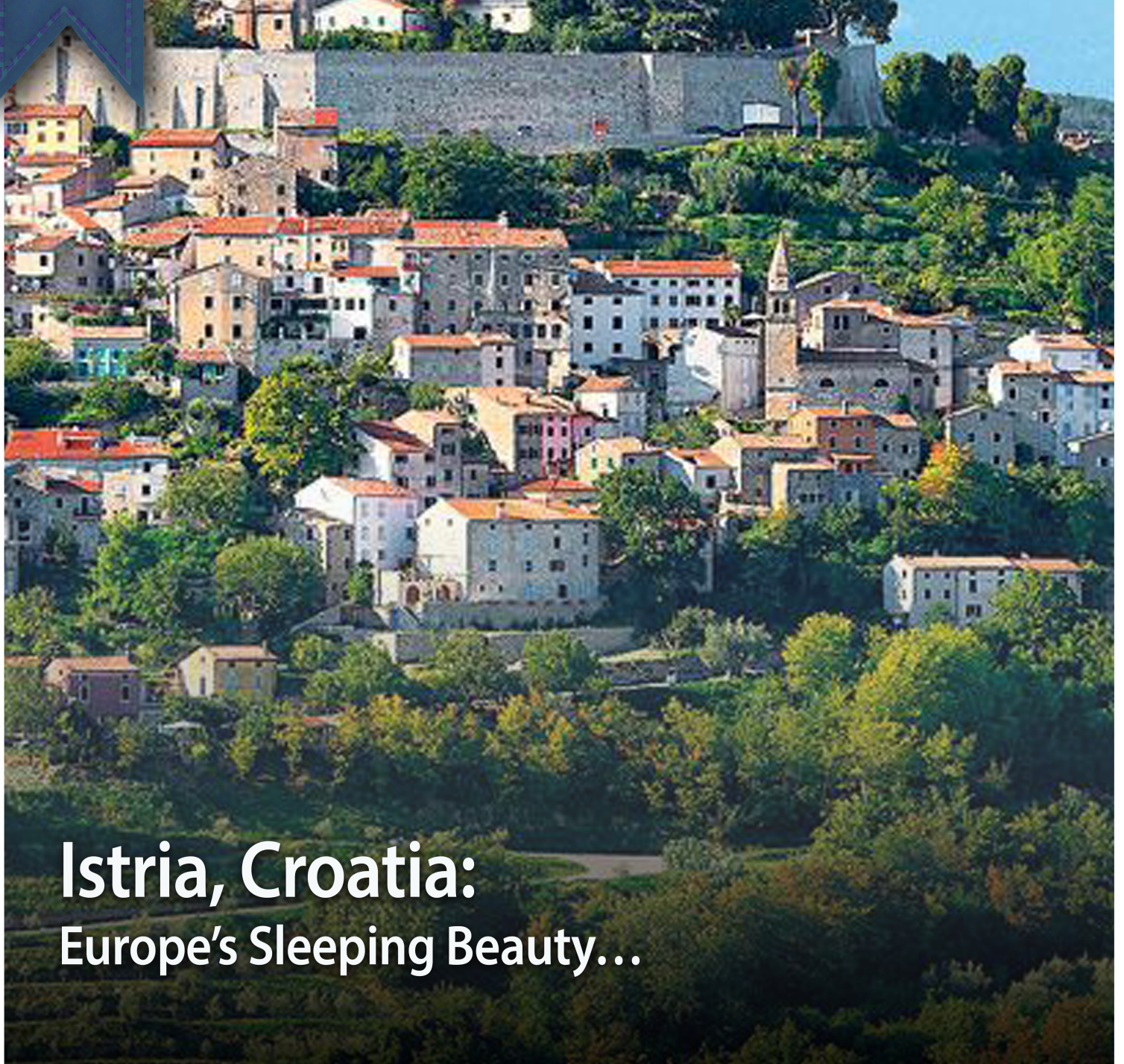




OVERSEAS

Haven Report



Istria, Croatia:
Europe's Sleeping Beauty...



OVERSEAS

Haven Report



Istria, Croatia

An affordable life in the Magic Land

By Roseanna Keats

After curling around the road's hairpin turns the view suddenly opens up...and it's mind-blowing. Stretching out before me lies a crescent bay and the glittering cobalt expanse of the Adriatic. There's blue—and then there's the spectacular crystal-clear blue that seems almost unearthly as it laps Istria's shores. Tacking across the horizon of this sailor's paradise is a flotilla of white yachts. Below, juts out a peninsula on which I spy a little town snuggling inside thick walls. Like a fairy-story illustration, a pencil-thin bell tower rises above a nest of terra-cotta-tiled roofs.

With any luck, this town will deliver another spectacular blue view. This time a glimpse of the sea glinting through an archway that has stood since the days of Venetian rule. I haven't got a painterly bone in my body—the average six-year-old kid produces better daubs. Even so, Istria makes me want to dash to the nearest art supply shop.

It's not only the seascapes that bring on these artistic urgings. The hinterland is equally beguiling: A patchwork of meadows, vineyards and olive groves...rows of little

...continued on page 5

staff

Kathleen Peddicord
Founding Publisher

Kat Kalashian
Editor in Chief

Charles Conn
Managing Editor

Sophia Titley
Editorial Assistant

Hélène Kletochkina
Design Director

If you have queries relating to your subscription, get in touch at:
CustomerService@OverseasLivingLetter.com

For editorial comments and contributions, reach us at:
Editorial@OverseasLivingLetter.com

© Copyright 2018 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, Calle Dr. Alberto Navarro, Casa No. 45, El Cangrejo, 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.

Live and Invest
OVERSEAS

Retire overseas...part of the time

Dear *Overseas Retirement Letter* Subscriber,

Full-time retirement to another country isn't for everyone. Maybe you're not ready to leave your grandkids...or your business...or the life you've known until now...

No problem. You can still reap the rewards of retirement abroad...by retiring overseas part-time.

Follow the seasons. When the snow starts falling up north...head south.

Combine city living with mountain escape. Or small town charms with beachfront retreat.

Soak up Continental pleasures... then retreat to the country life.

This part-time retiree abroad idea makes even more sense if your place back home can be rented out while you're off enjoying foreign pleasures.

Find the retirement haven that complements your situation at home and buy there, too. Again, if you can rent that foreign residence when you're away, your budget becomes a whole lot easier to manage.

Lief and I haven't been able to settle on one...or even two retirement locales. We're planning, therefore, to divide our retirement living among four places: Paris, where we invested in an apartment that we rent out when we're elsewhere; Buenos Aires, where,

again, our someday part-time retirement digs are currently occupied by long-tem renters; the western Azuero coast of Panama, where we'll begin building our eventual retirement beach house later this year; and, finally, Istria, Croatia.

We bought a tumbledown stone farmhouse on the side of a mountain outside the town of Motovun on Croatia's Istrian peninsula four years ago on a whim. We visited, fell in love, and couldn't resist establishing a long-term connection.

When we made the purchase, we didn't realize that it was a good thing we didn't have thoughts of eventually residing in our little stone house full-time.

Croatia, Europe's Sleeping Beauty, as our editor this month, Roseanna Keats, describes it, is not only extraordinarily beautiful, charming, and historic, it's also highly affordable. Its people are friendly. And its cities are safe. In many regards, it's an ideal choice for retirement living.

But there's a problem: Croatia doesn't make it easy for foreign retirees to establish full-time residency.

It's possible (Roseanna details the options in her report) but not easy...and maybe not necessary.

For me, with Istria, it was love at first sight.

