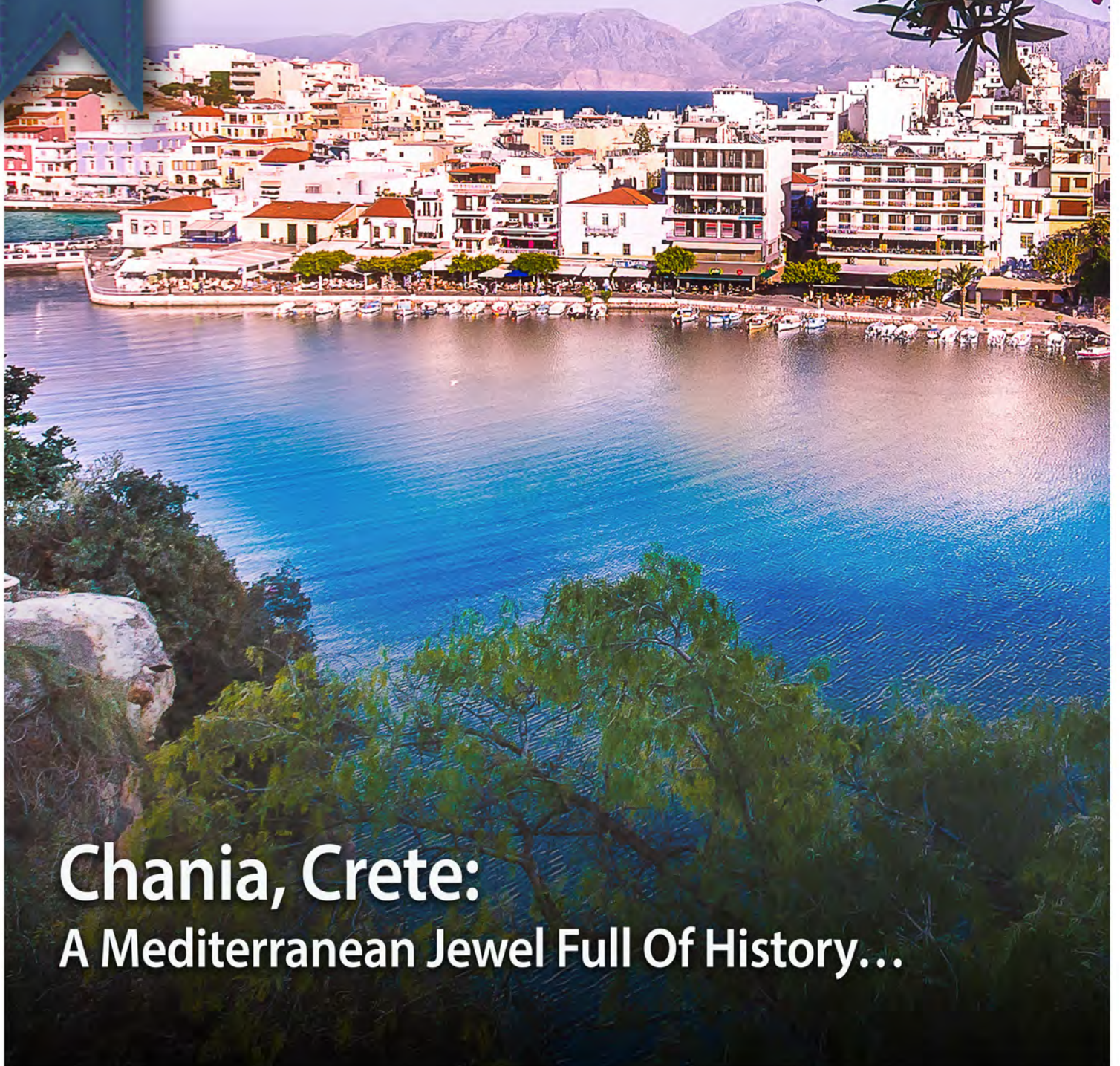


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Chania, Crete:
A Mediterranean Jewel Full Of History...



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The old port looking towards the Egyptian lighthouse

Chania: A Mediterranean Jewel At The Crossroad Of Three Civilizations

By Lucy Culpepper

Welcome to the birthplace of Zeus, home of the Minoan civilization, and the crossroads of the three continents of the Old World: Africa, Europe, and Asia Minor...

