

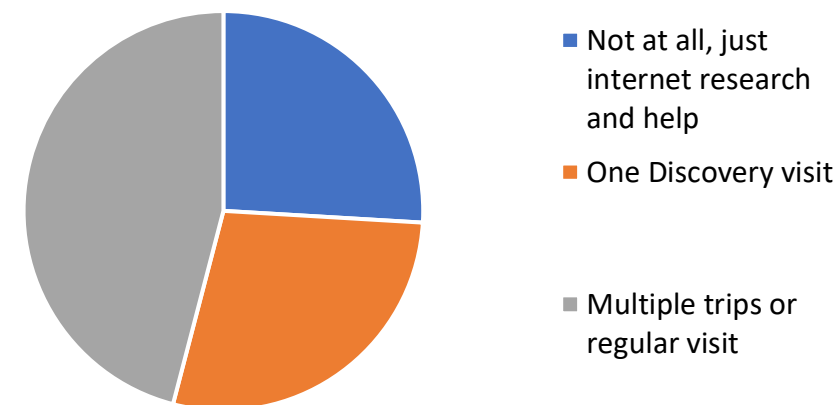
D7 Residency Visa access to Portugal

AGENDA



- Audience: you should find this useful if you:
 - Have taken the decision to move and are planning ahead
 - Are preparing for a visa application
 - You do not know the country well yet and may even be comparing different countries
 - In a rental and unsure of whether your original plan to buy is still the best approach
- The routes to a residency in Portugal
 - EU vs 3rd country nationals
 - Rent vs. buy
 - Residency visa requirements: D7 passive income visa
 - Legal and admin required in rental
 - Using paid intermediaries or DIY approach
 - NHR impact on rental requirements
- Preparation
 - Qualifying criteria
 - Selecting rental area (without losing sight of the future purchase)
 - The role of the Discovery Tour
- Contract types
- Timing and regional factors

How well did the participants know Portugal when deciding to move?



