

# *the* Overseas Retirement *letter*



CC © Ken\_Mayer

## Boquete, Panama... The Land of Milk and Honey

By Lee Zeltzer

**R**ising to the north of David, the hottest city in Central America, are the green mountains known as the western highlands of Panama, part of the Cordillera de Talamanca. When you follow the highway north from David (the capital of Chiriquí Province) to Boquete you ascend slowly at first through a series of small towns. After passing the town of Dolega the gradient increases rapidly. Boquete is not a town but a district, the functional equivalent of a county. As you cross into Boquete District you will find yourself on a sustained gentle grade up into the green, green mountains of western Panama...and the eastern flanks of Volcán Barú, the highest point in Panama at 3475 meters (11,400 ft.).

Some 10 years ago, designer, inventor, and talented marketing man Sam Taliaferro, the developer of Valle Escondido, painted an indelible picture of Boquete, labeling it “the land of perpetual spring.” And he was right...there are more shades of green in Boquete than I have seen anywhere else. Boquete is a unique “sky island” in the mountains; a land of microclimates to suit almost everyone and a cultural haven that draws expats from around the world...whose origins date back 100 years.

*continued on page 6*

### In This Issue

**Ask yourself this critical retire-overseas question today... page 2**

By Kathleen Peddicord...

**Why confidence and staying power will win out... page 4**

Paul Terhorst reveals all...

**Small properties with pools and part-time income potential... page 17**

Five homes with private pools and income potential in Europe, the Dominican Republic, and Central America...starting at just US\$170,000.

**Soaring travel costs predicted for 2012... page 18**

Plus, update on Bangkok flooding, first smoke-free Indian city, pollution control in Hanoi, help for storm-battered Central America... and much more news for global expats.





## FROM THE DESK OF KATHLEEN PEDDICORD:

### Ask Yourself This Critical Retire-Overseas Question

Dear Subscriber,

This will be a piece of cake, I told myself as we prepared for our move from Baltimore to Waterford about 14 years ago. How different can Ireland be from the United States? My husband, my daughter, and I, we'll slide right into Irish life...

I discovered quickly, though, that I'd been overly optimistic. The Irish speak English (sort of), but they operate differently from Americans. In truth, adjusting to life in Ireland was more difficult than we ever could have predicted. We discovered that launching a new life on the Emerald Isle was in some ways more challenging than it would have been in Ajijic, Mexico, say, or Boquete, Panama.

Ajijic and Boquete (the featured destination for this month's issue) are established expat communities, home to thousands of foreign retirees who speak the same language, share the same interests, and approach life in the same way. There are no expat communities in Ireland. In Waterford, we settled in among the locals and embraced Irish country living. We had no choice.

Our Irish neighbors were friendly and welcoming, but, sometimes, we longed for American company. For fellow Yanks who'd appreciate our offhanded cultural references, understand our slang, and laugh at our jokes.

In Paris, we had a different experience. While you won't find established expatriate communities in the French capital, you will find lots of expats. Living in Paris, we made new friends who were Italian, Spanish, Portuguese, Argentine, and, yes, to our relief, American. We made many French friends in Paris, as well, but we had no trouble finding American company when we wanted it.

Now, in Panama City, we're again living among the locals. We're not the only gringos on the block, as we were in Waterford (our next-door neighbor hails from Arizona), but we're not living in a gated community of fellow foreigners either.

One of the fundamental choices you must make as you survey the world map in search of the overseas retirement haven with your name on it is this: Would you be more comfortable retiring to an established expatriate community, a place where you'll have no trouble slipping into the local social scene and finding English speakers who share your interests? Or do you want to go local, immersing yourself in a new culture completely?

This important early decision may never have occurred to you. But I encourage you to consider the question directly, for the answer sets you on one track or another, and they lead to very different places.

It can be easier, frankly, to seek out a place like Boquete, where your neighbors would be fellow North Americans, where you'd hear more English on the street than

## COPYRIGHT & CONTACTS

### The Overseas Retirement Letter

November 2011

Volume 4, Issue 02

Publisher: Kathleen Peddicord

Managing Editor: Lucy Culpepper

Graphic Designer: Carlos E. Quiñones

If you have queries relating to your subscription, get in touch at:

[CustomerService@overseasretirementletter.com](mailto:CustomerService@overseasretirementletter.com)

For editorial comments and contributions, reach us at:

[Editorial@liveandinvestoverseas.com](mailto:Editorial@liveandinvestoverseas.com)

© Copyright 2011 by Live and Invest Overseas. All Rights Reserved. Protected by copyright laws of the United States and international treaties. This newsletter may be used only pursuant to the subscription agreement and any reproduction, copying, or redistribution (electronic or otherwise, including on the World Wide Web), in whole or in part, is strictly prohibited without the express written permission of the publisher, Live and Invest Overseas, Altos del Golf, Loma Alegre, Los Tulipanes St., House #B1, Panama, Republic of Panama.

Any investments recommended in this letter should be made only after consulting with your investment advisor and only after reviewing the prospectus or financial statements of the company.

Spanish, and where you'd have like-minded compatriots to commiserate with over the trials and tribulations of daily life in a foreign country. Boquete, for example, can seem like a transplanted U.S. suburb. This can make it a terrific first step for some, a chance to dip your toe in the overseas retirement waters rather than diving in headfirst. In Boquete, you'd be living abroad and enjoying many of the benefits (great weather, affordable cost of living, tax savings), but the surroundings and the neighbors would feel familiar in many ways. You could shop at the nearby Price Smart (Panama's Costco) and Do It Center (Panama's Home Depot), meet up with fellow Americanos for bridge on Thursday evenings, and never have to travel far to find English-language conversation.

On the other hand, life in Panama would be a very different experience if you were residing in a little fishing village or a small colonial city in the mountains where you were the only foreigner in town. Settling among the locals means you must learn to live like a local.

Is the thought of that appealing, exciting, and invigorating? Or is it terrifying? Be honest with yourself as you consider your response.

There is no right or wrong reply, and there are pluses and minuses both ways.

During our 14-plus years living outside the States, we've gone local, first in Waterford, Ireland, then in Paris, now in Panama. In our neighborhood here in Panama City, English is spoken almost nowhere, and I struggle every day to manage communication with the shop-keepers and our neighbors.

Living in Boquete, I wouldn't face that challenge. And, living in a gated community in Boquete (there are some good options for this), the streets would be kept cleaner, the landscaping would be manicured. We could have access to a swimming pool, a clubhouse, maybe riding stables and a tennis court. Security at the gate would keep out anyone without permission to pass, roving guards would keep watchful eyes over our property, and our neighbors would likely all speak English just like we do.

And that could be great, too.

Great, too, but very different.



**Kathleen Peddicord**  
Publisher

## Discover Panama, Warts and All!

No marketing hype, no rose-colored glasses.

That's the promise we make with the  
**Panama Letter.**

Panama is right now the world's top retirement, investment, offshore, and doing-business haven. To get the most out of this little country with such an abundance of upside right now, and to determine which opportunities might be right for you, you need to know the full story. You need to understand all the facts, straight, complete, and current.

You need to see Panama for what she really is.

Let us open your eyes to the good, the bad, and the ugly of living, investing, banking, and doing business in this much-talked-about little country. Only then can you set yourself up for success here.

This is Panama without the sugar coating...from a team of expats, investors, and business people who, together, have many decades of experience spending time and making money in the Hub of the Americas.

## Go Here Now For The Full Details



## RETIREMENT PLANNING BY PAUL TERHORST

Keep confident, maintain staying power, and we should all be fine

**T**he stock market tanked this year in mid-July. Late July saw some ups and down, then a big drop continuing into August. Later in August and all through September markets swung with huge ups and down.

We saw far more than normal volatility. The Dow moved up or down more than 200 points a whopping 18 times last quarter. We've recovered from a bear market, defined as a 20% drop, so much so that markets are slightly up for the year.

Why so much action? And what does increased volatility mean for personal investors like you and me? (Note I use the word "volatility" the way the dictionary does, to mean instability; market commentators these days often use "volatility" to refer to down markets.)

Answer: These markets are relatively tame. We've seen much bigger swings in the past. After periods of volatility, markets tend to recover strongly. Consider the down periods as good times to buy.

Start with a helpful book. "*Reminiscences of a Stock Operator*," by Edwin Lebevre, was first published in 1923. The book came out just before the great bull market that led to the crash of 1929. Paul Tudor Jones, talented trader and head of his own successful hedge fund, says he gives a copy of *Reminiscences* to "every new trader (that comes on board), regardless of his or her considerable experience."

"*Reminiscences*" recounts the real-life exploits of Jesse Livermore. Livermore was just out of grammar school when he got a job putting stock prices up on a blackboard in a broker's office. He started studying the ticker and soon wanted a piece of the action. Still a boy and with only a few pennies in his pocket he headed for a bucket shop.