Publisher: Kathleen Peddicord
Managing Editor: Eoin Bassett
Graphic Design: Mimi Forde

If you have queries relating to your subscription, get in touch at: CustomerService@liveandinvestoverseas.com

For editorial comments and contributions, reach us at: Editorial@liveandinvestoverseas.com

© Copyright 2013 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, Calle Los Tulipanes, Casa 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.

But would I want to live here full-time? I don't think so.

On the other hand, this still undiscovered region of Europe is the perfect complement to a beach house in the tropics, say... or maybe six months a year back in the States reconnecting with the grandchildren...

Kathleen Peddicord
Publisher,
Overseas Retirement Letter ■



How to keep your balance in a balance-sheet recession

We're in our first-ever balance-sheet recession. This is opposed to a more typical cyclical recession. In a balance sheet recession firms and individuals pay down debt and sell off bad assets.

It's called 'deleveraging', and when everyone does it the financial system stops working properly. Unfortunately economists have little experience with balance-sheet recessions, and few ideas about how to get us out.

So, what's a retired investor to do?

Economists do know how to deal with more common cyclical recessions. They learned the hard way. After the stock market crash in 1929, the government restricted the supply of money, raised taxes and imposed tariffs. The combination of these constricting moves converted a Wall Street panic into Main Street unemployment. In retrospect the government unwittingly turned a cyclical recession into the Great Depression.

After the tragedy of the 1930s, new economic theories developed by Keynesians and monetarists showed better ways to deal with cyclical recessions. In a cyclical recession government should

lower interest rates, expand the money supply, increase spending, and so on. Because of our clearer understanding since the 1930s the U.S. has had only mild recessions; even better, in the past 30 years or so we've had nearly constant growth.

Now in early 2009 we're seeing something new, a balance-sheet recession, started not by a stock market crash or cyclical downturn but by failures within the financial system. Economists have never spent much time working on balance sheet recessions.



And for good reason. We've only seen a balance sheet recession once, in Japan in the 1990s. Japan proved unable to deal with the problem, and we've learned little from their experience (see sidebar on page 4).

Faced with this first-ever balance-sheet recession governments

around the world have lowered rates, eased money supply, and so on, as if dealing with a cyclical recession. These steps may help or not—most people think they will, eventually—but at least they'll do little harm.

The point is, if economists and bankers wonder what to do, how are retirees to know?

Answer: We can operate at a micro rather than a macro level.

For one thing we can wait to make major decisions. The government doesn't have that luxury. The government must try to jump start the economy again. They try out an idea, see if it works, then try another idea. We expats can continue with our status quo. For example, if we rent, we can continue to rent rather than buy. If we own, we can enjoy the house as it stands rather than remodel. If we're still working we can stay on the job a bit longer. In every case we can postpone major decisions until we get a clearer picture of what's around the corner.

We can also cut spending. Again, the government doesn't have that

continued...

Japan's lost decade

The Japanese faced a balance-sheet recession in 1990. But their rigid social and economic culture prevented them from accepting write downs, layoffs, loss reserves, and bankruptcies. The Japanese prefer slow, gradual changes in their ongoing operations. They excel at making small improvements. So instead of taking radical action the Japanese froze.

Unfortunately small, gradual change failed to end their disastrous balance-sheet recession. The 1990s is now called Japan's lost decade. In desperation after 11 years, in 2001 the Japanese elected a reform president, Koizumi. Following true Japanese form, his reform government reformed nothing. Koizumi did appoint a skilled technician to give banks some breathing room, and banks eventually recovered. That is, he made the incremental changes Japanese do so well. Even so, today the Japanese stock market remains anchored at around 9,000, after reaching an all-time high in December 1989, of over 38,900.

The upshot is that the Japanese experience offers few guidelines for today's balance-sheet recession. We've had to strike out in new directions, without a compass, to find solutions. Henry Paulson and Ben Bernanke, and others, have already changed courses several times, taken radical steps in an effort to try and find out what works. That's the American way. And eventually, one of the radical changes will become the solution.

luxury. On a macro basis cutting spending makes matters worse. But you and I operate at a micro level. Reduced spending now will help insure enough retirement income in future years.

I've talked in these pages about the 4% rule: Spend 4% of your net worth each year and, assuming you're properly invested, you should have plenty of cash for your retirement. See, for example what Charles Schwab says about [here](#).

The 4% rule has become almost a cliché on the retirement boards; most folks blindly accept the premise. But here's a little-known wrinkle about it: You can help the rule along by cutting spending in a downturn and increasing spending in an upturn. The math

gets complicated, but essentially you want to cut back spending to minimize the sale of stocks at their lows. Wait and sell stocks later. In the long run you'll be better off.

What's the best way to cut spending? You'll likely have a tough time cutting day-to-day luxuries. Spending money on simple pleasures such as dinner at a favorite restaurant, or a first-run movie ticket or coffee with friends at Starbucks make our lives so much richer. But you'll have an easier time saving on big-ticket items. Postpone the cruise, the trip around the world, the new car, and the major gift to the kids.

Let's just hope we don't have to postpone too long. ■



continued from page 1...

beehives...carefully-tended gardens where trees are heavy with ripening cherries, figs and walnuts.

Nature's bounty

If you're seeking back to nature experiences, the land overflows with medicinal herbs that grow wild—rue, mint, sage, rosemary, juniper and elderberries. Along with wild asparagus and its famous truffles, it's also a forager's heaven for dozens of edible mushrooms such as boletus, chanterelles and ceps.

Hunting has also long been a part of Istrian life. Hares and rabbits, pheasant, partridge, quail, and other game birds, all find their way into the home and onto the menus of countryside inns.

Swallows perform an aerial ballet around Tuscan-style stone farmhouses; butterflies settle on walls dripping with honeysuckle; cats drowse on sun-splashed doorsteps. And high in the hills, hidden behind medieval walls, are yet more toy-town settlements of fountains, chestnut trees and frescoed churches...

Where magic is still affordable

I defy you not to fall in love with Istria. The westernmost region of Croatia, it's like stepping into the most gorgeous film set ever. You soon get to understand why the ancient Romans called it *Terra Magica*—the Magic Land.

Some locations are extra special. Trouble is, properties in most of these places—certainly in Europe—are usually unaffordable. Strictly for the rich and famous.

In Tuscany or in the hills above the French and Italian rivieras, it's almost impossible to find cottages you could move into for under US \$200,000. Yet you can in Istria.

Here, in a medieval village renowned for its film festival, a small, renovated cottage with lookouts over a valley and vineyards is on the market for US\$113,000.



Motovun, Croatia

Perfect for your own vacations—or to let to other vacationers—a one-bedroom apartment in a new seaside development with a pool is US\$146,000. And yes, you do get a lookout over the shimmering sea.

Renovation projects start at just US\$42,000. And that's not for a tumbledown pile of stones or a shepherd's hut—rather it's a two-story stone house with over 1600-square-foot of living space and a plot of land: Bags of potential for a B&B.

Unspoiled, uncrowded and with no over-building. If you're in the market for a vacation home, or part-time living, Istria has much to tempt you with. Even in the global downturn, you won't find prices like this in Tuscany—or along Europe's more famous Rivieras. And despite recent changes to residency rules for non-Croatians that have caused some confusion—more on that later—Istria still has bundles of potential.

Europe's secret riviera

Don't feel discomfited if you have never heard of Istria. Many Europeans couldn't pinpoint it on a map either.

I'll explain exactly where it is in a moment, but why Istria in the first place? After all, there's a lot of world out there. Investment buys are one thing, but many popular second home destinations are much nearer to the States.

