

## Where in the world should I retire?

Written by T. Rob Brown (aka Roberto Chocolate)

Friday, 05 March 2010 15:16 - Last Updated Tuesday, 04 May 2010 18:39

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### **HERE IS AN E-MAIL I RECEIVED ASKING WHERE IN THE WORLD THEY SHOULD RETIRE. MY RESPONSE FOLLOWS.**

Hello Roberto,

What am I looking for? - I wish I knew

We live in Alberta and have some properties on Vancouver Island where we will be spending our summers but as I grew up in UK - can't stand the thought of wet winters - so looking for somewhere for about 3 months every year.

Still really can't decide to buy a place or save the capital and just rent - the advantage is you can go somewhere new every year but on the downside - you are not making a base and building up a new group of friends - so that is the first thing and second where oh where...

WE have just come back from BVI where our son and daughter in live are living for 2 years - it was fantastic but not the easiest place to get to from Western Canada.

So it has to be by the ocean, warm, fairly safe and biggest of all access to good health care.

Are you permanently settled in Panama or do you have itchy feet!!

Thanks for your time

Regards

Carol      Dear Carol,      I lived in North Vancouver for two years - right under the second narrows bridge - I even remember my address; it was 1234 Munster Ave! (I never met the Adams Family however)      I loved BC, but it was too hard to do business with the rest of Canada and New York, so I had to move back to Ontario.

I am never permanently settled. My father was in the Canadian Air Force, so I am accustomed to moving every few years. I never set out to settle anywhere, but needed a base to keep on exploring retirement destinations.

It started with my wife and I, like so many others, wanting to get away from Canadian winters. We had always enjoyed New Orleans, and thought we could live on our boat for the winter down south, so we put down a deposit on a dock space just three weeks before Hurricane Katrina. That disaster cemented in my mind the decision that I would never invest anywhere that could be wiped out by a hurricane, earthquake or a volcano. No-one can afford to lose a huge chunk of their retirement investment in a natural disaster - especially one that you can't buy affordable/ adequate insurance for.

If you want to live in the Western Hemisphere (Which I did, in order to stay closer to family and make it easier for friends to visit) that means the "no hurricanes" decision limits your

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options to the very south of Costa Rica, Panama and northern Colombia. We said "No" to Colombia for the drugs/civil unrest issues, and "No" to Costa Rica for the ridiculous squatter's rights, the lack of retiree benefits, the outrageous importation taxes and general feeling of them not wanting us moving there. Visiting? Yes. Spending tourist dollars? Absolutely! But not to buy land and retire. We personally experienced that feeling when we tried to buy property on the beach. Friends that we had made over the past month literally turned their backs on us when they found out we were planning on buying land there.

Our plan was to do five months in Canada, five months somewhere south, and two months traveling. We did that. Once. Then, after nearly freezing to death in June in Picton and then getting eaten alive by mosquitos in July, we said the heck with the lousy summers Ontario was having, and decided to go back down south. We packed up our dogs in our Honda Odyssey and headed south, stopping at twenty six retirement destinations along the way.

We took a whole month doing it, staying with friends, exploring, taking our time. After 12, 123 kilometers, and 18 border crossings with two large dogs we made to Panama on Dec 23, 2008. That journey is posted on my site under "An Incredible Journey";

After all our years of research, we finally decided to buy a house in Panama so that we could have a winter home; a southern base of operations.

The major reasons why we chose Panama include;

- Excellent medical system with English speaking, US trained doctors and nurses.
- Very good, modern infrastructure (put in by the Americans): Cell phones systems, fast internet, drinkable water, decent roads, etc
- A large expat community made up of mainly US and Canadians and South Americans, and increasingly, some Europeans.
- The relative safety/low violent crime towards foreigners (not low crime for Mexican, Colombian and Panamanian drug dealers who are fighting each other over control of the drug smuggling routes)
- Relatively low real estate costs (NOT DIRT CHEAP. Oceanfront and luxury gated communities within two hours of Panama City are very expensive, but there are some reasonably priced, low-priced housing available (under \$50,000 US\$) in the interior (not the city). There are

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waterfront deals further out from Panama City in the Azuero Peninsula and in Chiriqui Province, near the city of David. Some people love the Caribbean side - I find it too wet and buggy. Construction costs are \$600 - \$700 per square meter, finished, with a swimming pool - MUCH cheaper than Canada.