Bucket shops--remember we're talking a hundred years ago--amounted to bookies. Main-line brokerage houses rejected the little guys by sticking to round-lot minimums. If you wanted to buy 100 shares of a ten-dollar stock you needed US\$10,000 plus commissions. Small investors need not apply.

Enter bucket shops, or bookies. Bucket shops would take your order and your money, and loan on margin. But instead of placing the order, bucket shops would offset the order against other orders in the office, or (mostly) take the risk themselves.

Thus bucket shops could win only if customers lost. So bucket-shop owners gamed those customers every which way. One trick: when several customers were long the same stock, typically because a tip was going around the neighborhood, bucket shops would sell through a brokerage account elsewhere. The sell would drive down the price and wipe out the customers.

Even though bucket shops often destroyed small investors, they spread from New York to the rest of the country. Rural Americans were ripped off wholesale. At the turn of the century bucket shops did many times more volume than did the New York Stock Exchange.

While Livermore played in bucket shops he often saw stocks move up or down five percent or more on a single trade. In a day a stock might move 20 or even 30 percent. In the era of bucket shops the volatility we saw in August and September, 2011 would look like dull, sideways action.

So in a limited sense we've returned to the old days. I'll quote Livermore here: "Whatever happens in the stock market today has happened before and will happen again."

So how will all this volatility affect investors like you and me?

Hardly at all.

We're long-term investors. We stand back while day traders, flash traders, computer traders, speculators, and others have their day.

In 1910 *The Ticker Investment Digest* defined an investment as, "the placing of capital in a more or less permanent way, mainly for the income to be derived therefrom." That's us. We want dividends, growth, capital appreciation, and steady play.

I sense there's very little real investment money--very little "more or less permanent" money--going into the market these days. To the extent that personal investors get scared and stay out, all this volatility will hurt. But in the long run the economy will recover. Real investors will come back as they see the market offering better returns than CDs, money markets, and bonds. Count on it.

*The Ticker Investment Digest* defined speculation as "operations wherein intelligent foresight is employed for the purpose of deriving a profit from price changes." Get that, the difference

between investment "income" and speculative "price changes."

Conclusion: Ignore the volatility caused by day traders and speculators. Long-run investors tend to do fine, regardless of the day-to-day action, providing we keep up our confidence and have some staying power.

The Livermore story ends tragically: after a lifetime of making and losing fortunes, Jesse Livermore killed himself in November, 1940. He had taken very large losses, suffered from depression, and saw no way back. The book about his life stands as a monument to the importance of investment as opposed to speculation, which eventually brought Livermore down. ■

## Bookies Bite Back

I was born too late to play bucket shops. But I've been interested in bookies, and the horse races, all my life. I grew up near Santa Anita racetrack outside of Los Angeles. My high school was conveniently located across from the track; my classmates were the children of owners, trainers, jockeys, and other track people.

At times we kids would go across the street after school and sneak into the ninth race. The ninth was the last race, free to all comers, although all comers had to be 21 years-old and we were not. But those were lighter times. Once we got inside we'd pool our money and ask someone over 21 to make a two-dollar bet for us. If we couldn't get to the track we'd place a bet with a bookie.

Later when I got to Stanford business school in Palo Alto, California, I was required to do an original investment research project. I decided to study a theory I'd heard as a kid, hanging out at the track. The theory suggests we bet the favorite in the ninth race, the ninth being the last race of the day. Favorites figure to win the ninth about a third of the time, same as in other races. But in the ninth race favorites should pay more. The higher payoff comes because winning betters have gone home to celebrate, while losing betters stick around for one last chance. Those losing betters tend to bet long-shots, rather than favorites, to recuperate their losses.

Thus very few people bet favorites on the last race. The payoffs should be huge.

To test my theory I went to the Bay Meadows turf club near Stanford, got admitted to their library, and looked at a thousand California races over the years. I found that the theory worked. However, the benefit was too small to compensate for the 11% vig, that is, what the track and, mainly, the state of California took out of every purse.

In other words with my theory you'd lose less. But you wouldn't make money.

A few years after the Stanford study Vicki and I found ourselves living in New York. In those days bookies operated on every New York street corner, unlike in my native California, where bookies were sometimes hard to find.

The state of New York decided that bookies were making so much money the state should get a share. So Off Track Betting--OTB--started accepting bets on the horses in 1971.

According to *The New York Times*, "problems quickly emerged. OTB became a patronage ground and infamous for loose spending. It was burdened by a requirement to pay the government's and racing industry's shares of the handle out of its gross receipts rather than with what was left after covering its expenses."

Vicki and I moved to New York in 1975, just before the city's fiscal crisis. When the city desperately needed more money, the city fathers simply raised the OTB vig. It didn't take long before betters got a better payoff at the track, or at one of the old bookies, than at OTB.

Soon after, OTB started losing business. Horse racing became less and less popular, the vig higher. The next step: government had to subsidize OTB. A project that started off as a money maker turned out to eat up money rather than throw it off.

OTB finally shut down, after years of losses, in December, 2010. By that time OTB took a whopping 25% vig and hit winners with a surcharge. Remember that the vig was only 11% percent or so in California when I did my study in 1972.

New York OTB is gone, bookies are back.

*continued from page 1*

The government of Panama is investing over US\$110 million dollars widening and improving the highway from David to Boquete in anticipation of the impending growth in this region. They, and many private sector companies, are betting this region will grow further in the very near future. There are many reasons for this optimism. As you read this month's *ORL* you'll learn why many come to visit and never leave, why many, including myself, have found their "Shangri-La" here in Boquete, and why we all share the government's optimism.

first cup of Kotowa Coffee - the best coffee in the world – and visit the second floor museum that houses an exhibit on the history of Boquete District.

My first impression, and perhaps yours, will be this is not Panama, but a Swiss Alpine valley lacking only snow and cattle wandering the hillsides with clonking bells.

One of the great things about Boquete is its near perfect climate. Because it is 1,200 meters (3937 ft.) above sea level, temperatures are much cooler than the lowlands, yet it's only 40 kilometers (25 miles) from David and the port of Pedregal, 100 kilometers (62 miles) from the Pacific port of Boca Chica, and not much further to the beaches of Las Olas, Puerto Armuelles, and Las Lajas.

As the crow flies Bajo Boquete is about 60 kilometers (37 miles) from the Caribbean coast, which translates to about a four-hour drive to the Caribbean beaches of Bocas del Toro.

**Some history of the area**

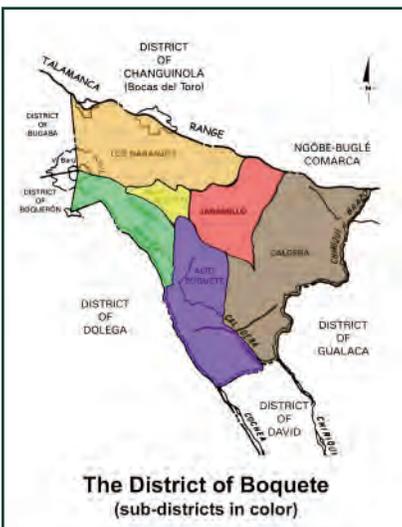
If you study the exhibit in the CEFATI museum you will see Boquete has a short and unusual history. Boquete District is only 100 years-old and was created by families moving up into the hills from Dolega, to the south; when they arrived there were few if any indigenous people living in the valley. The pioneers of Boquete included North Americans and Europeans.

Since then Boquete has been home to immigrants from all over the world, which, along with its comfortable, temperate climate, distinguishes it from much of Central America.



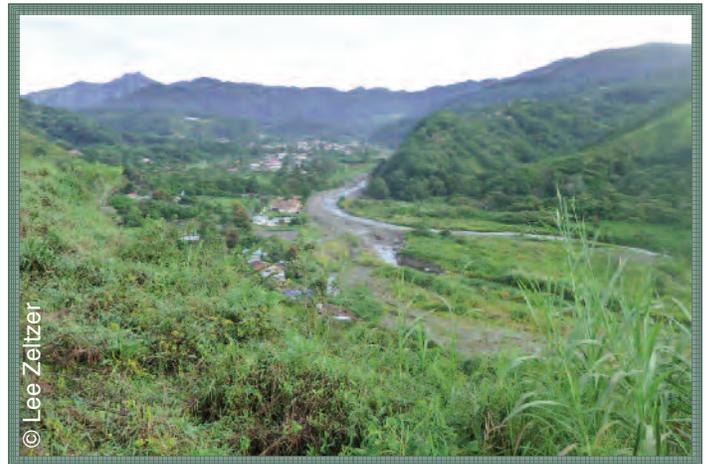
Panama – bathed by the Pacific and Caribbean

Boquete District is divided into six sub-districts or townships (*corregimientos*): Bajo Boquete (the district capital), Caldera, Palmira, Alto Boquete, Jaramillo, and Los Naranjos. It is in the western most region of Panama bordering Costa Rica.