That's true. But imagine visiting a Roman amphitheater for opera under the stars. Or knowing that summer will deliver film festivals, costumed knights on horseback and dancers performing under ancient castle walls...

You won't be swimming in the Adriatic in winter or early spring. But you could be sailing, fishing, playing tennis and golf. Or going pony trekking or cycling along trails scented with wild herbs and lavender.

My idea of relaxation? Well, that's sitting at a pavement café

Continued...

under a gaily-colored umbrella—a café where the espresso coffee is served strong, black and in the tiniest of cups.

Or sampling the crisp white wine: In a blind tasting, you would swear this blossomy nectar was Italian.

Istria's larger seaside towns are so stylishly cute, that it's no real surprise to see street signs labeled *vias*, *piazas* and *lungomares*. Or menus featuring pizzas and smoke-dried hams, seafood risottos and pasta sprinkled with white truffles. Or indeed, fashion-conscious locals all invariably wearing shades.

But there's no mystery about it. Istria's heritage is (in part) Italian. Some real estate agencies and vacation companies market it as 'the new Tuscany', but I think it's even better.

For one thing, Istria is a lot greener and less manicured. Its roads and

villages aren't choked by coach-tour crowds. And whether you think this is good news or not, you don't encounter many nude sunbathers on Tuscan beaches.

As the UK *Times* sniffily warns its readers: "Be aware this coastline (Istria) is among Europe's most popular destinations for naturists. Every day busloads hurtle south from Munich or Stuttgart, eager to rip off the lederhosen and expose every inch of Teutonic flesh to southern European elements."

They're quite right. But long before Yugoslavia's break-up, Croatia attracted naturists from all over Europe. Yes, even during Communist times. And while it's true that Germans are probably the world's most eager practitioners of naked camping, many Dutch and Scandinavians aren't shy about it either.

Another thing to note: Although Istria is a beautiful land with

dramatic seascapes, sandy beaches aren't one of its attractions. With the exception of a bit of sand at Medulin, beaches (nudist or otherwise) are pebbly, stony or downright rocky. But that applies to the whole of Croatia's coastline too.

So where is Istria?

Before explaining more about the property market, the best places to target—and also how to go about buying here—some background.

Now part of an independent Croatia, Istria is the country's westernmost region. A peninsula surrounded by sea on three sides, it dangles into the intense blue of the Adriatic. Look at a map and it resembles a tiny heart-shaped emerald.

Istria covers 1,342 square miles—that's tiny—and driving from north to south takes less than two hours. But although its interior can often feel deliciously remote, few settlements are more than 30 miles from the coast.

Even so, thanks to the delights packed within its borders, Istria receives over a third of all Croatia's holiday-makers. Italy and Austria are within easy driving distance, and summertime weekends bring an influx of sun-seekers from Croatia's capital, Zagreb.

It's also increasingly popular with British holiday makers. The budget airline Ryan-Air flies to the Istrian city of Pula from London Stansted. EasyJet flies from



Continued...

London Gatwick and Bristol to Split (further along the Croatian coast). There are also budget flights to Trieste and Venice in Italy, both an easy drive, or bus ride, from Istria.

Europe—and its vacationers—are on the doorstep.

Home to only around 206,000 inhabitants (4.65% of Croatia's total population according to the last census), Istria shares a land border with the former Yugoslav republic of Slovenia. One maritime neighbor is Italy—Venice is only 90 minutes across the Adriatic by hydrofoil.

I have to admit that I've never managed it. However, it's said that on the clearest of days, the sharp-eyed can see Venice.

Along with dry and warm summers, the region gets an average number of 2,400 annual sunshine hours. Winters are mild and pleasant—and although you can expect some rain at this time of year, snowfalls are rarely experienced.

From an Italian past to an E.U. future

Istria has a tangled history of invasion and occupation. The Venetians bequeathed much of the architecture and the Austro-Hungarian Empire left it with a taste for goulash, apple strudel and other calorific pastries.

After the First World War until the end of the Second, Istria's people

came under the Italian flag. After that, the region became part of Tito's Yugoslavia—as did the rest of Croatia.

Although Yugoslavia was communist, it was soft communism. Marshal Tito encouraged western European holiday-makers to come and spend their cash while soaking up the sun.

As everyone undoubtedly knows, the 1990s brought war to the Balkans, Yugoslavia broke up and tourism died a death. But although there was fighting in Croatia, it barely affected Istria. All the real conflict happened hundreds of miles to the east.

Now tourists are coming back—and in increasing numbers. What could further send property prices shooting upwards is Croatia's entry to the European Union.

It's expected that accession talks will be finalized by the end of 2009. If the E.U.'s 27 current members agree to ratification Croatia should be a full member by 2011.

Tourism potential

You may have come across Croatia's tourism marketing slogan: "The Mediterranean as it used to be." Although high-priced and over-touristy Dubrovnik makes nonsense of the catchphrase, in Istria, that promise still holds true.



Scuba diving near Pula.

With their wooden boats, nets and stone jetties, its fishing villages are for real, not some tourist pastiche. The mostly Catholic locals still make pilgrimages to pray at the tombs of mummified saints and ancient castles crumble away in the sunshine. But although cultural delights abound, Istria isn't a museum piece trapped in aspic.

Although traditional sea and sunshine vacations remain a huge attraction for many, they're not the only draw. Enjoying four distinct seasons, it's rebranding itself as a green, eco-friendly gastronomic paradise. The keywords are 'quality tourism'.

Add in the huge potential for yachting and nautical vacations and it's understandable why the World Travel and Tourism Council (WTTC) predicts a healthy future for Croatia—and remember—Istria is the jewel in its crown.

The global economy has taken a downturn, but people are still traveling. Certainly to Europeans, vacations are vitally important.

If you're thinking of investment, it's worth looking at the 2008 data

Continued...

compiled by the WTTC's number-crunchers. GDP growth for Croatia's travel and tourism sector is expected to be 6.4% in 2008 and to average 7.1% per annum over the coming 10 years. You can read the full report [here](#).

Croatia's Central Bureau of Statistics reports that between January and October 2008, the country as a whole received over nine million foreign visitors.

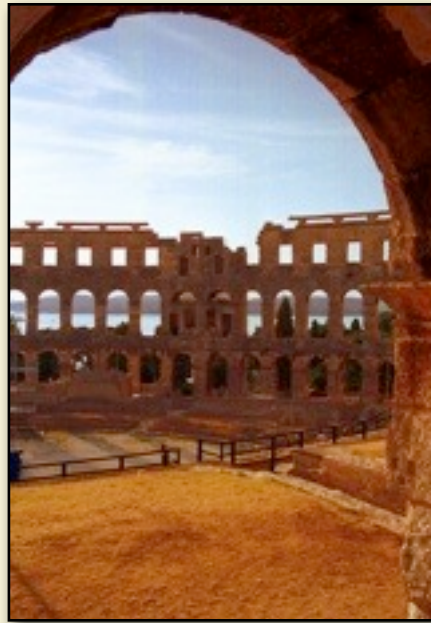
Residential market overview

Croatia (Istria included) hasn't suffered the same drastic property devaluation as in the U.S., the U.K., Spain, Ireland and other speculative bubble markets.

That said, there has been a slight correction. The most recent (October 2008) index from [Centar Nekretnina](#) indicates prices in the capital, Zagreb, have now stagnated. On a year on year basis, they have fallen 0.4%.

Along the Adriatic coast, prices to October show an annual increase of 7.6%. But they have hardly moved since April, and fell 0.5% in October.

