctor’s fees and hospital visits are much cheaper.

Many expats travel to Panama without getting any specific vaccinations, as the city and other developed areas of the country are classified as low-risk for yellow fever and malaria by the World Health Organization.

In addition to general suggestions on shopping for health insurance in Section 4, the following tips apply specifically to Panama.

- Make sure your insurance company or underwriter is an actual bricks-and-mortar company, so you don’t have any nasty surprises when it comes time to file a claim
- If buying “coverage” sold by local hospitals, read over the agreement carefully. You may want to buy insurance to supplement hospital plans, which are not subject to Panama laws regarding insurance. Agreements with hospitals may change at the discretion of the facility and certain hospital plans may not be adequate for serious conditions or injury
- Make sure you understand the coverage period. Local Panamanian insurers may stop insuring you around the age of 80, whereas some of the international plans you can buy in Panama do not “run out” when you turn a particular age
- Some plans sold in Panama have U.S. hospitals in their networks. If you are going back and forth between Panama and the U.S. or think you’d want to have certain types of treatment in the U.S., consider this option
- Many expats come to Panama thinking they don’t need insurance—don’t make this mistake. Even in Panama long-term treatment costs can add up, particularly if you want to be in the best, newest hospitals. To be safe, always have insurance, no matter where you live or travel.
The Panama Rolodex

The Panama Rolodex is part of the *IL Panama Owner's Manual*. It includes almost 20 pages of phone numbers and contact information for a variety of contacts under the following headings:

- Attorney
- Banking
- Business resources
- Government offices and agencies
- Health care
- Alternative medicine
- Insurance
- Offshore banking and investment
- Real estate and rentals
- Relocation, shipping, and mail.

*International Living* has a variety of articles and special reports on Panama [here](#), including the following:

- [Panama City Map](#)
- [VIDEO: A Taste of Panama](#)
- [Invest in Panama](#)
- [Move to Panama](#)
- [Travel in Panama](#)
- [Beachfront Property in Panama](#)
- [Health Care in Panama](#)
- [Taxes in Panama](#)
- [Retire in Panama](#)
- [Living in Panama](#)
- [Panama Fact File](#)
- [Panama Visa and Residency Information](#)
- [Panama Real Estate](#)
- [Rolodex: Contacts in Panama](#)
- [Why Panama?](#)
- [Fatima Parish Charity in Panama](#)
- [Renting in Panama](#)
- [Buying Real Estate in Panama](#)
- [The Economy in Panama](#)
- [Working in Panama](#)
- [Cost of Living in Panama](#)
- [Find Out More About Panama](#)
- [Free Panama Report](#)
- [Panama Classified Ads](#)
BELIZE

Fast Facts About Belize

Location: Central America, bordering the Caribbean Sea, between Guatemala and Mexico; the only country in Central America without a coastline on the North Pacific Ocean.

Population: 328,000

Capital City: Belmopan

Climate: Tropical; very hot and humid; rainy season (May to November); dry season (February to May)

Time Zone: GMT -6 hours, Central Standard Time

Language: Spanish 46%, Creole 32.9%, Mayan dialects 8.9%, English 3.9% (official)

Country Code: 501

Coastline: 386 km

Our colleagues at International Living rated English-speaking Belize as second place in their annual Business Index. High scores in three categories—Ease of Language, Business Infrastructure, and Business Culture—are all good indicators if you are considering opening a bar in Belize.
Taking up Residency

There are three basic options for living in Belize:

- Visa extensions
- Permanent residency
- The Qualified Retired Persons (QRP) program.

It will be important to study the options, taking into account your potential desire to run a business there.

Surprisingly, you don’t necessarily have to be retired to take advantage of the QRP program. You do have to be at least 45 years old and have a guaranteed monthly income of at least $2,000 from a country other than Belize.

Because rules change, it is best to review more detailed information such as is available through the International Living Owner’s Manual for Belize and then consult with a lawyer. There may be a number of incentives, but again, you want to be sure you are eligible for the incentives if you plan to operate a business.

International Living will report on any new developments regarding the Qualified Retired Persons or permanent residency programs.

Obtaining a Visa for Residency

There’s no need for a tourist visa if you’re a citizen of the U.S., Canada, a country in the European Union or the Caribbean Community (CARICOM), Australia, Hong Kong, Mexico, New Zealand, Norway, or Venezuela.

If you’re from one of these countries, you can stay in Belize for 30 days without a visa. To stay longer, the cost is $25 per month for the first six months and $50 per month thereafter. Many part-time—and even some full-time—expat residents opt for this relatively inexpensive way to remain in Belize.

Source: http://internationalliving.com/countries/belize/move/
Buying Property

Buying property in Belize has gotten easier in the last few years. Land-transfer tax is 5% of the sales price, and the first $10,000 is exempt. The Owner’s Manual outlines how to find real estate agents and attorneys who are experienced in property transactions, how to make an offer on property you like, how to calculate fees you will encounter when making a purchase, and how to ensure the title.

Two additional resources:

- The Association of Real Estate Brokers of Belize
- The Belize National Association of Realtors

In Section 4, you will find the best practices for buying property that you can apply anywhere. The old adage “If it seems too good to be true, it probably is” will never go out of style. You can’t go wrong with due diligence.

You can also find some helpful tips in finding a lawyer.

Typical closing costs on a $150,000 real estate purchase will include:

- Legal fees (2%) $3,000
- Title insurance (0.5%) $750
- Land-transfer tax (5% of $140,000) $7,000
- Other fees (registration, etc.) $425

**Total $11,175**

Starting a Business

Anyone can own or start a business in Belize as long as they have a valid work permit, although it has been known for expats on extended tourist visas to set up shop. If you can demonstrate that you have investment capital to put into the country, the authorities tend to be more flexible.

You are not required to employ a certain number of locals. You can set up in any field of business you like, but, as elsewhere, it is probably wise to stay away from anything locals do well. English-speaking Belize, with a growing tourist industry, provides opportunity for new businesses.

When you set up a business in Belize, you are required to secure a license from the city or town where you establish yourself. Although they vary in price, these permits are not normally costly.
Commercial premises are widely available in many of the more developed areas of the country and are reasonably priced. Costs are high for services like electricity, phone, and Internet, but the standards for these and other business-related services are high.

**Tax Laws**

The Belizean tax code—like that of many other countries—is complex. For that reason, it’s essential to consult a knowledgeable attorney who can point you in the direction of the lowest legal tax rate. The government’s Department of Income Tax website is also helpful.

For more on filing your tax returns as an American overseas, see *International Living’s Expatriate’s Tax Guide: The Complete Guide to U.S. and Foreign Taxes for the American Abroad*. Written by a tax expert, it will walk you through the process of filing your U.S. tax returns.

If you’re thinking about starting a business in Belize, it’s important to know that the country taxes different types of businesses at very different rates. They range from less than 1% for many kinds of media profits to 25% for certain management fees.

Because Belizean business tax law can be confusing to many expats, it’s wise to consult a knowledgeable accountant and/or attorney when calculating the tax rate that your business will pay.