Each sub-district offers unique features

When you arrive at the ridge just above the town of Bajo Boquete you are greeted by the *CEFATI* (*Centro de Facilidades Turisticas e Interpretacion*), a tourist information center and a good place to stop, stretch your legs, and enjoy the spectacular view down into the valley that houses the town of Bajo Boquete. Here you can savor your

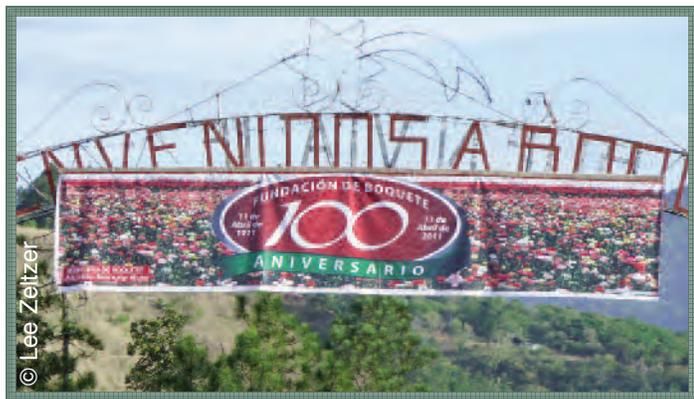


Green of every hue as far as the eye can see

The Spanish Conquistadors may have been the first Europeans to stake a claim on this land but after they plundered, most of them left. But they did leave behind their religion, their laws, their children, and their culture. The following waves of immigrants came from all over the world; some came looking for a short path

to the Californian Gold Rush (the Spanish word “*boquete*” means gap or opening and it was through the Boquete “gap” that gold seekers trekked) and many thousands more came to build the Panama Canal. Many of those people never left; the cooler and less humid climate encouraged immigrants from cooler origins to settle and eventually farm successfully here.

In 2011 Boquete celebrates its 100-year anniversary. Since 1911 this sleepy agricultural village has morphed several times. One hundred years ago the mountains were covered in exotic hardwoods. Most of those trees are now furniture in the many homes that have sprouted in the region. Today the hills are covered with pasture and coffee farms. Boquete coffee has been judged the best in the world in numerous competitions over the past several years. The region also produces temperate-climate fruits and vegetables; it is a magical blend of agriculture and tranquility.



100 years and still going strong

For many years, Boquete has been a cool-weather retreat for the elite of Panama, families with a home in Panama City, a home on the beach, and still another here in Boquete. Although many of Panama’s elite families still have homes here and many more new homes are filled with new immigrants, a wave that started back in 2000 with Sam Taliaferro’s gated subdivision known as [Valle Escondido](#) or “Hidden Valley.”

Sam, who was also a new immigrant, transformed a vision into what locals call “Disneyland” on a former coffee farm. Valle Escondido doesn’t have an amusement park but it does have all the amenities you’d expect at an upscale resort, including golf and tennis. The community has private homes, patio homes, and condos.

In 2005 various U.S. publications fanned the flames of growth and people came in droves to be part of Panama’s hot retirement zone. Several other developments have sprung up around Boquete to cater for all these new immigrants. Because the area boasts a number of micro-climates (influenced by elevation and location) you can seek out a project that has a climate just right for you.

Current residential projects include [Los Molinos](#), located just as you enter Boquete District, [Montañas de Caldera](#) a little higher up on the road to Caldera, and the [Boquete Country Club](#) on the road to Palmira. In my experience most new residents do not move directly into these communities, instead they buy and refurbish more classical Panamanian homes of all types, sizes, and prices. (Click [here](#) to read more about properties currently for sale in Boquete District.)

Because of its ideal location Boquete has evolved into a dynamic, geographically extended community, spilling over into adjoining districts. This area of Chiriquí Province is second only to Panama City for amenities and number of English-speaking residents. Both the private sector and the government of Panama have taken note of the transitions in this rural part of the country and are investing in further development.

### What’s planned for the future?

In addition to providing much of the produce, milk, and beef for the entire nation of Panama, Boquete District is becoming a hub of ecotourism. To make access easier for new visitors and residents the government is building a four-lane highway from David to Boquete. This will put the highlands of Boquete within 30 minutes drive of David the provincial capital and commercial center of the province.

Over the past five years I have seen David grow from a dusty cow-town, where you might be able to find most of what you need, to a true provincial capital with a modern center of commerce including new department stores. David has a Do It center, Conway department store, and supermarkets equal to the best in North America. It serves as the shopping center for the entire province and some of Costa Rica too.

I’ve checked food costs over the last 12 months and come to the conclusion that most are lower here than in the United States, surprisingly that often includes the cost of American imports. And the quality of local, fresh produce is significantly better than that available in most of the United States. Prices in Panama are much lower than in neighboring Costa Rica... lower taxes and the lack of currency variations make a big difference.

David already has an airport but it is being expanded to support larger international flights. For now both Air Panama and Aero Perlas, a Taca regional airline, have flights into David from Panama City. Air Panama also has flights to San Jose, Costa Rica from David. In the future it is expected that Panama’s national airline, Copa, will have flights into David, direct from the United States.

All of this growth and transition coexists with the traditional agricultural environment. Although it is now rare to find people riding horses into town, the cattle and vegetable trucks are there daily. The municipal market is a small dark place that is scheduled for replacement, but within it you can find all that is grown locally, a cornucopia of temperate-climate vegetables including onions,



Irresistibly fresh, local produce

carrots, celery, potatoes, cabbage, and broccoli plus seasonal fruits such citrus, watermelon, cantaloupe, and of course coffee.

In addition, the tropical fruits of the lowlands find their way to markets in Boquete and David including bananas, plantains, papaya, mangoes, melons, kiwi, and many you may never have seen or tried before.

The main township of Boquete District is Bajo Boquete, a center that lacks any historic architecture; there's no sign of Spanish or French influences here. It is not a place crying out for tourist photos, except during parades, but it does have a little of everything you would need for day-to-day living from banking to a health center. To follow a narrated video of a drive through Bajo Boquete click [here](#).

If you drive out of Bajo Boquete, in any direction, you'll find a tranquil spot.

### The Community

When we arrived in Boquete five years ago my wife called it a "sky island." It was a small town nestled in the hills with one way in and one way out. She compared the expat community to the survivors in the television program *Lost*. People came here and needed to restart their lives. That gave Boquete a "small town" feeling, and within that was an even smaller "small town" of English-speaking residents. It was by virtue of its size, and that all the expats were in the same boat, that Boquete developed a classless expat society with everyone socializing in the few common areas that were inviting to them.

In the past few years as the influx of English-speaking residents has increased, the socializing has changed. There are now hundreds if not thousands of full- and part-time residents. The culture has divided into different groups from the country club set through to the group trying to survive on social security. There are 65-plus retirees, entrepreneurs, and early-retirees, sometimes with their school-age children. Private bilingual schools have sprouted up to provide education for this younger generation of expats. And a number of "Zonians" – the unique group of Panamanian citizens



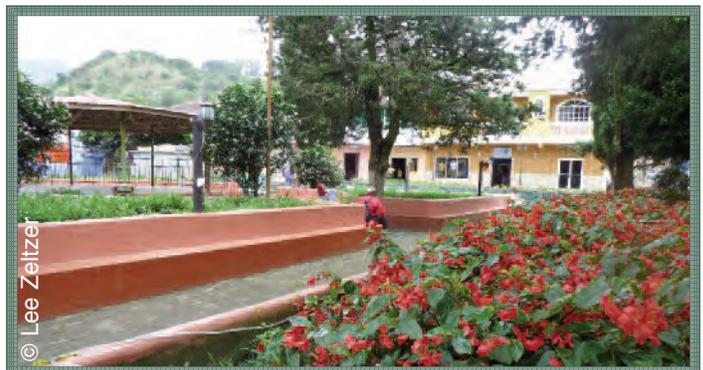
Lush, cool, green, and calm

who lived in, or were born in, the former Panama Canal Zone - have moved to Boquete to retire or create businesses. Toss into that mix an increasing number of backpacking tourists and the result is a very rich environment of new immigrants and transient visitors. People come and people go...Boquete is right for many but not for all the people who move here.

Some people might think Boquete was a great opportunity five years ago. My belief is that it's even better today. Land prices have fallen as the world economy crashed and there are many more North American-style houses available for sale and rent than there were when I arrived. Boquete is still evolving into a great place to live. (Click [here](#) to read more about properties currently for sale in Boquete District.)