October's Croatian Real Estate Newsletter shows house prices on the Adriatic coast averaging US \$2,442 per square meter. For apartments, it's US\$2,705 per square meter. However, search around and you'll find good apartments, often with sea views, for US\$2,286 per square meter. To provide some context, Zagreb's



Amphitheater in Pula

figures were US\$2,494 per square meter for houses and US\$2,832 per square meter for apartments.

Bear in mind these are only averages. Although things are improving, reliable property statistics aren't as widespread as in more mature European markets. Prices vary enormously, even for similar properties. Some are way over-priced, so never buy the first thing you see.

Croatia's currency is the kuna, but in Istria and elsewhere in the country, properties generally get listed in euros. I've calculated them on an exchange rate of one euro to US\$1.27 dollars. Kuna prices are taken on an exchange rate of one kuna to US \$0.176 dollars.

Places and prices

Istria's coast attracts the strongest foreign demand. Buyers generally seek the modern, but there's also an appetite for older properties in the

characteristically medieval centers of seaside towns such as Rovinj.

Istria's inland hilltop towns also draw in buyers, as well as visitors who want a different experience to the traditional bronzing-on-the-beach vacation.

The peninsula's south and west coasts are far more developed than its east. So if you're thinking of buying property as a buy-to-let, keep this in mind.

Almost on its southern tip, Pula is Istria's largest settlement—and where the regional airport is located. Up the west coast from Pula are small harbor towns and villages whose architectural legacy dates from when the Doges of Venice controlled the coast.

Because of the terrain, the only sizable resort on Istria's east coast is Rabac. Until reaching Lovran and the start of the Kvarner Riviera, it's a seascape of sheer cliff drops with few settlements.

What's on offer on the coast

Pula: Although Pula isn't Istria's prettiest settlement, it has some impressive Roman remains including the Arena; a spectacular amphitheater that once hosted gladiatorial bouts. A film festival and big-name classical music and rock concerts are held here in summer.

With around 63,000 inhabitants, Pula is as close as Istria gets to a

Continued...

big city experience. However, most tourists only visit on day trips.

Away from the city bustle, Stinjan is practically a northern suburb of Pula. Pebble beaches, pinewoods and coves make it more appealing to vacationers.

Leisure opportunities include boat trips, diving and cycling. Offshore lie the Brijuni (Brioni) Islands—now a national park, but once the private fiefdom of Yugoslavia's Marshal Tito.

Looking at tourist rental prices for 2009, nightly rates for Stinjan apartments sleeping two people mostly go from US\$47 to US\$75, depending on season. Units sleeping four are from US\$61 to US\$92.

Such rental rates are typical for most Istrian resorts.

Croatian Sun have a two-bedroom, 60-meter-squared apartment plus parking space in a new development. A restaurant, bars, shops and other services are nearby. It would suit yachties—the marina is only a couple of hundred yards away. Price: US\$171,000 (www.croatiansun.com).

A five-minute walk to the beach, BBM agency has a fully furnished studio. At only 28 meters square it's small, but centrally located and comes with a parking space. (Parking in Istria's resort towns is often difficult in summer.) Price: US\$68,500 (www.bbm-agencija.com).

Medulin: On the peninsula's southern tip, eight miles from Pula airport, Medulin boasts a rare sandy(ish) beach. Although quiet in winter, summers buzz. The town's population is around 1800, but with holiday homes, hotels and camp-sites, there's capacity for something like 17,000 tourists.

Arcing around the resort—a former fishing village—is Medulinski bay. Indented with small coves, it stretches for 26 miles and offers vistas of nine tiny islets.

Classical music concerts take place in summer. There are about 40 restaurants and numerous sports facilities including tennis, beach volleyball and horse-riding.

Rovinj: Archways, stone stairways, Venetian winged lions and sea view belvederes. A spider's web of cobbled alleys and hidden courtyards. A harbor with a pink clock-tower, terraced cafes and enticing fish restaurants.

Above Rovinj's tightly-packed red-tiled roofs soars St Euphemia's cathedral. Its bell tower is almost 200-feet high and visible from many miles distant. St Euphemia was reputedly martyred by being thrown to the lions in Constantinople's Roman arena and legend tells that the saint's body was miraculously washed ashore here in a stone sarcophagus.

Of all Istria's coastal towns, Rovinj (Rovigno in Italian) is my personal favorite. It's almost like a



Rovinj, Croatia

piece of Venice that somehow drifted south. If there's a more picture-perfect small settlement along the entire Adriatic, I haven't yet found it.

Snuggled down on a circular peninsula, its medieval quarter was once a separate island. However 18th century engineers added it to the mainland by filling in the narrow channel that lay between the two.

Now with almost 15,000 inhabitants, Rovinj is very livable. Unlike some settlements, it doesn't hibernate in winter. Most locals live in the town's modern part, which is 15-20 minutes walk from the harbor.

Modern Rovinj is attractive in its own way, and some tourists choose to rent here. Family houses and low-rise apartments come with neat gardens of flowers and cherry trees. Restaurants have a neighborhood clientele.

It's a picky visitor who doesn't adore Rovinj. Along with offering all kinds of water sports, it makes a wonderful base for exploring Istria's medieval hilltop towns, Pula with its Roman remains, and even a day trip to Venice by catamaran.

Continued...

Porec: North across fjord-like Limski Bay, Porec is Istria's largest resort. Its picturesque old town also huddles on a little peninsula like a sleeping turtle. Porec gets taken over by summer's tourism crowds, but it bears no resemblance to the lager-lout tourism of the Spanish Costas and some Greek islands. Like in Rovinj, the townsfolk—around 17,000—mostly live outside the historic center.

To touch the past, visit the ruins of the Roman forum. And with its dazzling Byzantine mosaics, the Basilica of Euphrasius is listed as a World Heritage Site. Wafting out enticing scents of fresh seafood and smoked hams, appealing restaurants lie off the old town's pedestrianized and marble-paved main street.

Whether it's a jazz session, an art festival or the gastronomic Istrafest, there's always something going on in summer. Last year, the price for a meal at the Istrafest was just US\$3.50. For US\$1.40

Within three minutes walk of the waterfront at Porec, Consiliator agency has a two-bedroom, 52-square-meter apartment for US\$140,000 (www.consiliator.hr).

In a modern residential area, Adriatica have a range of new, quality apartments. A 10-minute downhill walk to the waterfront, they range from 58 to 113 square meters. Prices range from US\$180,000 to US\$251,000 (www.adriatic-group.com).

you could wash it down with a glass of Istrian wine.

In Varvari, two miles outside Porec, is a ground floor apartment of 50 square meters with Adriatic views. Less than two miles from the sea, it includes a small garden and parking space. The price is US \$146,000 (www.croatiansun.com).

There is also a new development of one and two bedroom apartments, 500 meters from the sea. A mile from the old town, units range from 54 to 65 square meters. All ground floor apartments include a garden in the price, which ranges from US \$98,000 to US\$158,000 (www.adriatic-group.com).

Novigrad: This is another historic harbor settlement with a lovely old walled town on a peninsula. More cobbled lanes, Venetian-style houses and ornate churches ...more pebble beaches and small coves. Again, modern areas spread either side of the old town.

A two minute stroll from Novigrad's new marina and the beach, Croatian Sun have new one, two and three bedroom apartments with sea views and parking spaces ranging from US \$128,000 for a one-bedroom, 43-square-meter apartment to US\$260,000 for a three-bedroom, 81-square-meter apartment (www.croatiansun.com).