Belize is known as one of the world’s best tax havens. Its offshore laws ensure maximum financial privacy. These laws allow asset-protection trusts and maritime registration and encourage international business and banking.

A special report, *Belize: A Haven for Privacy and Profits*, outlines Belize’s privacy laws and how you can take advantage of them. The report is a bonus if you purchase the Belize Owner’s Manual.

**Sales Tax**

In April 2010, the sales tax rate rose from 10% to 12.5%. Since the tax is also applied to business-to-business, as well as retail, transactions, it’s much like the value-added taxes that are common in many other countries, especially those in Europe.

**Health Care**

Many expats find the quality of health care to be a bit lower than they would like. As a result, when a serious illness presents, many return to their home countries for care. Other good options include travelling to Mexico, Guatemala, or Costa Rica.

Physicians, public clinics, and/or Red Cross (Cruz Roja) emergency stations are available for treating minor ailments and some emergencies.
Do research on the ins and outs of medical coverage. Some standard U.S. health insurance policies provide coverage outside the country but only for a limited number of days. Even fewer will reimburse you for travel back to the U.S. in the case of a medical emergency.

International health insurance may be an option. Fortunately, international health insurance is readily available, both to cover the cost of overseas medical care and to pay the cost of flying home for emergency treatment. But it may come with a potentially high price tag.

Internet sites where you can compare premiums and coverage include [www.globalinsurancenet.com](http://www.globalinsurancenet.com) and [www.medibroker.com](http://www.medibroker.com). You can find similar sites for the country where you live.

It is not uncommon for premiums to rise with age, and some international health insurance companies don’t write policies for anyone 65 or older. Americans in that age bracket should keep in mind that Medicare rarely pays for treatment outside the United States or its territories.

The issue has become so important that the U.S. government now has two websites to provide seniors with information on Medicare coverage abroad. A fact sheet is available [here](http://www.globalinsurancenet.com) and updated information is posted [here](http://www.medibroker.com).

The ins and out of medical insurance coverage can be very complex. Get professional advice about your options and the policy’s limitations before travelling or moving.

*International Living* has a list of nine questions to ask about international health care. The questions apply whether you are moving to Belize or any other country. The questions are summarized in Section 4.

**For More on Health Care Overseas...**

For even more health care information, the editors at *International Living* have put together a special report, *Slash Your Health Care Costs: The World’s Top 7 Destinations for High-Quality, Good-Value Care*. The report shows you where you can retire to cut your current health care costs by 80%... countries where you could get health insurance for a fraction of what you’re paying now. And if you need elective surgery, you can find U.S. board-certified, English-speaking doctors and surgeons at much lower prices overseas...
Belize Rolodex

The Belize Owner’s Manual has contact information for a wealth of resources, including:

- Attorneys
- Banking and Offshore Business Contacts
- Embassies
- Expat Groups/Contacts
- Hospitals
- International Health Insurance Companies
- Real Estate Contacts
- Rentals
- Relocation Contacts
- Pet Relocation
- Title Insurance Companies
- Transportation.

*International Living* has a variety of articles and special reports on Belize [here](#), including the following:

- [Retire in Belize](#)
- [Belize Fast Facts](#)
- [Move to Belize](#)
- [Belize Fact File](#)
- [Beachfront Property in Belize](#)
- [Invest in Belize](#)
- [Live in Belize](#)
- [Travel in Belize](#)
- [Belize Visa and Residency Information](#)
- [Rolodex: Contacts in Belize](#)
- [Second Home Tax Benefits in Belize](#)
- [Health Care in Belize](#)
- [Economy in Belize](#)
- [Working in Belize](#)
- [Cost of Living in Belize](#)
- [Belize Classified Ads](#)
- [Free Belize Report](#)
SECTION 3

Insiders’ Secrets to Success

Please note: In putting together this report, we interviewed Mark, our own expert and coach; Alec Singer, a restaurant industry expert; and several entrepreneurs who opened “beach” bars of their own. To keep our insiders’ and interviewees’ voices clear, we designated the following:

Mark’s comments are in purple.
Alec’s comments are in green.
Our interviewees’ comments are in blue.

When we first started this project, Mark had several ideas about the type of information he wanted to share with the Wealth Builders Club members. Information that would help members think totally outside of the box if they really needed to reassess their retirement plans.

He started by identifying some of the criteria that would help to pinpoint realistic locations where someone could live economically, preferably in a tropical paradise, and gain some part-time income by running a bar. A place where one could stretch his/her retirement fund while “living the dream.”

As a first step in the process, Mark turned to International Living and asked its editors if they had real people doing what he was describing. Was this realistic and doable?

IL came back with a hearty “yes” and proceeded to give us contact information for individuals who were running establishments, big and small, in such countries as Belize, Panama, Nicaragua, and Honduras.

We interviewed them. Many also sent us additional answers to questions, such as...

What were your biggest challenges?
What did you do right?
What do you wish you had known ahead of time?
What lessons can you share with our readers?
Are you making any money?

The answers were heartfelt and genuine. Some stories surprised us. And at the end of the day, during one of our phone calls, Mark realized something.

Many of these stories have uncovered some hard lessons to be learned. The interviewees have actually exposed some insider secrets—secrets that seasoned—and reluctant—entrepreneurs know instinctively. Secrets, if they could be fully teased out and identified, would help our readers with their own learning curve.
And we began to look for the secrets within the hard lessons, the setbacks, and even some failures.

We identified them. Then Mark referred us to a longtime friend of his, a bar and restaurant owner with more than 35 years experience in the business. Alec Singer, owner of Rick’s Cafe near Cleveland, reviewed the secrets we had identified—and added some great—from the trenches—insights.

The secrets, as we state repeatedly, must be used in conjunction with due diligence in all aspects of creating your business plan.

Mark’s Basic Premise

An individual can move to a new country offering a tropical lifestyle, live economically, and operate a small bar. At the end of the day, he/she will be living in paradise, spending less than he/she would back home, stretching his/her retirement income, and making some additional money working part-time—doing something that is FUN.

Our Expert Panel

Mark Ford

Mark needs no introduction. As a Wealth Builders Club member, you know he is not your typical businessman.

A former Peace Corps volunteer, he never took a class in business, doesn’t read the business press, and doesn’t like to talk business. He spends his spare time writing poetry, collecting fine art, and practicing Brazilian Jiu-Jitsu. His neighbors call him a bohemian. But he’s also an entrepreneur.

He started his first business when he was 11 years old, and in the 45 years that have elapsed since then, he has started or co-started dozens of successful businesses—public and private... local and international... retail, wholesale, and direct mail.

His entrepreneurial experience is immense, even compared to other successful entrepreneurs. At one time or another, he has run or consulted for multimillion-dollar businesses in a long list of sectors including:

- Information publishing
- Investment advice
- Health, healing, and nutrition
- Fine art sales
- Painting, carpentry, and pool construction
• Public relations
• Career advancement
• magazines, newsletters, and books
• International real estate development
• Rental real estate management
• Sports and fitness

And yes, even bars and restaurants!