### Meeting other expats

Outside of Panama City, Boquete has the most active social and cultural calendar in the country. The expat community in Boquete has grown large enough to create its own cultural hub known as The [Boquete Community Players](#). It's a theater group that's created a community center hosting music, theater, weekly community meetings, and a market place. It all started as an expat thing and with great effort has slowly become a broader community center. The market now has as many local vendors as expats. On Tuesday's I host the Tuesday Community Meeting, where speakers talk about topics of interest to the entire community.



Neat and cared for community spaces

The Boquete District is home to a total population of about 20,000. There is no accurate count of how many expats live in Boquete, the number changes daily as new people come to stay and some leave. Many people are seasonal snow birds, many more permanent. Estimates range from under a thousand to several thousand...there is no way to know.

### Eat, drink and by merry

Fine chefs from around the world have opened restaurants in Boquete. Places like the Panamonte owned by [Chef Charlie Collins](#), The Rock, Las Ruinas, Le Crepe, Il Pinista and El Oasis...all of them world class.

There are wonderful cross-cultural watering holes like Baru Restaurant and Amigos, as well as purely local venues such as the Discotheque Coca Cola. At the Coca Cola you can still get a Rum and Coke for US\$.85 and dance Salsa and Typico until three in the morning.

We have two parallel cultures and a fusion between them. You can still have a Panamanian lunch for less than US\$3 or go upscale for world class cuisine for US\$12.

Weekends feature music to suit both local and expat tastes. Jazz at venues like Las Ruinas, Baru, and Mike's Global Grill have become weekly occurrences since several very talented jazz musicians made Boquete their home. Boquete has an annual [Jazz & Blues Festival](#), which developed from the larger festival in Panama City and is growing each year to become a world class event of its own.



Panamonte restaurant

### Birding, backpacking, and biceps

Due to the diversity of micro-climates and therefore habitats, the area is one of the best bird watching sites in the world. If you just want to simply take a hike, there are trails galore running into the mountains.

### Dollars and cents vs. balboas and centavos

The U.S. dollar has been the standard currency in Panama since 1903. Technically the official currency is the balboa. However, in 1941 Panama stopped printing the balboa in favor of using the American dollar. Panama still has its own centavo coins, minted by the Royal Canadian Mint, which are the same denominations, metal, size, and shape as the equivalent American cents and are used interchangeably.

And if you are really determined you can hike over the mountains to the Caribbean or up the dormant Baru Volcano. Just take a warm coat, good boots and a guide...people forget this is the highlands and the top of the volcano, with its unique flora and fauna, has frost year-round.

If being healthy and fit is important there are a variety of gyms from Curvas Bonitas to real hard core macho locations like Pilos. You can also have a more relaxing time at [Boquete Spa](#).

With its proximity to the Caribbean Sea and Pacific Ocean, Boquete has a plentiful supply of fresh fish and plenty of opportunities to go out and catch your own.

### Year-round, spring-like weather

Boquete's weather is seasonal and also varies according to the very variable topography resulting in a wide range of micro-climates. In general the dry season starts in late November and runs into May. The rainy season (or "Green Season" as it's increasingly known, thanks to Costa Rica's marketing machine) fills the rest of the year. The rain sneaks in slowly, first just occasionally in the afternoon, then increasing in duration and intensity until October...when you might think you are going to drown if you venture a walk outside. To read more about the microclimates and weather of Boquete visit [Boquete Weather](#) produced by local expat Lloyd Cripe.

Boquete is only 9 degrees north of the equator, so the day length doesn't vary much, with the sun rising and setting about the same time year round: 6:00 a.m. and 7:00 p.m.

### Living large on balboas

Right now the rental market is hot and the real estate market is soft. This means that there are great opportunities for buying and living in a place that has already proven itself as a hub for retirees and entrepreneurs.

However, I recommend anyone considering a move to any place new, to rent for a minimum of six months before making a long term real estate commitment.

Before the influx of expats there were only Panamanian homes for rent; typically small and dark with the barest of essentials, and showers that only ran cold water. Today there's every option from modern executive homes, to town houses and condos, and even the occasional, barely habitable, renovation project that can be purchased at a very low price.

Prices for a rental vary a great deal; you can rent a comfortable place for between US\$500 to US\$2500 a month. The price will depend on your comfort requirements.

The other costs of living here can vary just as much as rent. Cars and fuel generally cost more than the United States due to import duties; food and utilities cost less. When I arrived and asked about the cost of living I was told, "If you want to live like a Panamanian it's really cheap." But you may not want to live like that. The typical country-living Panamanian eats a roll with coffee for breakfast, some rice and chicken for lunch, and less for dinner. He walks or takes the bus everywhere and can, and often does, survive on US\$100 a week; I think you would struggle to manage on that. Click [here](#) for a detailed cost of living budget for a couple renting or owning in Boquete District.

The more affluent Panamanians have houses in the city, the mountains, and on the beach...and have full time help in all of them; whereas the expat population in Boquete is generally part of Panama's emerging middle-class.

If you come from North America or Western Europe, you likely expect some creature comforts. The local farmers have no such expectations, but their children are striving toward more comfortable lifestyles. That aside, here's a [budget](#) to help you plan for your life in Boquete.

When I arrived I disregarded my own advice about renting. I stayed 10 days on my first trip and bought a farm before leaving. It was an error, not because of the property I bought but because I did not know the rules of the road. Take your time, study the market, and ask many questions before you make a major purchase in Panama. In 2006 when I bought, it was a sellers market...not any more.



Mi jardín es tu jardín

In this [interview](#), Steve Sides of Re/Max 1st Realty, David talks about the current sales and rental market in the Boquete District.

## Buying your dream property

Like most of the developed and developing world, Boquete is now a buyers market. There are great deals in real estate. Some deals are so good that they seem unreal. If you come to Panama to purchase real estate leave all your ideas of how to buy behind and just bring your wits with you. Click [here](#) for a list of current real estate sales in Boquete District.

Remember, this is a different world, with a different legal system and one that is sometimes fraught with fraud and con men. The worst of the con men speak excellent English and will help you purchase things at great prices...that do not even exist. Do not expect the legal system in Panama to help you; once your money is gone it is gone. That said there is a right way to do things so that you can avoid the pitfalls.

Start by investigating the whole district and the adjoining districts of Dolega and Bugaba. Boquete is the English-speaking center for all of those areas but you will find some English spoken across the entire region. Speak to real estate people...all of them. Panama has no multiple listing service (MLS) and everyone and their sister sells real estate, but most are not licensed. If they are not licensed then there is no accountability if things go wrong. Panama also allows net listings, which means prices may vary on the same property from office to office.

If you find a property be sure to refer to this simplified check list:

### 1. Is the property on titled or ROP land?

ROP or Right of Possession is where a person or family has effectively homesteaded land in Panama. They have a right to possess it, and they can legally transfer that right, but the owner is the government. The issue is who has that right and who else in that family, or even a neighbor, is going to also claim the same right. If you buy the property can you obtain title? Buying ROP land is like going to Las Vegas, you might win, you might lose. It is a risky business proposition. The government has a program to title ROP land, they want it all titled because titled land pays taxes, ROP land does not.

Titled land is registered at the [Registrario Publico](#), the public registry of Panama. All legal liens against titled property are also in this database. Before you do anything regarding property you should find an attorney, not the same attorney as the seller, and have them research the property. If you are fluent in Spanish you can do this part yourself.

All titled land is taxed in Panama. The first US\$30,000 in valuation is tax free, except for land under condominiums, there's no exemption. To help keep land values below US\$30,000 many sellers transfer the property into a corporation and then sell the corporation. The value of the corporation might increase but the land value does not.

## 2. How is the property owned, by a person or as a corporation?

Many parcels of titled land are corporate property. People sell the corporation not the land. This device avoids revaluation of the property to market value. If, for example, a tract of land was valued at US\$20,000 and transferred into a corporation at that value, and then the corporation was sold for US\$200,000, the land value would still be US\$20,000 for property tax purposes.

## 3. Does it have a house on it or not?

The improvements are taxable in most cases from the first dollar, but there may be exceptions. To find out your lawyer will access the government's online database at: [www.dgi.gov.pa/](http://www.dgi.gov.pa/)

## 4. Is title clear or are there liens?

I know people who have gone through the entire process of acquisition only to discover a lien was on file. Any legal lien must be recorded in the *Registrario Publico*, another good reason for having complete research done by a lawyer.

## 5. Is the person claiming to own the property really the owner?

This one seems obvious but once again I know people who have bought property here based upon the word of another expat; big mistake. Do not purchase anything before your lawyer carries out an investigation of title.