Rabac: Although it only has around 1,500 permanent inhabitants, Rabac is Istria's best-known east coast vacation spot. Looping

DRIVING

U.S. citizens in Croatia for tourism or business may use a U.S. driver's license for up to three months, the same amount of time as you're allowed to visit visa/permit-free.

With approved temporary or permanent residence, you may continue to use a U.S. driver's license for up to twelve months. After that, a Croatian driver's license must be obtained from the local police station.

Note that the U.S. Embassy warns that the police will hang on to your U.S. license. You'll also need a doctor's affidavit, not older than six months, saying you have the mental and physical ability to drive a motor vehicle.

around an old fishing village and harbor, the town has welcomed visitors since the mid 19th century.

Four pebbly beaches, warm crystal waters—and a long promenade winding around a jigsaw puzzle of hideaway coves and inlets. It might not be your thing, but Rabac's Summer Festival is a major draw for young visitors. On five different dance floors, international DJs play everything from techno and house through to rock/pop and disco.

With a partial sea view, 500 meters from the water's edge, you can find a one-bedroom fully-furnished apartment. On the ground floor, the 48-square-meter unit has a parking space included in the price of US\$95,000 (www.alea-nekretnine.hr).

Continued...

Also in Rabac are six new apartments varying in size from 54 to 98 square meters, priced from between US\$113,000 and US \$170,000 (www.adriatic-group.com).

Istria's inland gems

Motovun: Perched on a hill, with woods and vineyards below, Motovun is the best-preserved of Istria's walled medieval towns.

I never counted them, but the 1,052 steps that lead to the top of the hill and Motovun's Venetian town square are said to form Istria's longest 'staircase'. It would keep you fit, but thankfully you can drive up.

At the summit is an acropolis town from the Middle Ages—one of towers, gateways and palaces emblazoned with faded coats-of-arms. Fourteenth century Venetian stone lions guard the town gates and its church of Saint Stefan was designed by the Renaissance architect Andrea Palladio.



City Gate, Motovun

Enticing over 20,000 people, most of whom stay in an eco-camp below the town, Motovun stages an international film festival every July. Around 60 independent films—mostly avant-garde European—are shown at various locations around town. It's not Cannes, but this year, notorious film director Ken Russell (*Women in Love*, *The Devils*) turned up.

Don't expect movies for the mainstream. Offerings have included a German/Mongolian production called the *Story of the Weeping Camel*, *Wristcutters: the Love Story* and *Rusalka*—a Russian tale of a girl who hangs out with a legless woman, dyes her hair green and falls in love with a guy selling plots on the moon.

But Motovun is a place of tradition too. On Ash Wednesday, men compete in a medieval Lenten game that involves throwing wooden bats as close as possible to ox horns.

Thanks to its white and black truffles, Istria has been described as 'the Klondike of the culinary world'. The forests around Motovun are a particularly lucrative hunting ground—going price is around US \$12 per gram. Every fall, hundreds of truffle hunters and their sniffing dogs trawl the woods for this buried treasure.

The truffle 'seasons' run from October to January for the white variety; May to November for the black. Delicious dishes and combinations are to be found, like

At the foot of the old town is a spacious seven-bedroom, two-bathroom country house. The 645-square-meter property has three terraces with views of Motovun and the surrounding countryside. There is also room to install a pool. It's going for US \$394,000 (www.adriatic-group.com).

A 357-square-meter house in the town center is habitable, but would benefit from modernization. Its size could provide an opportunity to separate the house into apartments. Price: US \$628,000 (www.kvintet.hr).

Dating from 1815, is a fully restored 200-square-meter stone house with a view over the old town. the two-bedroom, two-bathroom property sits on land of 65,000 square meters next to Motovun's planned new golf course. Price: US\$380,000 (www.damen-croatia.com).

At the top of Motovun's hill is an attractive small cottage. Fully renovated, the 52-square-meter, one-bedroom property has sweeping views over the surrounding valley. Price: US\$113,000 (www.croatiansun.com).

fritaja (scrambled eggs) with truffles; scampi carpaccio and octopus with truffles; *fuzi sa tartufima* (hand-rolled pasta drizzled with truffle oil and topped with shaved truffle and parmesan cheese); baby beef tagliata, or crusted lamb cutlets with truffles.

Continued...

You can have truffle ice cream, but a favorite way to finish a meal is with sheep's cheese, honey and truffles.

Groznjan: Above the Mirna valley, Groznjan is another 14th-century Venetian fortified hill town. A century ago, its crooked lanes were home to around 1,600 people; another 4,000 lived in the surrounding countryside. But by 1956, two-thirds had emigrated. Only a handful of families remained within Groznjan's walls.

In 1965, Tito's government took action and saved Groznjan by turning it into an art town. Artists and sculptors from across Croatia and the neighboring region of Slovenia—then also part of Yugoslavia—were invited to move in. Renovating the buildings, they prevented the almost deserted town from crumbling into complete ruin.

Looking at Groznjan's renaissance today, you wouldn't guess it had been in serious decline. The artists have now been joined by musicians too. Summer brings classical concerts, jazz, painting exhibitions, workshops and other cultural events. At least 20 private galleries and studios hold exhibitions.

One property that would make a fantastic holiday home is a renovated and fully-furnished original stone house, with 110-square-meters of living space, back yard and private parking. In an elevated position, it has wooden beams and exposed stone on the walls. There's a big bathroom, a new kitchen and each bedroom



Groznjan

has its own LCD TV. Equipped with gas central heating and air-conditioning. Price: US\$291,000 (www.damen-croatia.com).

But shop around and make inquiries. A similar sized Groznjan property by private sale is US \$197,000 (www.stanovizagreb.com).

In nearby Buje, another hill town, there is an attached house with a sea view. Partially renovated, the 88-square-meter property is less than three miles from the coast. Built in 1900, it has water, electricity, a telephone connection and an asphalt access road. Price: US\$109,000 (www.adriatic-group.com).

Svetvincenat: The medieval town of Svetvincenat is only just starting to be discovered by tourists. Maybe that's because its name doesn't trip easily off the tongue!

Sveti means saint in Croatian. The town's dual Italian name is San Vincenzo, so it's easy to figure that it was named in honor of Saint Vincent.

The town square is the venue for a traditional summer festival of

dance. Grimani Castle hosts the Istra-Etnojazz festival—and in July there's a day given over to the selection of 'the most beautiful goat'. The local art group also organizes exhibitions. At the end of fall, Istria's best winemakers present their offerings at the Festival of New Wine.

Grimani Castle is linked to witchy happenings. In the 17th century, a local woman called Marija Radoslovic was accused of sorcery. After being tortured, she pleaded guilty and was burnt at the stake in the castle courtyard. However, it's said the real reason was to avoid scandal. Marija's romance with one of the aristocratic Grimanis was an inconvenience.

Around the corner from Svetivincenat's main square. A 65-square-meter renovated apartment is being sold as "roh bau" (rough finish). Price: US \$114,000 (www.croatiansun.com).

Just outside the old town is a recently restored four-bedroom stone house. The 213-square-meter property has an adjoining one-bedroom guest cottage and sits on a plot of almost 3,000

Continued...

square meters. This comprises a large garden and small wooded area. Price: US\$501,000 (www.consiliator.hr).

Tar-Vabriga: Tiny Tar and Vabriga are very close to the sea and the coastal towns of Porec and Novigrad. Once two separate villages, they're now the joint settlement of Tar-Vabriga.

You'll have to check for yourself, but it's said that the tower of Tar's St. Martin church offers a clear day view of Venice on the opposite side of the Adriatic.