Alec Singer

When you consider the turnover rate for restaurant ownership, the fact that Alec has been in business in the same location for more than 35 years speaks volumes to his knowledge in the industry.

A food and beverage reviewer put it simply. “Restaurants, like multimillion-dollar bridges, have breaking points. Often it comes at 8 p.m. on a Saturday night, 30 minutes past the city’s most coveted seating time. Hosts are strategically positioning arrivals; bartenders are hard at work crafting cocktails; servers are simultaneously reciting specials, taking orders, and delivering food; and the kitchen is drowning beneath a sea of ticket tape. How a restaurant performs at precisely this moment speaks directly to its competence.”

And it has been proven, for over three decades, that Alec’s management is up to the task. He is working as hard today to make sure his customers get the best food, service, and ambience as they did in 1976 when he opened.

As his longtime friend, Mark has witnessed Alec’s perseverance and success. Alec has some useful lessons to share... and if you ever find yourself in the community of Chagrin Falls outside Cleveland, then check out Rick’s Cafe for yourself.

Insiders’ Secrets

The “Insiders’ Secrets” have been given the best test of all. The entrepreneurs who shared their experiences with us reviewed our work. The result? Affirmation that our secrets are worth sharing with you, our readers.

I reviewed the document and came to the conclusion that I wish it had been written five years ago. —Scott, Scotty’s Bar & Grill in Corozal, Belize

What a great template this is going to be for people who want and are ready for this kind of lifestyle change! —Daphne, Besos in Roatan, Honduras

“There is a fine line between secrets of success and formulas for failure.”
Secret #1: Keep it simple. Simple and funky. Profits are in the bar, NOT the restaurant.

Making money is a simple formula: Take in more than you spend. The more fancy you get with the food you offer, the greater your costs will be. Suddenly you need a cook or a chef; you need expensive kitchen equipment; and when the hydro goes out, you lose a lot more than just cold beer. The profit margins on food are slim at best; the profit margins on bar drinks are much higher.

I have a professional cook who costs $700 per month but the town is too quiet for him, and he’ll be leaving soon. It can be hard to keep good staff. —John, Nicaragua

Mark: This is one reason a bar is better than a restaurant: just burgers or pizza, keep it simple. It is easier to find staff and you are not out looking for a chef at a much higher salary.

Alec: You can outfit a beachside or rustic bar much more cheaply than you can a restaurant. You will also have fewer regulations regarding food handling to deal with. A funky bar can be outfitted for a minimal investment, especially if you look for used furniture and equipment and search out auctions.

Also, with a bar, you can track your sales quite easily with a cash register that you can pick up for a few hundred dollars, rather than an expensive computer system needed to track a bigger enterprise.”

Additionally, the bar inside the restaurant is often the most popular spot. People like cozy and casual—so why not give it to them?

Restaurants that are high end and cater to special occasions have a really tough go.

One restaurant owner found that becoming “the best” cost her in the end. Daphne in Honduras discovered that many restaurants in her area offered wine—red or white. One selection of each.

She wanted to kick it up a notch and began offering a variety of good wines and martinis. She also created a menu, based on international fusion recipes using local ingredients. Her establishment became the “special occasion” restaurant for families who were celebrating.

On one hand, that was very positive and a testament to her menu and service. On the other, it was a lot of work and her potential customer base became quite specialized. You need a lot of customers if your “regulars” frequent your business only on birthdays and anniversaries.
A special martini served at Besos in Roatan, Honduras.

**Alec:** Everyone who is a good cook, who gets compliments from their friends and relatives, thinks they should open a restaurant. The fact is that in the U.S., 98% of restaurants fail in the first three years. There are some lessons to learn from that statistic that apply anywhere in the world.

In many ways, some of our interviewees made things more complicated than they needed to be simply because their business models were too broad.

*I do agree that keeping it simple with a beach bar is a good way to go with minimal risk.*

But I did find that there was a market for vacationers who want more than fast food when they go away! I had created a wonderful following of foodie travelers from all over the world who were so delighted to have fresh local choices. Many would dine there two to four times per week. But as one of your interviewees stated, the local expats were not able to support it after the tourists went home and the slow season hit.

*It may have been better to be open only for high season—December to June—and then come back to Canada for the summer.* —Daphne, Honduras
**Mark:** My advice?

*Do NOT go into the restaurant business, go into the bar business.*

The secret to making this work is to make it a bar that serves simple food that anyone can make: good burgers or wings, for instance.

A restaurant is a much bigger and more complicated business... with more requirements in terms of skills and less of a profit margin than pouring drinks and taking caps off beer bottles...

*Keep it simple, but keep pouring drinks!*

**Alec:** Absolutely.

*You could simplify it so much that the bartender could actually be the one to make the food. Use a microwave. There is plenty of equipment that can be set up on a back bar. You don't even need a cook. Just a barback (an assistant for the bar) or the owner helping out. Save those wages. Serve only what you know people will eat. Forget exotic.*

Remember the goals you have. After all, this is your retirement!

You can live in paradise, spend less money on essentials, have a little business, keep it slow, have some fun, meet some people... and make a few extra dollars!

At the end of the day, you need to follow Mark's motto: *Ready, Fire, Aim.*

**Secret #2: Target the right customer base. The money is with tourists, not the locals and expats.*

Location is more than the right tropical paradise. If the tropical paradise does not have a steady stream of tourists, you will be fighting an uphill battle to get enough customers to keep you busy.

We heard repeatedly from our interviewees that they learned the hard way that catering to the expat community is not the way to earn a steady income.

*We did realize our customer base would be expats but didn’t realize they would not be freely spending their money. In hind site, we have learned that 90% of the expats have moved for one reason—to live here cheaply. As a result, they don’t like to spend a lot of money, going out to eat and drink.*

*We did not choose the best location. We realized too late that we would not get any tourist traffic.* —Nancy and Scott, Belize
Scotty’s Bar & Grill in Belize.

Who has money to spend on a $7 drink and a good burger? Tourists. Period.

The location you choose and the size of your potential customer base impacts your bottom line. We heard more than once from our interviewees that they overestimated how many staff they needed and wasted time and money training and paying more people than their restaurant warranted.

*We thought we would have a thriving business with locals and expats. We opened six days per week, hired a cook and two wait staff (plus paying ourselves), and we bled money for eight months. The next year we went down to one cook, one server, and tried to be open three days per week. Now we have one wait staff, we work the kitchen, and we are open one day per week. It would have been different if we had located near tourists.* —Nancy and Scott, Belize

**Mark:** *There simply are not enough locals with money to provide you with a decent income stream. This is a business, and you have to follow the money. The path leads to tourists.*

When you cater to tourists, you have to be aware of the high and low seasons. There are generally three to four months when weather, including hurricane season, shuts down the tourist season. Some of our interviewees tried to stay open during the slow season only to find that was a mistake. It is hard to cover your overhead costs while not taking in much—or any—revenue.
As Sunny in Honduras said, “The slow season is called SLOW for a reason!”

Secret #3: If you keep it simple, you can learn what you need to know.