If you are inspired or tempted by Boquete I have a simple recommendation: come visit for a week or two and if that taste is good then come back and rent.

## Medical care in Bajo Boquete and David

Panama has, what in theory could be described as, the perfect healthcare system. It is a hybrid of public-private care. Boquete is a microcosm of that system. We have two public clinics in Bajo Boquete, the Casa de Seguro Social and the Salud Clinic, and several private clinics. Both the public clinics will service anyone in an emergency. Working Panamanians and Panamanian retirees, and their families, get free healthcare and medicines at either public clinic. The rest of us pay, but the costs are minimal.

Several doctors (many of whom speak English) practice at private clinics in Boquete. The average office visit is US\$10, probably less than your co-pay. If you need specialist care the fastest path to help is the highway to David. David has four hospitals; two public and two private. One of the public hospitals, Hospital Olbidia

specializes in pediatrics and gynecology. The other, known as "Regional," is a multi-specialty hospital, similar to county hospitals in the United States...with long lines and understaffing problems. (Regional is the only hospital with anti-venom and the first to deal with auto-accidents.) The two private hospitals, [Hospital Chiriquí](#) and Hospital Mae Lewis, offer far better service.

Private healthcare in Panama was very inexpensive a few years ago, it is more expensive now, but still does not approach the costs of care in the United States. The last time I visited the emergency room at Hospital Chiriquí was in April 2009. I was too close to a fire and ended up with ash in my eyes. The complete emergency room experience, which lasted less than 10 minutes from entry to exit, cost US\$5.15.

More recently my daughter, who was visiting, had a severe infection. It was a Sunday and we went to a private clinic in Boquete. She ended up with an IV for antibiotics and painkillers. The total bill (including consultation, IV set up, hospitalization, saline, and IV medications) was US\$105.

For a comprehensive list of medical centers, doctors, and specialists in Bajo Boquete and David, click [here](#).

## Health Insurance

If you're not young and have pre-existing conditions you probably won't be able to purchase local health insurance. Local health insurance companies have a very small market; all working people, and their families, and all Panamanian retirees have social security coverage limiting the pool of potential insurance buyers. However, there are some low-cost hospitalization plans like [MSChiriqui](#). U.S. Medicare is not valid in Panama, but Tricare, provided by the U.S. Military, is honored here as are numerous other international plans. Many expats on U.S. Medicare self-insure or buy the MSChiriqui plan for a local emergency and return to the United States to use Medicare for anything more serious.



Head here for anti-venom!



Overlooking Bajo Boquete

### Visas, driving, and great benefits

Visitors from the United States, Canada, and most European countries do not need a visa to enter Panama. Upon arrival your passport is stamped. The law says you can stay 90 days as a tourist, but the current government is allowing six months without any visa.

That is a bit complicated if you plan to drive a car in Panama. Your driving license, from wherever it's issued, is only valid for 90 days and unless you are a resident or have started the process to become a resident, you cannot apply for a Panama Drivers License. This catch 22 means if you plan to drive you must leave the country once every 90 days until you have established residency. In Chiriquí this is easy; simply spend a few days in Costa Rica then return. It is permissible to stamp out of Panama, have lunch in Costa Rica and return that evening to reset your 90 days. This has become a ritual for many people who live here part of the year and do not have permanent residency. It is however not a recommended way to do things if you plan to stay or invest; in that case you should apply for a permanent visa.

Panama has several ways to establish permanent residency. The most popular, easiest to obtain, and least expensive path is to apply for a Pensionado Visa. This visa was modified in a reform in 2008 increasing the pension income required for a retiree to US\$1,000 a month. To read more about residency and visa options click [here](#). This information is provided by [Rainelda Mata-Kelly](#) a lawyer who I highly recommend to anyone interested in applying for residency. If you do retire here the Panamanian government runs a “[Pensioner and Retiree Discount Program](#)” with discounts applied to a long list of services, utilities, transport, and more.

### A taxing subject

Taxes are a bit of muddle across all of Panama, and some people provide very bad taxation information. This is a summary of the tax situation. I recommend you [contact a tax expert for more in depth advice](#).

**Income Taxes:** Panama does not tax on worldwide income; one can earn a million dollars a year on the Internet and not pay one cent in taxes here unless you are selling to people in Panama. Panama does tax all residents equally on income earned in Panama. Your social security payment or pension are not taxed in Panama, nor is interest on bank accounts. Income tax in Panama is based on a sliding scale, ranging from a minimum of 7% after the first US\$9,000, to a maximum rate of 27%.

**Corporate taxes:** All corporations pay an annual fee of US\$300 to the government and usually a second fee for a registered agent who needs to be a lawyer. Fees for this service are usually about US\$150 a year. If your corporation does business and earns income in Panama it also pays income taxes.

**Sales Tax or ITBMS:** there is 7% sales tax payable on all services and products except for food, medicines, animal feeds, and medical services.

**Property Taxes:** This area of taxation is often misrepresented by people selling real estate. There are two components to property tax: the tax on land and the tax on improvements. With the exception of condominiums the first US\$30,000 of land is tax free, after that a sliding scale is applied:

Under US\$30,000	0%
US\$30,001 to US\$50,000	1.75%
US\$50,001 to US\$75,000	1.95%
Over US\$75,000	2.1%

The same rates apply to improvements but there are exceptions. If you purchase a preexisting structure ask your lawyer to investigate. If the structure is new there's a sliding rate of tax exemption:

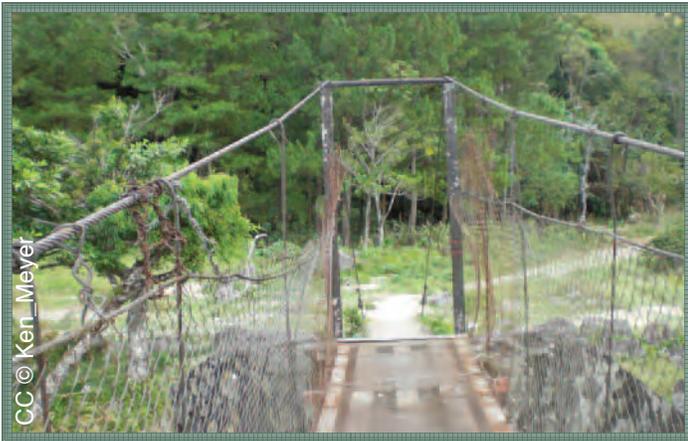
- Value up to US\$100,000:15 year's exemption
- Value from US\$100,000 to US\$250,000:10 year's exemption
- Value more than US\$250,000:5 year's exemption

The exemption can be transferred to a new buyer during the exemption period.

In addition, if you purchase a farm there is potentially an exemption from property tax for the farm itself, again seek legal advice on this. I use this exemption for my farm; it has a five-year life and must be renewed by the ministry of agriculture (MIDA).

Real estate taxes are due in April, August, and December. No bills are sent, it is your responsibility to file and pay at any branch of the National Bank of Panama. If you fail to pay you will find a tax lien when you go to sell your property.

**Capital gains tax:** this is 3% of the sales price, which must be paid in advance. If the actual capital gain is less than 3% of the sale price the seller can apply for a reimbursement of the difference; it may take four to five months before you receive it. If the capital gain is



The pedestrian bridge in Bajo Boquete

more than the 3% paid in advance then the seller has to pay the additional tax in their annual income tax return.

**Real estate transfer tax:** this is paid by the vendor and is based upon gross sales price not the profit earned. The rate is 2% of the selling price or 2% of the registered value, appreciated at 5% a year from date of purchase, whichever is higher.

Because of the all these real estate-related taxes many real estate transactions are done as transfer of corporate shares; if a property is bought by a corporation the shares of the company will be sold (instead of the property) eliminating the need to pay transfer tax.

**Inheritance Tax:** Panama does not have inheritance tax. However taxes on gifts or donation of property (within Panama) are in effect and depend on the relationship of the donor and recipient.

**Foundations:** The formation of a foundation creates a legal vehicle for seamless transitions of property, providing a legal, tax-free method of transferring real estate or corporate shares without any tax consequences. The foundation, not to be confused with a charitable foundation, allows you to move property out of your name into the name of the new legal entity. You, as founder, can then detail-out all transitions you wish to occur upon your death or incapacitation. This all occurs without government involvement.

Tax laws and rates may change; in all cases and situations it is recommended that you refer to a [tax expert](#).

## Earning a living in Panama

Anyone can open a business any place in Panama and many expats have done so successfully in Boquete. It is easy to legally create a business, and if you have capital it's easy to "open" the necessary doors. The most successful expat businesses in Boquete are tourism related; the ecotourism industry in Boquete was created by expats and is thriving.