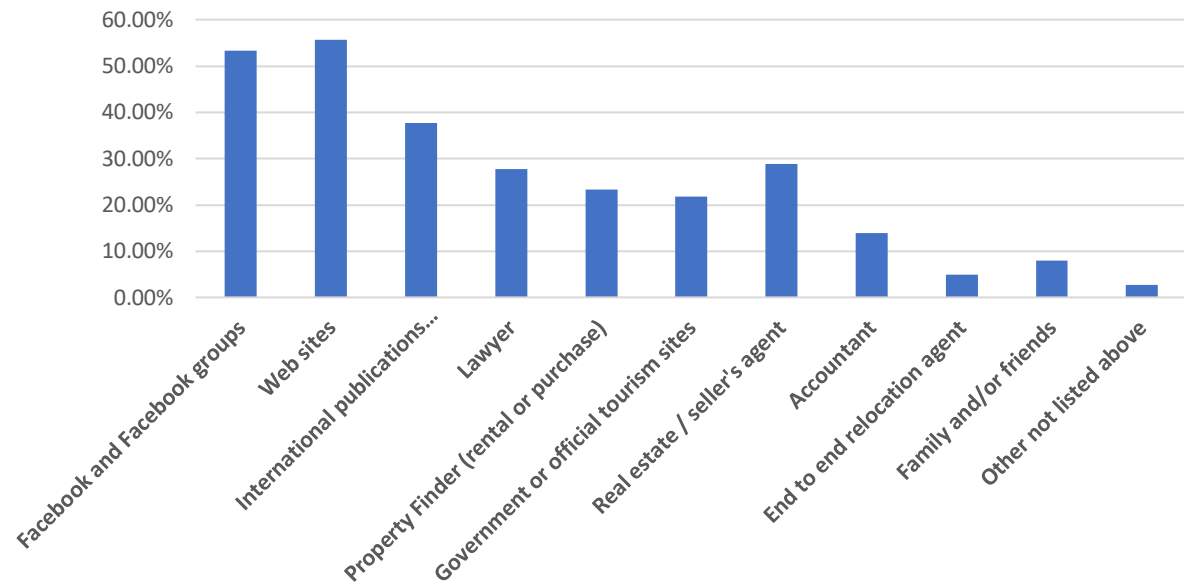


The planning process

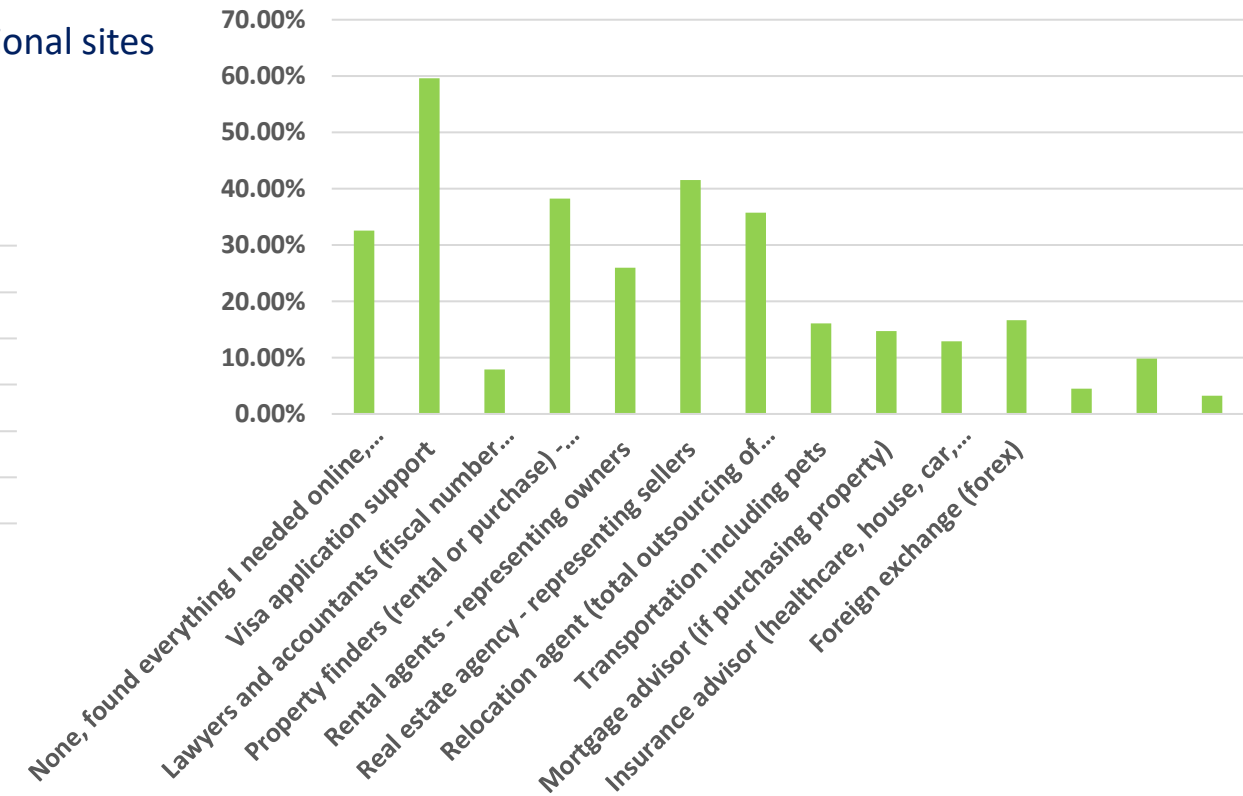


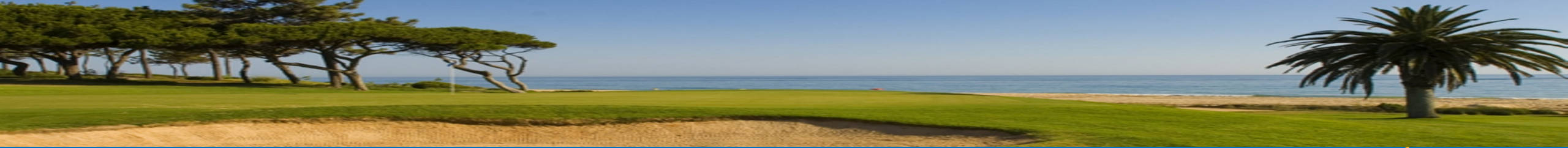
- The role of the Discovery Tour:
 - Planning increasingly important in travel-restricted times
 - Planning should ALWAYS include a definition of key criteria
 - Touring the country is NOT a Discovery Tour
- General to specific: sites such Idealista or OLX, then drilling down to regional sites (where they exist) like Algarve Long Lets
- Use of intermediaries/consultants/experts versus DIY

Resources or Professionals used



What would make the process easier?





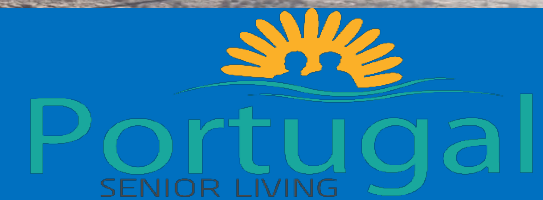
D7 as residency solution



- **What is it ?**
 - Income-based residency visa
 - Can be obtained EITHER via a property purchase with no minimum value OR a long-term residential rental contract
 - Can be combined with tax programs (where applicants qualifies)
 - Application must be done from country of origin
- **What are the challenges ?**
 - Requires gathering different information and data, not all of it easy to understand
 - Covid-19 travel restrictions mean greater difficulty in dealing with matters in Portugal
 - Having to coordinate multiple providers with insufficient knowledge to vet quality
 - Cost: many professionals or intermediaries are charging high (or exaggerated) prices
 - Expats serving fellow expats can charge premiums for the “comfort” of dealing with fellow expat, often much less qualified and experienced than local, Portuguese person
 - Many service providers are local/regional, not helpful when still unsure where to settle
 - Follow-up may be slow, or difficult, or language barriers may exist