- Inexpensive cost of living; Compared to Canada, living costs are a real bargain. A retired couple that owns their own home can live quite well on \$1,500 a month. That is going out to dinner once in a while, having a maid and a gardener, etc. You can rent a house for \$500 - \$800 a month in an excellent area. Beer is .49 cents in the grocery store, Lindeman's Bin 222 is \$5.95, and 2 liters of CLOS white (Chilean) wine is \$3.83. A bottle of wine at dinner will cost you \$12 - \$15. Lunch at a fonda (local stand) will set you back \$1.75 - \$2.50.

- Panama uses the US dollar as their official currency - not some wildly fluctuating currency that I couldn't get cashed anywhere else in the world.

- Easy to get your money in and out of the country, with a stable, solid banking system. Over 80 international banks including Scotiabank, HSBC, CitiBank, Barclays, etc.

- No property tax on new construction for five, ten, fifteen years — up to twenty years depending on purpose/use.

- No tax on foreign sourced income, no tax on bank interest (3.75% on my chequing account, if I lock it up for one year 4.25%, three years 5.75% interest.

- Probably the best retiree benefits program available anywhere; With a Pensionado Visa you get a 10 - 50% discount off internal airfares, car rentals, hotels, groceries, restaurants, medical and dental visits, prescriptions, movie and concert tickets, everything.

- Weather: hot - all year around. Temperatures vary by altitude, not by seasons. There are only two seasons here; the dry season (December - April), and what I call the green season (May - November) where everything grows. It rains an hour a day and at night in the rainy (green) season, and you don't have to water your gardens! A swimming pool is an essential item down here, unless you are in the highlands which are much, much cooler (and wetter).

- No hurricanes or volcanos, but we do have some serious earthquakes, especially in the mountains near Costa Rica, but they can happen all over Panama.

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- they have TWO - count 'em, TWO OCEANS within 80 km of each other at the narrowest point (the canal)!!! Over 1,000 islands, all with warm, lightly salted water. Great beaches (NOT Cuba white, but beautiful). Great surfing, scuba diving, snorkeling and world class deep sea fishing.

So those were my reasons. You have to think hard about what YOUR priorities are. Read my article on the site: THE SEVEN 'C's' - it helps define what elements are most important for you.

There is a direct flight from Vancouver to Panama during the peak seasons (December - April) with Air Transat or Nolitours (could be West Jet where you are). They sell all-inclusive packages to The Royal Decameron Beach Resort and Playa Blanca (both close to each other, within 3 kilometers of my house - on the Pacific in the interior of Panama. Take an all-inclusive package - it is cheaper than buying a direct flight - and check it out. Contact me when you have booked and we'll try to meet up.

Many Canadians who are not planning to live here full time are buying a condo at one of the two all-inclusive resorts and letting the resort rent it out for them when they are not using it - a 'lock and leave' situation which might suit your plans. Do you golf? The Royal Decameron has an 18 hole course. Playa Blanca is building the second largest swimming pool in the world - 17 acres - right on the ocean. They are renting sailboats - to sail inside the pool!!!!

As I say on my site, I am not a real estate agent, developer or a broker. I am not 'selling' Panama. I like Panama, and I do get excited when I talk about it, but I have no vested interest in whether you buy here or not. I bought here only because it suited

**MY**

lifestyle - it may not be your cup of tea (couldn't resist the Mother County reference, I'm sorry)

I always suggest that one should visit a destination repeatedly, and rent before they purchase anything. This applies to Panama as well.

Take care Carol. I hope this response helps.

If you are visiting Panama, please drop me a line. I do enjoy getting together with readers when they visit.

Roberto Chocolaté

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