Making your dream a reality is not just about your passion to live and work in a tropical paradise. Passion is great—but don’t forget to educate yourself with a basic knowledge of how to run a bar.

We did not have a clue about the restaurant business. Not the smartest thing to do, but we learned a lot and are smarter for it now. But if you ask us if we would do it again, the answer is “YES!”

I wish we had researched a more efficient way to purchase our supplies for the bar right off the bat. It took us some trial and error and a lot of money to try and get that process down. We kind of hit the ground running, and in hindsight, we probably should have taken more time before opening to really get everything nailed down. — Nancy and Scott, Belize

Alec: Take a lesson from fast food franchises. They have their costs broken down and analyzed to the smallest detail. They leave nothing to chance. You may not be able to do that in the same way, but a good business plan will at least help you uncover some of the potential cost over runs.

In Section 4 we have developed a number of checklists to help with your learning curve.

Secret #4: Focus on the right things: merchandising of the bar and marketing.

Once you have the right location and the right customer base and have learned the basics of running a bar… focus on merchandising and marketing the bar.

Eighty percent of your time should be spent here. Many of our interviewees talked about creating the right “atmosphere” for their customers. Everything your customer sees and experiences while sitting there with a drink creates the uniqueness of your establishment and helps to sell the dream you are creating. After all, if sitting on your bar stool is no different than sitting on a bar stool back home, you are not selling the experience of being on vacation, away from it all, overlooking the water in paradise...

I create an atmosphere for people so that they don't come and grab a meal for 20 minutes and leave; they come and stay for the evening. — Claire, Panama
Above, a live band to celebrate Canada Day at Picasso Bar & Restaurante in Coronado, Panama; and below, Improv Theatre Night.

I tend to be more of a gathering place as opposed to a bar. I'm a bit of a trading post with the bulletin board with information to share, and then, “Oh, by the way the beer is cold.” If you create the right atmosphere the bar is secondary—but provides the profit. —John, Nicaragua

We have done a good job of creating an establishment that is fun. Our bar is actually more of a lifestyle than a hard-core business for us. —Nancy and Scott, Belize
Mark: Merchandising includes the actual look of the bar... the gestalt. When I sit at the Crobar, the entire decor gives you a feeling of discovering some ramshackle place where pirates might congregate. It is an experience. It includes the stuff on the walls, the furniture, the signage, what the employees wear, and the t-shirts they sell.

The look and feel goes hand in hand with your marketing. At the risk of stating the obvious, you have to get customers into the seats.

Mark: Marketing has to be aggressive: happy hour, nickel beer, whatever it takes!

Secret #5: Keeping and managing staff is simple with a few systems in place.

The topic of staffing came up quite often in the interviews.

Mark: You can find and develop excellent employees if you put in time when you hire staff; fire mediocre employees immediately; and reward your superstars.

Alec: Don't be afraid to let bad employees go. You can nurture a customer for 20 years, but a bad employee can drive them away in a matter of minutes.

When hiring, look for a good work ethic, but it's more than that. You also want to look for trainability. You need people who can adapt to your way of doing things and be willing to learn.

Keeping your staff loyal—and not engaging in theft—can be an issue. Many owners have felt powerless as both food and alcohol stock seemed to “disappear.”

Alec had some good advice: Keeping staff honest can be as simple as an inventory system. In a small establishment like a bar, it is easy to do a quick inventory of food and alcohol at the end of every shift. Everyone knows what is on hand and the inventory is not left to chance or guessing when things “seem to be missing.”

An Old Joke

There is an old joke about a guy who owns a shot and beer place and he is looking to hire a bartender.

He interviews the first candidate and asks all of the normal questions one would ask in an interview. Then he asks the last question which is, "How much do you steal?" The interviewee replies, "forty percent."

He interviews another and at the end asks the question again, "How much do you steal?" The guy says, "twenty-five percent."

The third applicant goes through the interview and is asked, "How much do you steal?" He replies, "It depends how business is."
The bar owner then says, "You're hired."

**Alec:** Sadly, there is some truth to that.

*I do believe that you could get the right people and the right system in place and a small operation could just require minimal attention.*

An incentive system in which you recognize staff for great work will also pay dividends. A financial bonus, in line with the wages and the amount of money you are making, will go a long way to reinforce staff efforts.

Unfortunately, this approach did not work for Daphne in Honduras. She found that a small raise to reward good employees backfired:

*I valued my staff and appreciated how hard they worked and wanted to pay them and feed them well. So a very familiar story would be “Daphne gives a small raise and then ends up with entitlement issues.” I learned from my long-term trustworthy bar manager that my employees would now work less but expect more. I may not understand the logic, but the concept of “entitlement” became a problem.*

**Additional observations:**

- **Mark:** The bar must be a place where women can feel comfortable and welcome. There is one common mistake that will cause women to feel less than comfortable. Stacking it with female bartenders and waitresses in skimpy outfits. This may attract men but it won’t work for women. To attract women mix attractive men and women on the staff.

- Depending on the country you choose, staff may not necessarily speak English. This can be a challenge for you to train and supervise them if you do not speak the local language.

- Poverty and theft can be connected. Reduce the invitation to steal by buying inexpensive electronics like speakers and locking up liquor when closed. Put good systems in place and keep theft to a minimum.

- In some countries, such as Ecuador, family is more important than anything else to the locals. This has been known to impact a business. If your staff has to attend to a family matter on his way to work, family may supersede his need to be on time!

  - **If you can operate a business with just yourselves and one employee, that would be ideal. You can make it work. —Pete, Ecuador**
Secret #6: Know the numbers.

Before you make a decision about moving ahead with your beach bar, you must have a sensible plan and a budget. You need to estimate all of the main expenses, such as rent, build-out costs, stock, equipment, personnel costs, a liquor license, utilities, taxes, etc.

Mark: For the sort of properties I’m talking about, you can expect to pay between $500-1,000 per month for rent. If it costs much more than that, you should look for another location.

Building out the bar will cost between $10,000-40,000, depending on what sort of structure is there and how fancy you want to make it. (Hint: Make it fun and funky, not fancy.)

As far as equipment goes, stick to the basics. You want some refrigeration, one or two double sinks (washing and rinsing), a few pouring racks, a drying rack... and that’s about it except for a TV or two, if you think it will bring in customers. Used equipment is usually much cheaper than new equipment. If you can get used equipment, do. Equipment like this should cost between $5,000-10,000.

You will need one full-time bartender during the day and two people at night. In Nicaragua three employees will cost you between $600 and $800 a month. If you add a cook that will cost you another $500-600, but I don’t recommend that. At least not during the first year. Teach your bartenders how to make hot dogs, chicken wings, and fish tacos. That will be plenty of food to keep hungry drinkers happy.

One more note on personnel costs. It is important to familiarize yourself with local labor laws in terms of minimum wages, taxes, hiring and firing requirements, vacations, etc. Every country has unique requirements. You need to follow the rules. So find out what they are before you start hiring.

Liquor license fees range from country to country. In Nicaragua they are about $750 per year.