There are also several expat-owned restaurants and tour companies. A foreign-owned company must hire a set number of Panamanians and the owners, unless they are citizens or have



Coffee contours meet vintage-Scandinavian design

work permits, cannot legally be on the payroll. Opening a business is also one method of obtaining legal residence. Go [here](#) to learn more about Panama's Investor Visa.

## Settling in and signing up for services

**Electricity:** [Union Fenosa](#), a Spanish company, supplies electricity in Boquete. Most houses in Boquete have no need for heating or cooling; I have ceiling fans for warm days. If you are in Panama on a Retiree (*Jubilado*) or Pensioner Visa you are entitled to a 25% discount on electricity up to 600KW a month. I have never used that much electricity; my highest bill was less than US\$40. Be aware that some private gated communities have taken on the role of utility company and significantly markup electricity.

When you sign up for electricity at Union Fenosa expect to make a deposit, mine was US\$40. Bills are delivered by email or motorcycle courier. You can pay your bills online from your Panama Bank account, pay at an office of Union Fenosa or pay when grocery shopping at El Rey in David. Dropping a check in the mail is not something you do in Panama.

**Mail:** Panama does have a postal system and you can rent a post office box at the Boquete Post Office. But don't expect home



Valle Escondido

delivery of anything except your electricity bill which is delivered by hand or email.

If you want to receive mail from overseas it's best to set up a mail drop in the United States. If you do this you will be given a Florida address and your mail will be collected there and forwarded to your Panamanian post office box. There are numerous services that do this, I recommend Mail Boxes Etc.

**Gas:** Most properties have propane gas tanks. If your property has a 50 or 100 pound tank [Panagas](#) or [Tropigas](#) will provide an on-site refill service. Rent at least two tanks, and a valve to shift between the two, to ensure that you have gas even when the delivery service is not available.

I have the more Panamanian solution, two 25-pound tanks which need to be transported to a dealer when empty, and exchanged there for a full tank. You will often see locals walking with these small tanks over their shoulders. Tanks are government subsidized and cost about US\$5.35 for a refill.

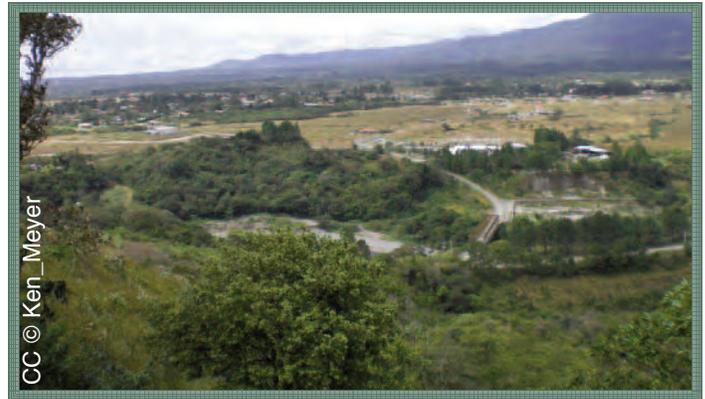
**Water:** The government water company, [IDAAN](#), runs most of the country's water billing. Boquete, however, has its own system with several separate water cooperatives. Boquete has a very large watershed and a poorly designed, poorly installed, and poorly maintained infrastructure to deliver water. There are some areas and properties, including mine, that have low water pressure. I would always recommend a storage tank.

Before you rent or buy, ask about water supply; ask the agent and a neighbor or two. Ask when it's available, is the pressure enough for a shower? Is there water storage on the property? Does the property have its own pump, pressure tank, and purification?

### Banking debunked

Whether it's for a business or for setting up home there's a list of things you will need to have with you to open a bank account in Panama:

- a. A letter of reference from you current bank. (Do not close your U.S. account until you have one open in Panama; it's unlikely you will be able to open an account in Panama if you've closed the U.S. one.)
- b. Your passport.
- c. A tax return or some other proof of source of income.
- d. For some banks a utility bill or other proof you live here, other banks do not require this.
- e. Some banks require a letter of reference from a current depositor.



Puente Wilson and Alto Boquete

I surrendered on water pressure and installed an electric 50-gallon tank to resolve all my hot shower issues.

Do not assume your tap water is fit to drink. In Panama City it is; they don't do well in the city with sewage but they do fine on potable water. In Boquete it might be drinkable; I get water direct from streams on Jaramillo others get theirs from Volcan Baru. Where the water enters my supply pipe it is pure; I have been to the head of our supply and found pristine, mountain spring-water flowing from a creek higher than any grazing cattle. But pipes do break, they are all PVC and above ground, so it's best not to assume that what ends up in your house is potable...mine is but yours might not be.

You will need to boil your water, filter it with a micro-antibacterial filter, treat it with chlorine in your own holding tank (remember chlorine is toxic), or treat it with UV light. I have never gotten sick drinking tap water in Panama but unless you do one of the above the dice will eventually roll craps (bad pun intended).

**Note:** those nice-looking activated charcoal filters they sell here and in the United States are not the solution. They might work for pesticides that find their way into the water, but the water here is natural spring-water; there's no farm or industrial waste, and no chlorine or fluoride. You need a filter that is so fine it filters out bacteria...that's the potential hazard here.

**Trash pickup:** This depends on where you live. In the more urban areas the municipality provides pickup for US\$2 a month. Where I live there's no pickup-- our road is too rough. I take my trash to a collection point at a school where it is collected weekly.

**Recycling:** Boquete has a great program of recycling through [REAL Boquete](#), a non-profit association that uses all revenues to educate grade-school children on recycling and not littering... a really great program. They have a store front just off Avenida Principal and west of the restaurant Bistro Boquete.

**Television:** There are national Spanish-language stations that are really quite fun if you either speak Spanish or just enjoy the ads and images. Other than that the options depend upon location. Some locations have [Cable Onda](#) offering cable for television, land line telephone, and Internet. Some have access to digital signals from [Cable & Wireless](#) which also provides Internet and land line telephone service. I live off-the-grid for cable and land line telephone but have the choice of two satellite services, [Sky](#) or [Claro](#), for television. Sky has a lot of English content, Claro none to my knowledge. In addition, if you live in an area with high speed Internet, Netflix is available for TV shows and movies.

I really recommend watching local news a few times a week, whether you understand Spanish or not. You'll see the same type of programming as local news coverage in the United States: some crime, a few auto accidents, a bunch of politicians, and talking heads.

**Internet:** In addition to Cable & Wireless and Cable Onda there are three off-the-grid Internet providers. These are all hit-and-miss options; first of all they need to carry out a site survey to ascertain if they have line-of-sight to a signal tower from your property. Radio based Internet is the next best option if nothing else works.

I use an off-the-grid provider called [Internet Activo](#), their signal can cost US\$60 a month. If I could get cable (providing a more reliable service and more bandwidth) it would be US\$20 a month. Other wireless options in the same US\$60-US\$69 per month price range are [Mobile Net](#) and [Planet telecom](#).

## Active retirees in Boquete

Boquete has two main groups of new immigrants: those who have moved to start businesses and those who came to retire. Retirees usually come for the low cost of living and change of lifestyle.



You're never far from a local brew

The business-people are naturally occupied with their businesses, but retirees here, as in all places, need to find new direction and new channels for their energies. Many reinvent themselves and discover old hobbies that sometimes turn into businesses. Still others direct their energies into giving back to the community.

There are a number of local charities that have been created by expats and they always need new blood.

## Boquete volunteer opportunities

Here are a few voluntary organizations that can use your help should you move here.

### Boquete Hospice and Health Foundation

Hospice hotline 6781-9250

Website: [BoqueteHospice.com](http://BoqueteHospice.com)

Helping the terminally and seriously ill with health support.

### Buenos Vecinos de Boquete

Buenos Vecinos de Boquete is a small group of volunteers who deliver food supplies to the handicapped and elderly on a monthly basis. You can make donations at the Tuesday Market meeting. For more information, see Irene at the meeting.

### Bid 4 Boquete

Website: [www.bid4boquete.com](http://www.bid4boquete.com)

This is Boquete's equivalent of the United Way, organizing one annual charity event to raise funds for many causes in Panama. Bid4Boquete needs volunteers as much as money.

### Tuesday Community Meeting - Used Book Sales

Well over 350 used books, DVDs, and CDs for sale and U.S. mail stamps. All proceeds from the book sales are divided equally between Handicap Foundation of Boquete, Buenos Vecinos, and Carolina Alvarez Concepcion who is blind. Donations of books, CDs, DVDs, magazines, and jigsaw puzzles are gratefully received.