At Martinmas, which takes place in November, the church holds a traditional service to bless the young wine from surrounding vineyards. After a solemn mass and a procession there are lots of liquid celebrations.

Marketed as 'Tuscan style' we found two semi-detached villas with a sea view. Both three-bedroom homes are 178-square meters and include terraces, gardens and storage rooms. Both have space for a swimming pool. Price: US\$406,000 each (www.dreamcroatia.com).

Also in this vicinity is a renovated stone cottage in the village of Rakovci. The 60-square-meter, two-bedroom cottage has countryside views and a 45-square-meter covered terrace. Shops, banking, restaurants and bars are one mile away in Baderna. Porec and the beaches are a 15-minute drive. Price: US\$164,000 (www.dobarglas.com.hr).

Legalities, taxation and the buying process

Foreign citizens must obtain approval from Croatia's Ministry of Justice to purchase property.

Permission is normally granted provided a reciprocity agreement exists between Croatia and the country where you hold citizenship. This means if a Croatian can buy property in your home country, then you can acquire property in Croatia. There are no problems for North Americans.

There are two ways to buy, either privately or through company formation. Individual circumstances differ, so seek expert legal and taxation advice before deciding how to proceed.

Private Purchase: Best for individuals buying a vacation property, or as a long-term investment. If not your principal residence, you need to hold a property in excess of three years to avoid Capital Gains Tax.

Prospective buyers must apply to the Ministry of Justice for permission to purchase. Approval can take from several months to a year. However, it's possible to complete purchase before permission is granted. If it's then refused for any reason, you can still purchase through a company formation.

One disadvantage to buying as an individual is the 22% VAT on all new developer-built properties constructed after January 1, 1998.

Company Purchase: If you intend to rent your property, you'll need to set up a company. It generally takes two to four weeks. Start up costs, legal fees, VAT registration and initial basic capital of 20,000 kuna (US \$3,500) are approximately US \$4,500 in total. After incorporation, the initial capital is the company's (yours) to pay for company expenses. You will obviously need to open a Croatian bank account.

The advantages of buying through a company are:

- Approval for purchase by the Ministry of Justice is not required.
- You can reclaim VAT paid on new-built properties.
- If you sell the property within the first three years, profits aren't subject to standard Capital Gains Tax (25%). However, the company is still liable to a tax of 20% on any profits made.

However, Croatian tax law allows for deductions for maintenance as well as depreciation of buildings.

Additional costs

There is 5% RETT (Real Estate Transfer Tax) on the value of the contract when buying a property built before December 31, 1997. This mostly applies to re-sales, but also to a property that has never been lived in. RETT is assessed on a property's market value, as determined by local tax authorities. There is 5% RETT when buying a resale property built after January 1, 1998.

Continued...

The first sale of most new buildings or off-plan (pre-construction) buys is treated differently. In this instance, 22% VAT is calculated on the cost of building when buying a property built after January 1, 1998 from a VAT registered developer or self-employed builder. However, 5% RETT gets calculated on the land value portion of the sale.

It's not the world's most straightforward system. So ensure you understand the full costs of any property transaction.

Purchases may also attract the following charges:

- Agency fees of between 2% and 4% (plus 22% VAT) of the purchase price. Beware of some expat-owned agencies that charge far more. Some try and stick 6% to a buyer and 6% to a vendor.
- Legal fees—variable. Most lawyers charge around US\$38 per hour minimum. Others seek between 1% and 1.5% (plus 22% VAT) of the purchase price. A minimum fee of US\$1,270 is common.
- Accountants fees—if purchasing through a company. Dependent on requirements, usually around US \$254 per year.

Annual property taxes and tax on rental income

Residential properties where an owner is resident full time generally attract no property taxes. An annual tax is levied on vacation homes, but it's negligible. Depending on the municipality, it's

from kuna (US\$0.85) to 15 kuna (US\$2.64) per square meter.

Excluding deductible expenses, rental income is considered ordinary taxable income. It's generally taxed at 15%.

The buying process

After deciding on a property, it's usual to make an offer through the selling agency.

If accepted, a pre-contract is drawn up. This legally binding document agrees the terms of the property purchase. It normally includes the purchase price, and specifies schedule of payments, including—usually—a 10% deposit on signing.

It also includes agreed penalties should either party withdraw from the transaction. These usually specify that should the vendor withdraw after signing the pre-contract, they are obliged to return double the deposit to the buyer. If a buyer withdraws after signing, they lose their deposit.

The outstanding amount gets paid when the final contract is signed.

Land and construction costs

If clean title exists, buying “building” land and constructing a house may make more sense than a resale. Construction costs with a good level of finishing average US\$890 per square meter.

The price of zoned building land depends on location. Plots in Istria

are mostly around US\$84 per square meter but those near the coast can rocket to upward of US \$387 per square meter.

Croatian Sun has a plot of 5,000 square meters located six miles from Porec. They say it's ideal for people who dream of a rural villa with a vineyard. The vineyard already exists and covers nearly 2,500 square meters; the other 2,500 square meters is for construction. Water and electricity hook ups are close by. Price: US \$157,000 (www.croatiansun.com).

Near Svetvincenat, there is urbanized land of 820 square meters with a rural view. An access road, water and electricity connection are within 100 meters. Through www.adriatic-group.com the US\$52,000 price equals around US\$63 per square meter.

Potential problems

With older Istrian properties, gaining clear title can sometimes be difficult. Italian and then state ownership has brought complicated restitution claims. For instance, a cowboy agency may say title is free and clear, but you then find the property is partly owned by someone who emigrated to Australia.

Another problem is that someone might sell you a plot of land and tell you it's urbanized and has building permission. This is not always the case.

In the current financial climate, property might not be too easy to

Continued...

resell—at least to locals. According to Osservatorio Balcani, a project founded by the Peace Bell Foundation to provide information about Balkan politics and social conditions, Croatians owe an average of €3,500 (US \$4,520) to the banks. Worst affected are those with mortgages.

A new 50-square-meter apartment in Croatia's capital, Zagreb—where most wealth is—costs at least US\$127,000. Repaying a mortgage of this amount over twenty years is around US\$984 monthly. But as banks require a monthly income three times the mortgage installment, a couple needs a combined income of at least US\$2,953. Not many people in Croatia fit this profile.

Costs of living and those day-to-day treats

Much depends on the lifestyle you expect. But by Croatian income levels, it should prove cheaper than back in the States.

Typical monthly running costs for a one-bedroom apartment

- Electricity: US\$30
- Communal maintenance fees: US\$20
- Garbage collection and sewage charges: US\$30
- Water usage: US\$20
- Bottled Gas for cooking: US\$15
- Telephone line (monthly rental): US\$15

Crostat is the country's Central Bureau of Statistics. In September 2008, the average monthly gross income of an employed person amounted to US\$1,324. After taxes, this came down to US\$91. Many locals manage on much less. The minimum monthly wage is just US\$483. When it comes to hourly wages for union workers, highest net hourly wage was paid in air transport, US\$9.34; the lowest in the leather industry, US\$2.65.

Day to day treats

In café bars an espresso coffee costs US\$1 to US\$1.40; a 33 cl glass of local beer averages US \$1.50, while a shot of vodka or firewater is even less. A pack of local Ronhill cigarettes is US\$2.65.

A 2-course lunch—soup followed by a main course—for two can be under US\$20 if you stick to local instead of tourist restaurants. Half a liter of house wine will add another US\$5 to US\$6. A seafood platter for two starts at around US\$35.