Utilities—including water, electricity and Internet—should be only $200-500 per month. (You do not need air conditioning.)

Taxes are generally low in these sorts of areas. Still, you should figure on about $500 per month.

So the start-up costs should range between $21,000-56,000 and the monthly operating costs should range between $1,300-2,300 per month

As you can see, this is a very low financial threshold—especially when you consider that the business could eventually be giving you an income of $2,000-5,000 per month after expenses.
To be safe, you should have enough capital to take care of a full year’s worth of operating expenses. Adding 10% miscellaneous charges to these estimates, that means a capital fund of between $40,000-90,000.

It is very important to keep both your start-up and also your operating expenses as low as possible. Being successful in the retail market (and a bar is basically a retail business) depends greatly on keeping your expenses to a minimum. Keep that in mind when you figure out the location, build-out, and equipment purchases.

Rent or Own?

One question every bar and/or restaurant owner has to answer is, “Do I rent or buy?”

The primary advantage of owning the building is that the landlord can’t jack up the rent once your lease expires and he realizes you are making lots of money.

But buying a property before the business is proven is a big risk too. What if the bar fails due to some unforeseen circumstances? What if you have to sell but there are no buyers?

Mark: My recommendation is to get a lease with an option to buy. This way, your initial cash outlay is much lower and you are free to walk away from the bar when the lease terminates. If the bar does well, then you can execute the buyout clause. A lease with an option to buy gives you the flexibility you need.

Additional Costs Related to Staffing

The additional costs associated with staffing surprised some of the interviewees.

- In Honduras, if the staff are on salary as opposed to an hourly rate, they also earn “Aguinaldo,” which is a 13th month of pay and the “catorceavo,” or 14th month of pay. I would strongly suggest you discuss the rules with a bilingual lawyer. You should create employee contracts and know your rights as an employer, because in Honduras the law is on the employee’s side. In fact, you still owe them wages even if they steal from you or don’t show up for work! — Daphne, Honduras

- In Panama, an employee pays 10.25% of his/her salary in taxes to cover Social Security and education; the employer pays 15.6% of salaries on employee taxes.

- In Belize you have to pay social security on your workers and vacation pay for a couple of weeks per year.

Infrastructure Challenges

In some of the countries we have profiled, electricity can be quite expensive. If you have a restaurant, you will need air conditioning and a number of refrigerators and freezers.
If you have a bar, a few ceiling fans will do the trick! And the bar does not even need walls—just a thatched roof. Also, it is possible to have the company whose beer you stock supply the beer fridge. The company gets advertising, and you get equipment.

The cost and dependability of electricity can impact your bottom line. In Nicaragua and Honduras, for instance, electricity can run you $1,500 per month if you are operating large freezers, refrigerators, and air conditioning.

*The power goes out once a week for four hours, and when that happens, the margins between your profit and loss go down. You lose food and in the odd week that that happens three times, you have a lot of wasted chicken with no refrigeration.* —John, Nicaragua

**Mark:** *But if you just operate a basic bar, the worst that happens is your beer gets warm!*

Or as Alec pointed out, you could tie your marketing to the challenges with electricity and buy a gas generator: *If the power in the area is so-so, you can become “the place to go” when the power goes out—the only location in town that always has cold beer!*

### Additional “Facts of Life” Our Interviewees Learned... and Our Experts Endorsed

- *We knew we would not get rich with our business in the financial sense, but we are living rich in the lifestyle sense.* —Pete, Ecuador

- If you are tempted to add different offerings to your business, such as deep-sea fishing, surf board rentals... be careful. It can be a slippery and expensive slope if you are not careful.

  *When Americans come to visit, they want all of the toys and trying to keep them happy with extra offerings can be very expensive.* —John, Nicaragua

- *When you go through the paperwork process to get all of your permits, pay attention to the details. You want to avoid fines or any negative involvement with the local officials.* —Sunny, Honduras

- *When you have created a relationship with the bank get a Visa machine because word gets out who is building up the cash flow—especially when everyone knows that during holiday weekends banks will be closed from Wednesday to Sunday and that makes you a target.* —Daphne, Honduras

- Understand the local politics. Why? Because you need to understand who holds the power when decisions that affect your business are being made.
Although the Police will come across as quite powerful, you simply have to give them respect and occasionally a complimentary drink and burger. In the end, you will develop a good relationship and mutual respect. —Sunny, Honduras

- There is a fine line of how much you should become involved with the local community. John from the Crobar in Nicaragua had two excellent observations of the wrong way to be involved...

I would caution a newcomer to the area, “Do not date the local girls.” The local girls all have brothers and fathers and uncles, and eventually any negativity will impact your business. It is very easy to tarnish your reputation.

I have seen at least two bar/restaurants close because they couldn't distinguish between running a business and being part of the party they were creating for their customers. It’s difficult to operate a beach type establishment that serves alcohol, get to know the patrons, and not drink with them till all hours of the night. Alcohol and drugs have killed many restaurants and bars.

And Mark concurred: This is a universal truth of running a bar anywhere!

- You do want to be seen as supporting your local community, however. You will get to know what is important to the community: a skateboard park, the local schools, or sports teams... Supporting the fundraising efforts can certainly be a good PR move.

Alec: The good thing about living in a small town is you know everybody and everybody knows you.

If you run a successful bar and restaurant as Alec does, after 35 years you know a lot about the happy and sad events in the lives of your customers. It is not a surprise to learn he supports community projects. Besides typical support for the local football team, he has gone as far as to close his restaurant to regular customers and open it for a fundraiser to support the medical bills of a long-time patron.

**Alec Admits He Wants to Get Away**

After reading the draft of the secrets, Alec admitted that he kept catching himself daydreaming. He could see himself on a beach, behind the bar...

I have owned my restaurant for 37 years and I also owned another more profitable restaurant during that time. My accountant and business adviser was urging me to open a third one.

One night, I was standing in the back of my restaurant, listening to music, all of my patrons had been fed, and people were dancing and enjoying the music.

One of my cooks, who had been working for me for 13 years, came over and stood next
to me. He looked at me and asked, "How come you don't smile anymore?"

I didn't answer him, but I thought about it for a couple of days. I was making twice the money as I had before I opened the second location, and before that I was making more money than I had ever imagined.

I realized that the part of the job I enjoyed the most was interacting with my employees and customers. With the opening of the second location, I became an executive jotting down notes and passing out memos.

I had people working for me for months who didn't even know who I was. The second location created a whole new demographic of customers whom I would never get to know.

As for the money, I really didn't care about that. All I ever wanted was a basketball court in my backyard and a car that started every time I turned the key. I already had both of those things.

A week later, I found a buyer for my second location, and a month later we completed the sale. I worked out a deal so that some of my employees would stay on with the new owners. I helped find other jobs for the ones I knew would not work out.

I got back to my first location and haven't looked back. I meet people from all walks of life. I get to hear their opinions and I get to express mine. I know who just had a baby and who died. My patrons are excited to share with me the adventures that their friends and families have had. I never talk politics or religion. That is my decision.