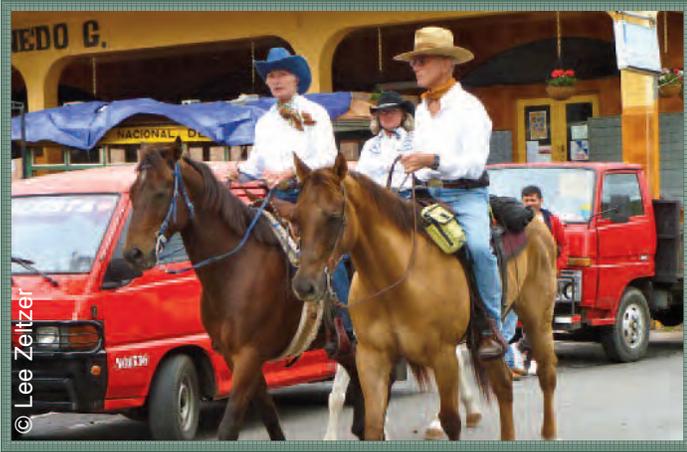
### Fundación Amigos de Animales Boquete

Website: [www.fadab.org](http://www.fadab.org)

"Providing low cost spaying and neutering of dogs and cats and improving the general welfare of animals in the Boquete community." The foundation also supports the rescue and adoption of dogs and cats and is always in need of food and monetary donations for medicines as well as clinics.

## Spanish, English or both

People have asked me more than once if Spanish is essential to live here. My answer is based upon my personal experience: if you want to be involved in the total experience of the culture, yes it is essential. If you are content interacting with only English-speaking people, no it's not essential.



Riding into town for pleasure

Most businesses have bilingual employees but there will be times when you won't find English speakers, say in David or remote towns. I believe that anyone immigrating here should make an effort to learn Spanish. The Panamanian people are very forgiving and appreciative if you try to speak their language and they will go through great lengths to help you.

The people who are disrespected here are those who think it is the job of every local to understand English; those who stand in a store and scream in English, the ugly expats. Unfortunately they do exist and they do sour the milk for all of us.

### Could this be *your* Shangri-La?

By now you have either decided Boquete is not for you or you have an interest. Boquete is high on the "discovered" list of potential places to retire too. That means this place is not so much for the pioneer but more for those who want to join what is already in place and in process. You can learn from those who paved the way before you and avoid some of the pitfalls of overseas relocation that await the unwary.

Even though Boquete is firmly on the discovered list, you will still need to be willing to change. If you are not willing to change you most likely won't be happy here (or anyplace else outside your current sphere of comfort). Panama is a different country, has a



Parades and festivals...adding the spice to life

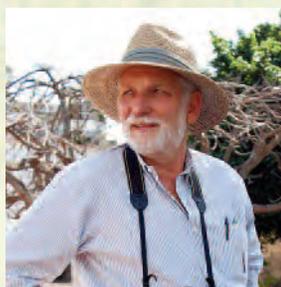
different culture, and a different language. Panama has different laws and has different opportunities. You cannot escape the fact that Boquete, although an island of English-speaking culture, is in Panama.

People who move here hoping to change Panama to match the place they came from, usually leave within two years...often with far less than they had before. Those who come thinking they are from a superior culture and that they know it all, usually leave even faster. If you come, come with open ears, an open mind, and a lust for learning.

If you are open to a new adventure, want to learn about new cultures, are keen to learn a new language, and want a fresh start this could be the place for you. For me Boquete has been a land of milk and honey, a third life, sweeter than those before...my Shangri-La. ■

For further reading about moving to, and living in, Boquete, Panama, visit these *Overseas Retirement Letter* resources:

- [Panama: Residency, Visas, and Immigration](#)
- [Panama Discount Program](#)
- [Boquete Monthly Budget](#)
- [Medical Resources](#)
- [Boquete Rolodex](#)
- [Boquete Real Estate](#)



### About the author

After a seven-year quest to move from the United States, Lee Zeltzer and his wife discovered the district of Boquete, in Chiriquí Province, Panama. They decided Boquete was the perfect place for them in July 2006. They sold their house in the United States and moved to Boquete District in August 2006.

Since moving to Panama, Lee has written extensively about life in Boquete and has even served as a "vocal" on the Boquete water board, a position that offered a true insight into the workings of local bureaucracy. In Boquete, Lee has found his Shangri-La.

## Properties with pools and part-time income potential

A new life overseas probably means, at least for most readers, a move to a warmer climate, and one where for part of the year temperatures are hot enough to swim in an outdoor pool. But most properties with pools either share the pool with a community (not everyone's cup of tea) or they belong to a huge mansion-like villa that's hard to manage and even harder to close up if you want to go traveling or live part-time in your new country. So with those thoughts in-mind we searched for two-bedroom properties with private pools, character, and plenty, but not too much, living space. It was a tough task, but what we found was interesting: three of the properties are operating as part-time rentals providing a part-year residence and part-year income for their owners and the other two have the potential to do the same.



### Italy, Apulia: Ostuni



This beautiful two-bedroom, two-bathroom stone country-house is near the white-city area of Ostuni. The dome-ceilinged master bedroom is en-suite with air-con and double doors leading to a private terrace. The house is newly furnished with porcelain tile floors throughout, and includes a brand new fully fitted kitchen, with Smeg cooker, fridge-freezer, and washing machine. Outside are sunny tiled terraces and a new 25 ft. pool. Good rental potential, currently at about US\$1,681 per week in the summer months and up to US\$1,521 mid season. Within 40 minutes of Brindisi airport. Price: 200,000 pounds (GBP). For more information and contact details visit the rental site [here](#).



### Spain, Balearic Islands: Pollença, Mallorca



Not far from Pollença town (Pollença) on the northern, less touristy side of Mallorca

lies this pretty, secluded, and immaculate two-bedroom, two and a half bathroom, 100-square-meter home. Outside is a well-maintained pool and covered barbecue terrace, laundry room, a WC to service the pool, and a store room. The kitchen is newly fitted and fully equipped, the sitting room/dining area has a chimney. One bedroom is en-suite, both have built-in closets. There is a mature garden, hot and cold A/C, double glazing, and a private well. Price: €525,000. For more information click [here](#).



### Dominican Republic: 1.5 miles from Sosua

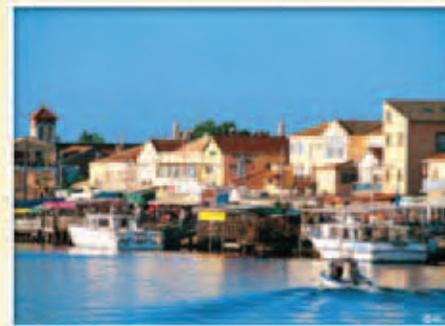


This two-bedroom, two-bathroom villa is in a gated community on the north coast of the Dominican Republic between Sosua and Cabarete. The property has a covered terrace, private pool, tropical garden, and parking for one car. The property is operating as a holiday rental and is on the market for US\$170,000. For more information click [here](#) or visit the rental site [here](#).



### France, Languedoc-Roussillon: Cap d'Agde

At first glance this 57-meter-square duplex house is a little uninspiring but it's all about the location; Cap d'Agde is a year-round Mediterranean resort rich in history dating back 2,600 years. It's very busy in high season (therefore has good rental



potential) but relaxing off-peak. This one-bedroom, one-bathroom duplex is 50 meters from the beach, with ground-floor terrace, private garage, and a private swimming pool. Price: 187,000 euros (including agency fee). For more information click [here](#).



### Nicaragua: San Juan del Sur



The total size of this property falls outside the brief (the total area is 3.65 acres: half developed, half naturally managed), however, the main house is two-bedroom, one bathroom and the rest is tended by a live-in caretaker (caretaker house included). There are also two small cabins for use as a B&B or for private visitors. The property is on a country road leading to two beaches, Majagual and Maderas, and has views from the terraces of the Pacific Ocean. The property has a pretty, private pool set in tropical gardens. Price: US\$350,000. For more information click [here](#). ■



## Global News For The Retiree Abroad



### Bangkok besieged by floods



The fear of flooding in Bangkok has caused visitor numbers to slump. The flooding, and hyped media coverage surrounding it, has marked a significant setback for Bangkok, which had previously enjoyed a year of strong recovery after the 2010 instability. Despite the fact that floodwaters have not hit the main business and tourist areas of Bangkok, hoteliers in the Thai capital are now trying to salvage business for the remainder of 2011. According to *Thailand Tourism Update*, “There are many places you can travel very safely to, and have a normal, wonderful visit to Thailand.” For regular updates on the situation in Bangkok go to: [www.thailandtourismupdate.com](http://www.thailandtourismupdate.com)



### Sustainable tourism strategy unveiled for Central America

Seven countries in Central America have joined forces to launch a sustainable tourism campaign for 2012. Ministers of tourism from Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama declared 2012 “The Year of Sustainable Tourism” at the Central America Travel Market (CATM) in Panama late October. A new website will be created for the region and it will also focus on Maya heritage and sites, ahead of the New Age in the Maya calendar.