With fries and salad, a good steak generally costs around US\$17.50. A veal schnitzel is around US\$12; pork goulash, US\$6. Expect to pay around US\$14 for fresh pasta smothered in expensive truffle shavings. Pizzas start at US\$7, omelets and pancakes at US\$4, fast food meals around US\$5.50.

ISTRIAN SHOPPING CART PRICES IN USD

Milk, per liter: \$1.05
Mineral water, Sparkling per liter: 58¢
Pepsi Cola, 2-liter bottle: \$2.41
Local brand 'Sky' cola, 2-liter bottle: \$1.55
Local beer, 1/2 liter: 88¢
Wine, per bottle: \$4.08
Pure orange juice, per liter: \$1.93
Fruit yoghurt: 56¢
Loaf of fresh bread: \$1.10
Jam filled croissants: 63¢
Butter, 1/4 pound: \$2.40
Cooking oil, per liter: \$2.14
Rice, per pound: \$1.28
Local hard cheese, 1/2 pound: From \$7.04
Camembert cheese, 1/4 lb.: \$4.39
Nescafe 3.5 oz: \$4.97
Sugar 2.2 pounds: \$1.03
Cornflakes (local brand): \$1.75
Eggs (12): From \$2.46
Apples/bananas, 2.2 lb.: \$1.76
Prosciutto ham 5.3 oz pack: \$6.64
Whole chicken per 2.2 pounds: From \$4.40
Quality minced beef per 2.2 pounds: From \$7.04

trips of up to 90 days in a six-month period. All foreigners must register with local police within 24 hours of arrival. Those staying in hotels or other rented accommodation

Continued...

A red and orange leather passport cover is centered on a dark, textured wooden background. The cover has a white card tucked into the top. The text on the cover is as follows:

**Long-Term Living
In Croatia**

Read all about visas,
residency, and
citizenship options in
Croatia [here](#).

PASSPORT

GETTING THERE

There are no direct flights from the U.S. Connections are via various European major cities to Zagreb, Croatia's capital. But you can fly to Pula from a number of U.K. airports too.

Health care options

In the State sector, health facilities are probably best described as adequate. During the tourist season, doctors have to be persuaded out of retirement to help cope with the demand from accident-prone visitors.

For emergency ambulance service, call the telephone number 94.

Unless a country (e.g. the U.K.) has a reciprocal arrangement about free or subsidized health care, foreigners need to pay for non-emergency treatments.

An acute lack of funding means some drugs are in short supply in the public sector. However, most private hospitals and clinics stock medicines not easily available through state-run health facilities.

The catch is that most private hospitals and clinics are in Zagreb or Split. That said, the nearest private facility hospital to Istria isn't too far away in Rijeka Medico-Polyclinic University of Rijeka, Mestroviceva 2, Phone: +385 (51) 263 109.

There are public hospitals and polyclinics in Istria's major towns and tourist centers—the largest general hospital is in Pula. Rovinj has an orthopedic hospital.

Doctors and dentists often expect cash payment for services. The U.S. Embassy maintains a list of English-speaking dentists and physicians on its [website](#).

Health insurance

You'll need private health insurance for stays of any duration. Most major insurers provide short-term cover for vacation-length stays, but all foreign tourists are entitled to free emergency assistance.

For those seeking temporary residence, a condition in granting the permit is proof of health insurance.

COST OF HEALTHCARE

If seeing a doctor in a public clinic/hospital, the Croatian Medical Society cites out-patient fees average US\$16.50.

Some prices given on Stubicke Toplice hospital for medical rehabilitation are:
First examination by an internist/cardiologist/neurologist: US\$21.12;
Second examination: US\$12.32
Blood test: US\$1.76
Chest X-rays: US\$8.80
Acupuncture: US\$14.08

Hospital accommodation and full board in the Rovinj hospital is between US\$51 and US\$63.50 per day.

Visiting a doctor in a private practice generally costs around US\$50 to US\$65.

BUPA International (www.bupa-intl.com) offers expat packages in over 100 countries including Croatia. For a couple aged 55 years, their website quotes monthly premiums ranging from US\$274.65 for 'essential' cover to US\$941 for their most comprehensive 'gold' package.

BUPA state that policy holders should contact their customer service center for pre-authorization, and they can help organize direct settlement at one of their medical providers, or at a recognized healthcare facility of the patient's choice. Go to BUPA's website for the full list of participating hospitals and clinics in Croatia.

Continued...

USEFUL CONTACTS

Our writer Roseanna personally viewed properties with both of these agencies:

Croatian Sun (Istrian Office)
Eufrazijeva 45
Porec
Phone: +385 (52) 842 357
porec.office@croatiansun.com
www.croatiansun.com

Savills Croatia
Giardini 3/II
Pula
Phone: +385 (52) 212 410
info@sav-croatia.com
www.dreamcroatia.com

For residency requirements, visas and permits:

Ministry of the Interior
Ulica grada Vukovara 33
10 000 Zagreb
Croatia
Phone: +385 (1) 6122 111
www.mup.hr

Embassy of the United States
2 Thomas Jefferson Street
10010 Zagreb
Croatia
Phone: +385 (1) 661 2200
irc@usembassy.hr
<http://zagreb.usembassy.gov>

Embassy of Croatia in the U.S.
2343 Massachusetts Ave NW
Washington, DC 20008
United States
Phone: +1 202 588 5899
www.croatiaemb.org

Some healthcare options:

Pula General Hospital
Zagrebacka 34
Pula
Phone: +385 (52) 376 000

Trident Dental Clinic
Aleja 30
Svibna 5
Rovinj Phone: +385 (52) 811 001
info@trident-istra.com
www.trident-istra.com

This may not apply to you, but the self-employed and those without international insurance providing comprehensive coverage must join the State's national health HZZO insurance plan (www.hzzo-net.hr, only in Croatian).

Contributions are compulsory for all employers, employees and the self-employed. At present, the contribution for employees is 15% of salary, but can change drastically from one year to the next. The rate for the self-employed is 18% of declared income.

Until recently, Croatian citizens earning more than an equivalent US\$38,000 per year could opt out of the state scheme, but this is no longer permitted. Even if paying into the system, they're still liable for 'co-payments' for certain services and medications. As with payment contributions, charges are constantly amended.

A number of Croatian private insurers offer complementary health insurance. However, coverage isn't comprehensive. Apart from providing quicker access to specialists and yearly health screening, they mostly cover upgrades on medical services, facilities and pharmaceuticals.

As an example, the annual premium with Sunce insurance—the only company offering information in English—ranges from US\$176 for the basic package to US\$1,320 for the 'gold' package. (www.sunce.hr).

Teething problems

Private health insurance doesn't always include dental treatment, so you may have to bear the cost yourself. Several English-speaking dental practitioners advertise their services through the Internet.

Prices vary by considerable amounts, so it pays to do some research before you need treatment. A tooth extraction can range from US\$45 to US\$63 or more. Ceramic crowns cost from US\$285 to US\$508 per tooth.

In Istria, in Rovinj, Trident Dental say a general estimate for an implant-borne crown including all medical and dental services would be in the range of an equivalent US\$2,540. An implant-borne bridge (for three missing teeth) starts at around US\$5,080 and a full denture at US\$7,620.

For a list and links to other Croatian dental groups see [here](#). ■

For Your Eyes Only

**Special Thanks for Being
A Preferred Reader...**

Get 12 Additional Reports For Only US\$2 Each...

Dear ***Overseas Haven Report*** Buyer,

I hope you enjoyed reading about one of the world's greatest overseas havens.