After contributing to this project, I have allowed myself to imagine having a small bar/restaurant on the beach in a place like Nicaragua.

I have been there, so it helps to jump-start my dream - a very low-maintenance business that would yield a small income, while I got to know a core of interesting patrons. The ideas, the philosophies, the exchanges of humor, would make the days full and the nights entertaining.

The pressures of a large staff and a constant sense of urgency would not exist. In restaurants in the U.S., you have to worry every night about meeting expectations in terms of the amount of business that you do. Even though the customers think that they are being given special treatment, they really are being hustled in and out to make room for the next group.

Quotas must be met, if only to pay the bills.

I remember going to a restaurant in Rome, Italy, many years ago. We walked in and the maître d' told us, in broken English to go somewhere else because they were full. I couldn't believe it. No waiting list; no 40-minute wait. That is half of the pressure of running a restaurant!
Back at the beach bar in my mind, there is none of that pressure. All of a sudden, 90% of the stress of running a bar and restaurant is gone.

In your little beach bar, you are the king of hardly anyone and most of your time is yours. You have a party everyday and every night, and you don’t always have to attend. That’s a great way to live!

Thank You to...

- *International Living*, for introducing us to the adventurous people who moved to paradise to start a new way of living.
- The bar and restaurant owners who shared their stories so candidly with us.
- Alec, for reviewing our secrets and reaffirming this is a doable plan!

You can read about the people we have quoted—or better yet, why don’t you stop in and visit them?!

**John, Crobar in Gigante Bay, Nicaragua**
Address: 555 Five St., Gigante Bay, NI
Email: caminodelgigante@gmail.com

**Claire, Picasso Bar & Restaurant in Coronado, Panama**
Address: Roberto Eiseman Blvd.
On the corner of Av. Punta Prieta & Av. Roberto Eisenmann, Playa Coronado, Panama
Email: info@picassobarcoronado.com
On Facebook: www.facebook.com/picassocoronado

**Nancy, Scott and Kristi, Podcast interview—Scotty’s Bar and Grill, Corozal, Belize**
Address: 17 G Street North, Corozal, Corozal, Belize
Website: [http://www.scottysbarandgrill.com](http://www.scottysbarandgrill.com)
Kristi created a Blog called *Belize Dragon Fly—Traveling, Living, and Loving… Experiences of Belize From Many Perspectives*

**Sunny is a real estate agent and operates a smoothie bar on Roatan in Honduras.**
*International Living* referred him to us.
Website: [http://www.roatanrealty.com](http://www.roatanrealty.com)
Email: sunny@roatanrealty.com

**Pete, Surf Shak in Canoa, Ecuador**
Website: [http://www.canoathrills.com/](http://www.canoathrills.com/)
Email: pete@canoathrills.com

**Daphne, Besos in Roatan, Honduras**
Email: daphne.newmanoo@gmail.com
And if you are ever in Chagrin Falls, Ohio—just outside of Cleveland—be sure to stop in for a bite to eat at Rick’s Cafe and say hi to Alec Singer!

**Rick's Cafe**  
86 North Main St  
Chagrin Falls, OH 44022  
Phone: 440-247-7666  
SECTION 4
The Blueprint for Success

Our goal for the Retire Next Year series has always been to keep it simple.

The Blueprint for Success will provide you with questions to consider and checklists to follow. We don’t want you to leave anything to chance. After all, the whole point is to retire and maintain—if not improve—your economic situation. You might be willing to leave something to chance, but we’re not.

Research and Choose a Location

Research the countries you are considering in detail. The information we have provided is just to whet your appetite. It is time for you to drill down.

Start with the International Living site and its publications. It has so much information available—some is free and some will require a membership. And there are in-depth publications like the Owners Manuals that you can purchase.

Search out Websites that expats themselves have been started. Who knows better than the people who have made the move?

There are also embassies—government offices in charge of foreign relations—in most countries. They will have up-to-date information on visas and immigration rules.

Part of your research will be to visit the area you are considering. You may have to take a vacation or two to compare your options and to really see which location will feel like home.

Once you visit, you need to take your tourist hat off and become a short-term resident to really get to know the community.

Live in the area you are considering for six to 12 months ideally, but no less than three months. Understand the culture of the region in which you will be living.

International Living has good advice: “Investing in an island property, residence, or development may be the start of the most enjoyable time of your life. It can be a time of adventure, excitement, and optimism. But don’t get carried away by romance and lose
sight of the real-life business decisions you’ll need to make.”

Chances are you will not need a bank loan for your beach bar, but that does not mean you should not go through the exercise of ensuring you have crossed all of the t’s and dotted the i’s.

Your beach bar is a simple business idea to provide you with both an income and a fun way to become part of the local community.

You can work through some of the questions as you do your research from home. Other questions will have to be answered on the ground in Belize or Nicaragua or Cambodia. But at the end of the day, you should have a realistic plan on how this will play out.

Your Retire Next Year Due Diligence Checklist

These points are a summary of the secrets from Section 3...

✓ I have “kept it simple.” I have not gotten carried away with the notion of serving gourmet food in a fancy location. My business plan is for a simple bar. Period.

✓ The location is right. This is somewhere I can see myself living and tourists frequent the area. I also know when the slow season will be.

✓ I have made it a point to educate myself by reading some business books and talking with other business owners.

✓ Once I am set up, I will focus on merchandising and marketing the bar.

✓ I will keep staff to a minimum until I have a good handle on how things are working and see how the money flows—both in and out.

✓ I have studied the numbers and have prepared a detailed budget plan with all projected expenses identified.

✓ I will not buy the property immediately, but rather will take a lease with an option to buy. This will give me time to make sure the business is working the way I envisioned, before owning property.

Research

Once you have a location in mind, there is still more work to be done:

• Check out the development plans in the area you are considering. But don’t just take the agent’s or developer’s opinion—go to the town or city officials and find out for sure what changes are on the horizon.

• Talk and listen to the locals and other expats.
• Study when the tourists visit—and when they don’t.

• Research the suppliers you will need for beer, alcohol, equipment, food... Ensure that you can get what you need locally, at a reasonable cost.

• Step back and look at the infrastructure. How reliable is the Internet service and electricity? What happens to the roads during the rainy season?

• Find out what other small businesses are really paying for:
  o Electricity
  o Water
  o Property maintenance
  o Garbage removal
  o Television, telephone and Internet
  o Gasoline
  o Food and liquor supplies
  o Property taxes
  o Costs of permits and licenses

Financial Plan

Mark has covered the financial information in detail. But do your own analysis based on your actual costs. Knowing what your break even number is will help you identify quickly when you need to make a change. You don’t want to look back and say “we did not realize it but we were bleeding money for months.”

Buying Property

A great property deal may be tempting but always practice due diligence.

• Choose a reputable real estate agent who:
  o Can provide the names of at least three previous customers as references.
  o Is willing to show you any property you’re interested in, provided he/she actually represents the seller.
  o Doesn’t object when you mention hiring an attorney.

• Never hand over money without first retaining a reputable real estate agent and/or lawyer to review the contract.