 - Portuguese consulates apply rules inconsistently and assistance varies considerably. VFS may be unresponsive
 - Consular requirements actually conflict with other legislation (e.g. the definition/duration of a long-term rental contract)
 - Seasonality: in certain regions will be more difficult to find properties at certain times of the year (Silver Coast and Algarve summer starts, Lisbon in August or December when agents/landlords are on holiday, September/October in student cities such as Aveiro/Covilhã)



The D7 MUST-DO list: www.movetoportugal101.com



Some key information required for the application (to be gathered in country of origin)

CATEGORY A: *These steps cannot be handled by anyone other than you – sometimes with a little guidance*

1. Proof of income, from pensions, investments (some types of real estate income considered)
2. Criminal clearance from country of residence
3. ID, letter of motivation, the application itself (often “vetted” by VFS), etc.

What is required for the application that **MUST** be obtained in Portugal ?

CATEGORY B: *These steps require local expertise – options exist at different prices e.g. www.movetoportugal101.com*

1. Fiscal number (*NIF* or *Número de Identificação Fiscal*)
2. Fiscal representation for all non-EU nationals
3. Health insurance with minimum levels of coverage, and repatriation cover
4. Local bank account, with proof that it has been funded
5. Proof of accommodation, either a residential rental contract usually 12 months or proof of ownership of home, or a TOR (term of responsibility, essentially someone providing an affidavit that you are staying with them)

What else is important but not essential for the visa application ?