### Shanghai tunnel to ease airport congestion

The new Hongqiao Tunnel opened in Shanghai earlier this month, giving improved and faster access to the city’s

### IndiGo launches Kathmandu flights

Indian low-cost carrier, IndiGo is adding Kathmandu, Nepal as its fifth international destination. The airline now offers a daily flight services between New Delhi and Kathmandu (US\$143 return). Other international destinations include Singapore, Bangkok, Dubai, and Muscat.

Hongqiao airport and train station. The two-level tunnel, with two lanes on each level, will complete a ring road around the airport transport hub, and will, according to a report in *The Shanghai Daily*, cut travel distance between the airport and connecting highways in half.



### Hanoi’s attempt to reduce pollution

Authorities in Hanoi are considering banning taxis from certain roads in a bid to ease traffic congestion. The head of the city’s traffic police, Nguyen Duy Ngoc, recently stated that Hanoi currently has more than 100 taxi companies with over 15,000 taxis, but their circulation hasn’t been regulated yet, leading to crowding and congestion. Other radical traffic calming measures being considered include changing school and business hours to ease rush hour congestion.



### India launches its first smoking-free city

Ernakulam, the popular business and tourist hub in Kerala, has become India’s first smoking-free destination. According to State Excise Minister, K Babu the port city is now smoke-free in all public places. The initiative, backed by various residents’ associations, groups, and hotel and tourism businesses, was declared after 18 months of



efforts to control smoking in public places and give people the right to smoke-free air in public places. Ernakulam, which has several visitor attractions including heritage buildings built by the Dutch, Portuguese, English, and local kings, is a premier tourism destination in the southern India state.



### Quick, Curbside Check-Ins



American Airlines is expanding its “Curbside Check-In” service. The service gives customers the opportunity to book and check-in from home, drop their bags curb side, and move directly through the security checkpoint to the boarding gate. Since September, American has rolled-out the service to 28 US airports, including Los Angeles, Dallas/Fort Worth, Chicago O’Hare, Miami, and New York’s JFK Airport. A further 31 hubs will be added by the beginning of November. Curbside Check-in is also available to all international passengers, including those flying to countries that require a visa.



### Oldest Buddhist Pagoda gets facelift



Myanmar is renovating the famed Shwedagon Pagoda in preparation for a major event to mark the Yangon landmark's 2,600th anniversary. The state-run *New Light of Myanmar* reported that renovation work on the 99-meter high (325 ft.) pagoda is underway, with the anniversary event scheduled to take place on a full-moon day of the Myanmar calendar in March 2012. The project includes new tiling of prayer halls and shrines, the installation of lifts at the museum, the construction of a new staircase to the Buddha's Life Museum, and landscape gardening. The Shwedagon Pagoda was built in 588BC, reputedly making it the oldest Buddhist pagoda in the world.



### Need a nap between long-haul flights?



Dubai International Airport has introduced sleeping pods to its terminal offering travellers a chance to rest before flights. The pods are called [SnoozeCubes](#) and include a full-sized bed, touch-screen television, Internet access, and live flight information so users won't miss their flights...unless they're asleep! There are currently 10 pods in Dubai Airport's Terminal 1... available for hourly hire.



### Increasing travel costs predicted

According to Carlson Wagonlit Travel's (CWT) latest forecast, airline ticket prices on flights across Europe, the Middle East, and Africa will see low, single-digit cost increases next year, while hotel prices across each market will differ drastically depending on local demand. Similar cost increases are also expected in the Asia Pacific region and North America. The report also states that the Latin American market is set to see the biggest price increase, with air tickets to rise 5.8% and hotel rates to soar up to 12.2%.



### Easy flying



[easyJet](#), the low cost European carrier, has announced it will open a new base in Lisbon, Portugal next summer. The Portuguese capital will be its 23rd base and will launch on 19 Apr. 2012 with five new services to Copenhagen, Amsterdam, Bordeaux, Venice, and Asturias (Spain).



### Floating Caravans...and it's not even April 1st

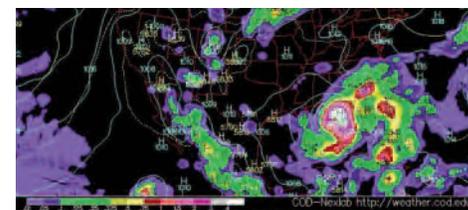


Not sure whether to take your boat or your camper van on your travels...now you don't need to choose! German company, [Sealander](#), has developed an amphibious camping trailer that functions as a mobile

home that can also float on water. The on-land trailer comes equipped with all the facilities you would expect to find in a normal caravan — a cooking and washing-up unit, cooler and heater, and a table and two benches that convert into a spacious sleeping area. And then if you feel like floating on a nearby lake or waterway (high seas not recommended!) the integrated waterproof chassis can be moved in and out of water without even needing a boat slip or trailer system.



### Central America battered by tropical rains



Torrential rains caused by a tropical depression that battered Central America for 10 days, have caused more than 100 deaths in El Salvador, Honduras, Guatemala, and Nicaragua. United Nations aid agencies are increasing their efforts to provide shelter, food, and health care to all areas but particularly the worst hit country of El Salvador, which is facing one of the greatest disasters in its history.

As of the end of October, 56,000 people had been displaced and many are in need of water, food, and sanitation. The situation is also precarious in Guatemala, Nicaragua, Honduras, and part of Belize, which have also been affected by the heavy rains. At present, the UN Office for the Coordination of Humanitarian Affairs ([OCHA](#)) estimates the overall number of affected people to be 1.2 million.

In Honduras, floods have wiped out 64% of existing rice crops, and in Guatemala the UN Food and Agriculture Organization reported that some regions in the country have lost as much as 80% of their crops. The U.N. has launched a US\$15.7 million joint flash appeal with the El Salvador Government; at the time of writing 11% of that appeal had been raised.



## French wines – back at the top of Europe’s crop...



According to the latest estimates by the European Commission, France will be back as Europe’s top producer of wine, after being briefly overtaken by Italy last year. French wine production is expected to be up 11% compared to 2010. Languedoc-Roussillon, a region that we write about often and refer to as “The Other South of France” is united by this one crop. It has the world’s largest extent of vineyards, with vines stretching from the Rhône to the Spanish border. In an effort to diversify and promote its fine wines many growers are turning to organic production. Languedoc-Roussillon has the second largest extent of organic farms in France covering 6.4% of farmland – including 12,500 hectares of vines – and the fastest rate of growth in the country. Some of the most delicious organic wines of the region come from the village of Cessenon-sur-Orb featured in the [Mar. 2009 ORL](#).

## Welcoming, Safe, And Super-Affordable: Discover The Hidden City Of Eternal Springtime

I have found the city that I believe is on track to become one of the world's most sought-after destinations, for both retirement and investment.

It checks every single box on the would-be retiree's list...and it holds out enormous investment upside to boot.

This until-now overlooked destination has it all:

- \* Perfect weather...it's springtime all year long...
- \* World-class health care (5 of the best hospitals in all Latin America are here)...
- \* Very affordable cost of living...and the real estate? It's a screaming bargain, both to buy and to rent...

Plus, the people are friendly, the streets are clean and safe, the infrastructure international-standard...with its restaurants, cafes, galleries, and shops, this place feels more European than Latin American...

Where am I talking about?

**Go here now to find out.**

### Coming Next Month...

Most foreigners who live in Nha Trang, Vietnam – and there are close to a thousand of them – seem to agree on one thing: once they have moved here, they say that they never want to leave. You can be footsteps away from one of the most beautiful bays in the world, or a short drive from some of the prettiest landscapes in Southeast Asia. Life here can be as adventurous – or as lazy – as anyone could desire.

What makes Nha Trang special is that it has so many things in its favor. The beach is wide and sandy, the ocean is warm and enticing, and the bay is enormously appealing. The mountains and rural landscapes invite exploration. However, there's more to a perfect retirement haven than having beautiful scenery; the city has been actively welcoming westerners to its shores since the 1920s and has a foreigner-friendly ambiance that helps even nervous new expats feel comfortable. English is widely spoken and understood and the local people are gracious, industrious, curious, and friendly. The food is delicious and varied...and the weather is comfortable year-round without extreme variations. And, perhaps high on the list of positives is that Nha Trang has one of the lowest costs of living of any city in Southeast Asia – low enough, at **US\$580** per couple, to suit even the most frugal retiree...Many people come to Nha Trang for a short visit or holiday and eventually return here to stay. Nha Trang is a very appealing place to live – for all the right reasons.

Our Asia Correspondents Wendy and David Justice have spent many months living in Nha Trang, and will be reporting in full in December’s issue of *The Overseas Retirement Letter*.