• Don’t buy into grandiose schemes for future development.
• Even when your lawyer and real estate agent have assured you that the title to the property you plan to buy is unencumbered, it’s still essential to invest in title insurance.

Finding an Attorney

• Ask for a recommendation from the bank you are using in the new country and from your attorney back home.

• Ask members of the expat community to recommend a lawyer whom they’ve already dealt with.

• Make absolutely sure that you retain an attorney who doesn’t also represent the seller of the property you’re interested in.

Extended Health Care

*International Living*’s list of questions to ask before choosing an international health insurance policy will help to ensure you get the coverage you need.

**When does my coverage start?**

Does coverage begin as soon as you sign the policy document, or are there delays? For example, some policies have a 10-month delay written in for maternity care. Others don’t allow claims on illnesses that occur immediately after the document is signed.

**What is “home” according to the policy?**

“Home” is a key term to agree on with your insurer. In the event of an emergency evacuation, for instance, you will most likely be evacuated to the “home” country you specify.

**What specifically does the policy cover?**

Establish whether you want a “basic policy” that typically covers emergency hospital care, treatment, and medication, or a “comprehensive policy” that also covers such benefits as dentistry, checkups, consultations, prescribed medication, X-rays, outpatient care, etc.

**Is emergency evacuation standard or an optional extra?**

Study the terms and conditions of evacuation coverage. Are both outbound and return costs covered? Is there coverage for the travel and accommodation of friends or family members who accompany you?
What’s excluded from coverage?

With today’s high cost of medicine, it’s essential to find out up front what medications are not covered by a policy. Typical exclusions are pre-existing illnesses and conditions, treatment for AIDS, substance abuse, cosmetic surgery, and psychiatric problems.

What are the limitations of coverage?

Policies generally cover you for particular regions. But ask whether a policy also covers you if you travel back home, permanently or temporarily. Find out if you can turn your international policy into a domestic one without being penalized.

Does your policy “pre-authorize” payment?

Pre-authorization means that all claims are sanctioned before treatment takes place. If your policy promises to cover a certain form of treatment, payment is automatically guaranteed and the medical center where you receive treatment will automatically bill your insurer directly.

Is the policy renewable?

Some policies guarantee to offer renewal terms annually, while others offer them at their discretion. Others allow you to renew up to a certain age, after which your coverage ends. Still other insurers don’t impose limits.

What must I do to file a complaint?

Most good international health insurance providers allow customers to take complaints to independent arbitration. Is this how your potential insurer handles grievances? If so, is the arbitration process automatic or something that happens when the insurer deems it appropriate?


Want More Tips?

Visit the International Living website, subscribe to the magazine, and check out the many publications IL has available. Type in a country, or a topic, or even the words “due diligence,” and you will have enough reading material to keep you busy for quite awhile!
SECTION 5

Resources

Bibliography for Publications by Mark Ford under the pen name of Michael Masterson...

*The Reluctant Entrepreneur: Turning Dreams Into Profits*
Intelligent strategies for starting and growing a small business with minimal personal financial risk.

*Ready, Fire, Aim: Zero to $100 Million in No Time Flat*
By reading *Ready, Fire, Aim*, you will avoid the time- and money-wasting mistakes many entrepreneurs make, whether you are a long-time business owner or just starting out. The concepts presented in *Ready, Fire, Aim* will work in any business, in any industry, and put you on the path to $100 million, $300 million, and beyond in revenues with your own venture.

*The Pledge: Your Master Plan for an Abundant Life*
The *Pledge* offers simple tips to making immediate changes and to establishing long-term goals; details strategies on becoming more productive at the office and defeating depression; explains why simplifying goals into four major ones makes them much easier to achieve.

The *Pledge* teaches readers how to start and finish projects they have been dreaming about for years, boost confidence, strengthen skills, build wealth, and enjoy life.

*Automatic Wealth: The Six Steps to Financial Independence*
*Automatic Wealth* is organized around six key principles based on Michael Masterson’s own experiences that, once you know how to apply them, will turn you into an “automatic wealth builder.” You’ll learn what you need to do to make enough money to live well and retire comfortably (and early), including how to radically increase your salary, cultivate wealthy habits, and develop additional streams of income and more.

*Seven Years to Seven Figures*
In this *New York Times* bestseller, Michael Masterson reveals how anyone can accumulate seven-figure wealth within seven years—or less. You’ll hear real-life stories about men and women who accomplished that goal along with step-by-step instructions from Michael that will allow you to follow in their footsteps. Whether you own your own business, are thinking of becoming an entrepreneur, or work for someone else, you can benefit from the lessons contained in *Seven Years to Seven Figures*.

*Power and Persuasion: How to Command Success in Business and Your Personal Life*
Become a more powerful and influential person with this guide to the fast track to success. In *Power and Persuasion*, Michael Masterson details the leadership, personal
power, management techniques—the key elements in convincing other people to value and act on your ideas—that he has learned over his many years as a successful businessman.

**Resources From International Living**

In addition to the resources listed below, please visit the *International Living* bookstore. There, you can get more details and your own copies of Country Reports, Owner’s Manuals, Special Reports, and membership information, ensuring you have access to everything *IL* has to offer.

The *International Living* website is where you’ll find a wealth of information, contacts, and news from *International Living*’s correspondents around the world.

*International Living magazine*: The monthly magazine provides a scope and depth of information about global travel, living, retiring, investing, and real estate that is not available anywhere else at any price. It is your passport to a brighter, more exciting, and more adventuresome future and can bring you the excitement and glamour of living and traveling in foreign countries even if you never leave your armchair.

The *International Living Events Schedule*: Want to meet the *IL* editors and in-country experts in person? Check out the events schedule and see where they’ll be next. Every year, they hold a number of events around the world, where *IL* gathers together all of their experts so they can share with you, face-to-face, their invaluable insights and experiences in living, investing, retiring, and moving overseas. Check out the schedule for the next great event.

*Facebook*: You can also find *IL* on Facebook. They currently have more than 100,000 followers... and counting. This is a great way to get in touch with other *IL* readers and all of their editors. Plus, it’s full of fun and interesting photos, videos, and much more.

*International Living classifieds*: Whatever you want to do in Southeast Asia, you’ll find something to interest you on the *International Living* Classified Ads website. This is the best way to reach fellow readers, like-minded individuals, and the thousands of people who visit InternationalLiving.com every day. If you want to sell or buy a property overseas, offer an expat service or are seeking one, want to promote a blog, or post a “want” ad... this is the place to go.

*Special Report on Buying Property Overseas*: There are important differences between buying a property overseas and in your hometown. The purchase process is alien, you don’t speak the language, and it’s all so exciting and full of possibilities. It’s easy to get carried away and caught up in the excitement of buying. *International Living* created a special report to walk you through the steps and help you with your due diligence when considering an overseas purchase. You can download it here.

*Special Report on Filing Tax Returns*: For more on filing your tax returns as an American overseas, see *IL*’s specially commissioned guide on taxes for expats. Written
by a tax expert, it will walk you through the process of filing your U.S. tax returns when you live overseas. For more details, click here.