CATEGORY C: *Obtained by many who obtain residency, in order to save costs/reduce risk*

1. Forex account – for saving on transfers to a foreign currency
2. Health insurance once residence is granted
3. Tax status such as NHR (low tax regime 10-20% for qualifying income/high value category)

Rental contract types, renter beware and rental etiquette



Types of contracts

1. Local lodging (AL) contracts: sometimes referred to as “Airbnb”: suitable for short lets as they offer less protection for the tenant. Not accepted by many consulates
2. Local lodging (AL) contracts with a term of up to one year. Perfectly possible but these contracts do NOT require “registration” at the Finanças as they are managed differently. They are used by owners because they may be in touristic developments, and pay less tax. Great option for EU citizens and landlords
3. Renewable *contratos de arrendamento*: residential long-term contracts, that should be registered by owner (it’s their responsibility), on which landlords pay stamp duty of 10% of one month, and 28% tax, plus annual tax and HOA/condo fees (where applicable). Usually bilingual and formal
4. Fixed-term *contratos de arrendamento*: the law allows for shorter fixed-terms for specific reasons: buying a home is one of those. Great option for EU citizens and landlords

Things to look out for:

1. Consulates are demanding residential contracts of minimum 1 year whereas you may only need less: navigating this requires local expertise
2. Someone offering you a “D7-compliant contract” for something in which you cannot stay, or which cannot be used as your fiscal residence address, etc.
3. Winter rental contracts with the “possibility” of extending into the summer
4. Landlord or agents asking for excessive payment terms
5. Landlords not offering a contract and not willing to put anything in writing

Think of the landlord and intermediaries:

1. Trawling Facebook, Facebook groups, Idealista and then sending an enquiry stating that you are “very interested” in a property
2. Avoid rental tourism: sending too many requests, and requesting a large number of multiple visits
3. “Selling” yourself or your pets: we are perfect tenants, I am a rental owner myself, my dog doesn’t bark...
4. Demanding rental contract registration up front but not offering to pay for the stamp duty costs
5. Haggling on price: especially making offers without visiting. Demand exceeds supply, especially of visa- compliant contracts
6. Sunday is Sunday everywhere: just because you can only make contact on weekends, don’t expect everyone to answer
7. Calling to have a “chat” and find out more when a lot of the information is on a web site
8. Asking the landlord for an annual contract that will grant you a visa and expecting to be able to cancel (especially if the occupation period is over a busy period such as summer)



About us



- Founded in 2014
- Focus on International Retirement Migration (IRM)
- UK HQ; current destination markets Portugal and Spain; Ambassadors in SE, BR, US, FR
- Multilingual team located in the regions: Algarve, greater Lisbon/Cascais, Porto
- Enquiries from 75+ countries
- Clients from ~ 30 countries
- Many years of experience with NHR, D7 and Golden Visa clients
- ONLY company to work strategically with BOTH rentals and sales, Portugal-wide
- Company tries to help clients with a broad range of budgets:
Rentals from €500 - €4,000+, property sales from €75K - €2M+
- Network of 50+ specialist partners including lawyers, banks, insurance, car importation, etc.
- Network of over 120 local real estate agencies and an in-house search team
- Largest regional long-term rental portfolio www.algarvelonglets.com
- Portugal's largest "rolling" expat survey: Living In, Moving or retiring to Portugal survey



How to find out more about our services



info@propertyfinderportugal.com

PROPERTY FINDER / TENANT / BUYER AGENT: www.propertyfinderportugal.com

RETIREMENT LIVING/IRM/DISCOVERY TOURS: www.algarveseniorliving.com

ANNUAL & WINTER LETS: www.algarvelonglets.com

LUXURY RETIREMENT COMMUNITY: www.luz-living.com

D7 ESSENTIALS: www.movetoportugal101.com

SOCIAL MEDIA: www.facebook.com/algarveseniorliving

LIVING IN, MOVING OR RETIRING TO PORTUGAL SURVEY: <https://forms.gle/nEfVBMjeKZVatrow7>

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