I'd like to let you in on something: Each one of our ***Overseas Haven Reports*** is but a single element of the greatest resource available today on the world's top overseas retirement havens.

This unique subscription service is called ***Overseas Living Letter***.

Every month, subscribers to ***Overseas Living Letter*** receive an honest, current, and complete introduction to one of the places we've identified as offering tremendous advantages for the would-be retiree abroad...

These are the locations that should be on your radar, either for your immediate retirement or as places to invest today as part of a longer-term plan. Each of these comprehensive reports addresses not only the pros, but also the cons of each destination featured.

This is critical if you want to make a smart, informed choice. ***Overseas Living Letter*** has correspondents all over the world who are living the life you've been dreaming about, right now!

And, over the three decades I've been covering this beat, I've known literally many thousands of people just like you who've taken the leap.

Retirees who have built the lives of their dreams, and yours, overseas... and who are right now enjoying a retirement lifestyle that goes far beyond what you might believe is possible.

This extensive network of contributors will provide you with all the tips, tricks, and firsthand insider intelligence you need to follow in their footsteps...

- Where to look to find the kind of life that suits you—at the beach, in the mountains, among the vines, in the big city...
- Insights into what the community is like, who your neighbors would be (locals, expats, or both), and how they live...
- What it would cost you to live there, including detailed monthly budgets...
- Whether it's better to rent or to buy, given the local market right now...
- What to take with you, what to ship, and what to leave behind...
- Which visa options would make most sense for you and how you qualify...
- Who to contact for legal help, health insurance, banking, shipping, residency, taxes...

Read our correspondents' firsthand reports every month. Email them your questions (yes, they'll respond!). Search the archives, available to you free, for more information on the locations that interest you most.

In short, I'm offering you a bridge to the retirement of your dreams... and a chance to try it out for a special discounted price of [less than US\\$2 an issue](#).

Start laying the plans for a retirement that **so far exceeds your expectations... and even your current lifestyle...** that if you hadn't read so many reports from people actually living it today—you wouldn't believe it possible.

All I ask is this: If you like what you read in your Overseas Haven Report... keep reading. Subscribe to ***Overseas Living Letter***, and then, every month, you'll receive in your inbox a new, up-to-the-minute, information-packed Overseas Haven Report providing another from-the-scene guide of the good life in another of the world's premier overseas retirement havens. I predict it will become your favorite read each month.

In each issue you'll read about the world's most affordable places to retire... the friendliest places to live... best weather... lowest tax burdens... the most beautiful, most exciting, most infatuating places to hang your hat...

From Chiang Mai, Thailand, and Cuenca, Ecuador (cheapest)... to Ambergris Caye, Belize, and Kuala Lumpur, Malaysia (foreign resident friendly)... from El Valle, Panama (sweet mountain living in a top tax haven)... to Mendoza, Argentina (wine country on a budget)... from Dumaguete, Philippines (exotic and ultra-cheap)... to Algarve, Portugal, and Languedoc, south of France, (Old World living on a budget)...

What are you waiting for? Take me up on this special subscription price, here now.

The World's Best Value Destinations For Living and Investing

Plus, When You Subscribe to Overseas Living Letter—Risk-Free—Today, You'll Receive 3 Special Reports (US\$115 value)

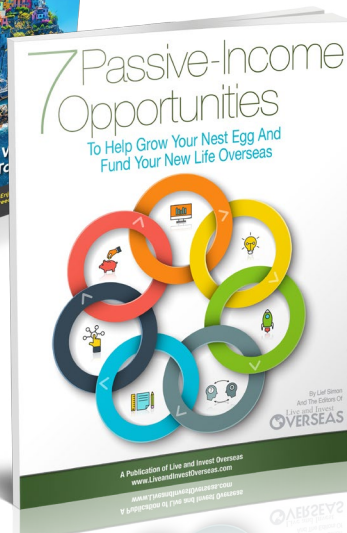
Because right now you can get 12 monthly issues of Overseas Retirement Letter—for just US\$24, only US\$2 an issue (regular rate US\$76). You save US\$52 with this special introductory offer.



- **SPECIAL REPORT # 1:** The Live and Invest Overseas Annual Retire Overseas Index—one bumper report each year... (retail price: US\$49).

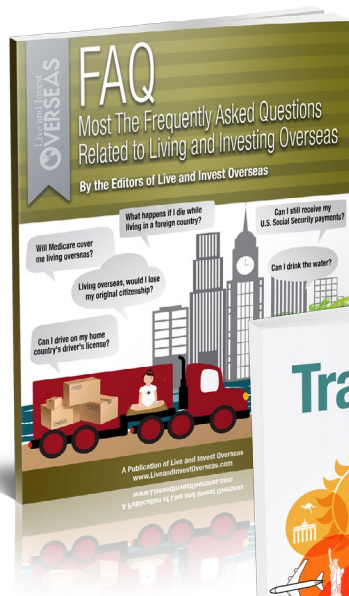


- **SPECIAL REPORT # 2:** Five Fun Ways To Get Paid To Travel (Working As Little As 3 Hours A Week). (retail price: US\$39).

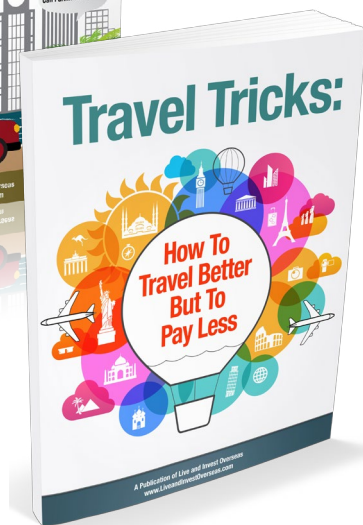


- **SPECIAL REPORT # 3:** 7 Passive Income Opportunities To Help Grow Your Nest Egg And Fund Your New Life Overseas... (retail price: US\$27).

Plus, [sign on today for 24 monthly issues of Overseas Living Letter](#)—for a locked-in rate of US\$42, or only US\$1.75 an issue—and you'll receive two additional special reports—and you'll receive a fourth special report, again with our compliments...



- **SPECIAL REPORT # 4:** FAQ—The Most Frequently Asked Questions Related To Living And Invest Overseas. (retail price: US\$19).



- **SPECIAL REPORT # 5:** Travel Tricks: How To Travel Better But To Pay Less. (retail price: US\$19)

That's a total value of US\$153.

What are you waiting for?

I'm putting my entire network of experts and resources at your disposal, in order to help you:

- **At last, figure out the best place in the world for you for part- or full-time living...**
- **Start living the good life from as little as US\$892 a month...**
- **Say goodbye to financial worries (I'm going to arm you with the information you need to fund your new adventure overseas whenever you're ready... you do not have to delay)...**
- **Learn the practical, nuts-and-bolts things you need to help you set yourself up overseas with the least hassle and the greatest success...**

We have no time to lose... let's get started.

[Start now and claim your free reports here.](#)



Kathleen Peddicord
Publisher, Live and Invest Overseas

Kathleen's Personal Guarantee

I guarantee that my *Overseas Living Letter*—delivered monthly via email—is the most straight-shooting, tell-it-like-it-is report available about the best-value destinations on the planet for living and investing abroad.

But if you don't feel *Overseas Living Letter* delivers the kind of make-your-nest-egg-last-forever opportunities you're looking for, you can cancel at any time. If you do, I'll promptly reimburse you for any issues remaining in your subscription, no questions asked.

The Special Reports are yours to keep, no matter what.

[Subscribe now!](#)





OVERSEAS
Haven Report