**Special Report** *The Complete Guide to Offshore Residency* by Robert Bauman reveals how you can become an independent “world citizen”—free to live, work, and acquire property anywhere in the world. For more information, click here.

**IL’s Preferred Real Estate Advertising Partner:** Pathfinder scouts the globe, searching for the hottest real estate opportunities. Check out Pathfinder here and here.

**IL on the Best Real Estate:** *The Best Real Estate Markets in 2012* lists 27 places in the world today that boast the most attractive, and potentially lucrative, real estate opportunities.

**Health Care Special Report:** *Slash Your Health Care Costs: The World’s Top 7 Destinations for High-Quality, Good-Value Care*. The report shows you where you can retire to cut your current health care costs by 80%... countries where you could get health insurance for a fraction of what you’re paying now. And if you need elective surgery, you can find U.S. board-certified, English-speaking doctors and surgeons at much lower prices overseas...

**Country Reports**


**Additional IL Resources**
- Beachfront Property in Ecuador
- The Economy in Ecuador
- Making Money in Ecuador
- Live in Ecuador
- Reasons to Retire in Ecuador
- Move to Ecuador
- Health Care in Ecuador
- Ecuador Fact File
- Why Ecuador?
- Ecuador Visa and Residency Information
- Ecuador Real Estate
- Travel in Ecuador
- Taxes in Ecuador
- Rolodex: Contacts in Ecuador
- Invest in Ecuador
- Free Ecuador Report
- Retiree Benefits in Ecuador
- Ecuador Climate
- Renting in Ecuador
- Cost of Living in Ecuador
- Find Out More About Ecuador
Costa Rica [http://internationalliving.com/countries/costa-rica/]

Additional IL Resources
- Living in Costa Rica
- Taxes in Costa Rica
- Costa Rican Title Insurance
- Health Care in Costa Rica
- Costa Rica Real Estate
- Travel in Costa Rica
- Move to Costa Rica
- Retire in Costa Rica
- Beachfront Property in Costa Rica
- Rolodex: Contacts in Costa Rica
- Why Costa Rica?
- Costa Rica Fact File
- Costa Rica Visa and Residency Information
- The Economy in Costa Rica
- Renting in Costa Rica
- Working in Costa Rica
- Cost of Living in Costa Rica
- Free Costa Rica Report
- Costa Rica Classified Ads

Other Resources

*The Complete Guide to Costa Rica Immigration*, written by one of the country’s leading attorneys, Roger Petersen is available for download here.

Roger Petersen is the author of *The Legal Guide to Costa Rica*. This book can be ordered directly at his website, [www.costaricalaw.com](http://www.costaricalaw.com). He can be reached at Petersen & Philps, Apartado 643, Centro Colón, San José 1007; tel. +506 2288-2189 and +506 2288-6228 extension 101; fax +506 2228-7094; website: [www.plawcr.com](http://www.plawcr.com).

Christopher Howard is an expert on Costa Rica and is the author of *The New Golden Door to Retirement and Living in Costa Rica*, published by Costa Rica Books. It is available on [Amazon.com](http://www.amazon.com).

Dominican Republic [http://internationalliving.com/countries/dominican-republic/]

Additional IL Resources
- Dominican Republic Real Estate
- Live in the Dominican Republic
Other Resources

A detailed summary of the tax laws for the Dominican Republic has been prepared by Guzmán Ariza, a national law and business consulting firm in the Dominican Republic. Check out the summary here.

Further information on health care in the DR is available here.

Nicaragua  http://internationalliving.com/countries/nicaragua/

Additional IL Resources
- Why Nicaragua?
- Beachfront Property in Nicaragua
- Taxes in Nicaragua
- Make a Difference—Please Help the Roberto Clemente-Santa Ana Health Clinic
- Invest in Nicaragua
- Rolodex: Contacts in Nicaragua
- Travel in Nicaragua
- Live in Nicaragua
- Nicaragua Visa and Residency Information
- Health Care in Nicaragua
- Nicaragua Fact File
- Retire in Nicaragua
- Move to Nicaragua
- Nicaragua Real Estate
- The Economy in Nicaragua
- Cost of Living in Nicaragua
- Free Nicaragua Report
- Nicaragua Classified Ads

Honduras  http://internationalliving.com/countries/honduras/

Additional IL Resources
- Taxes in Honduras
- Move to Honduras
- Travel in Honduras
- Live in Honduras
- Retire in Honduras
- Honduras Visa and Residency Information
- Honduras Fact File
- Honduras—Below the Radar and Above the Rest
• Rolodex: Contacts in Honduras
• Beachfront Property in Honduras
• Why Honduras?
• Honduras Real Estate
• Invest in Honduras
• Health Care in Honduras


Additional IL Resources
• Cambodia's Colonial Mansions, White Beaches and Bright Future
• Inside Asia: Low Costs, Good Living, Exotic Adventure
• Finding Fulfillment in Southeast Asia
• Cambodia: French Colonial Splendor Meets the Exotic East
• Starting a Business in Cambodia
• Live Large for Less on the Exotic Islands of South East Asia 2012

Other Resources

Cambodia Law

BNG Legal: “A leading Cambodian law firm providing comprehensive legal services to foreign and local clients. Registered with the Bar Association of the Kingdom of Cambodia, our legal professionals combine international standards with local expertise.” They have a report for download, [Maintaining Corporate Compliance in Cambodia - BNG Legal](http://cambodianlaw.wordpress.com/category/company-setup/).

Healy Consultants: [Healy Consultants](http://www.healyconsultants.com/company-incorporation/cambodia-sole-proprietorship.html#) assists international clients with Asia business set up, legally minimizing local and international taxes...


[http://seniors.lovetoknow.com/Retire_in_Cambodia](http://seniors.lovetoknow.com/Retire_in_Cambodia)


Panama  http://internationalliving.com/countries/panama/

Additional IL Resources
- Panama City Map
- VIDEO: A Taste of Panama
- Invest in Panama
- Move to Panama
- Travel in Panama
- Beachfront Property in Panama
- Health Care in Panama
- Taxes in Panama
- Retire in Panama
- Living in Panama
- Panama Fact File
- Panama Visa and Residency Information
- Panama Real Estate
- Rolodex: Contacts in Panama
- Why Panama?
- Fatima Parish Charity in Panama
- Renting in Panama
- Buying Real Estate in Panama
- The Economy in Panama
- Working in Panama
- Cost of Living in Panama
- Find Out More About Panama
- Free Panama Report
- Panama Classified Ads

Belize  http://internationalliving.com/countries/belize/

Additional IL Resources
- Retire in Belize
- Belize Fast Facts
- Move to Belize
- Belize Fact File
- Beachfront Property in Belize
- Invest in Belize
- Live in Belize
- Travel in Belize
- Belize Visa and Residency Information
- Rolodex: Contacts in Belize
- Second Home Tax Benefits in Belize
- Health Care in Belize
- Economy in Belize
- Working in Belize
- Cost of Living in Belize
• Belize Classified Ads
• Free Belize Report