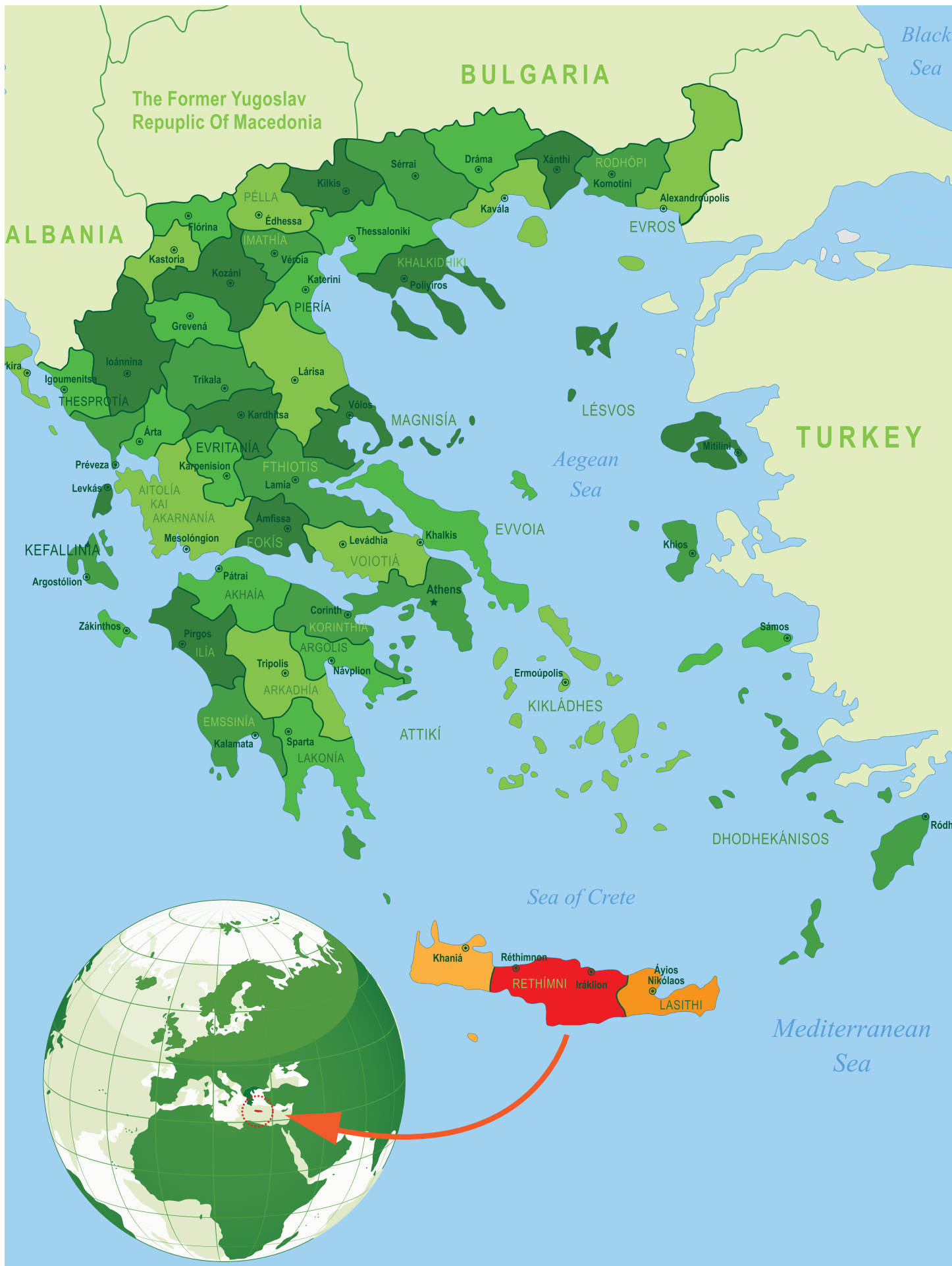
If your interest is archaeology, lazing on the beach, scuba diving, and indulging in the original Mediterranean diet, Crete could be the place for you—specifically the city of Chania.

Chania has a beautiful Old Town around the Venetian port, with the new city behind and framed by the towering Lefka Ori Mountains reaching 2,400 meters. The Old Town is a labyrinth of homes, museums, boutique shops, restaurants, bars, and ancient churches partly encircled by the ancient

city walls. Twisting and turning through the backstreets, looking up at the ancient buildings—some beautifully restored, others falling apart or preserved in an interesting state of disrepair—has never-ending appeal for me.

There is a New Town—Nea Chora—wrapping around the Old Town and extending along the coast and inland, where the main shopping, administrative area, and a small fishing port is located...

But if I chose to live on Crete, I'd have an apartment right in Chania's Old Town and a villa by the sea, 30 minutes away, on the Akrotiri Peninsula.





Apart from the beaches and the incredible history, what makes Crete an overseas haven for the estimated 18,000 foreign nationals that live here?

The Mediterranean climate is a big factor, with its gentle winters—no frost or snow-shoveling here—and hot summers. The average annual temperature is 66°F (19°C), with an annual average range from 57°F to 82°F (14°C to 28°C), though summers can go up to the mid-90s. You're never far from the glistening and super clear Mediterranean Sea... and the water here is special. It's not just about beaches, though, Crete offers mountains, the record-breaking Samariá gorge (the longest in Europe), olive groves, vineyards, and an untouched inland wilderness, as well as endless ancient and wonderfully scenic villages.

Being an island, you may expect some essentials to be expensive, but Crete has one of the lowest costs of living in Europe—yet a high quality of life.

Plus, there's plenty of affordable real estate deals, from restoration projects to new builds, with the added huge bonus of the opportunity to qualify for a residency visa that will allow you to travel throughout the European Schengen Area.

Crete, or Kriti as it's sometimes written, is divided into four regional units, or prefectures, running west to east: Chania (pronounced and sometimes written "Hania"), Rethymo, Heraklion (sometimes called Iraklio), and Lasithi. The island is the largest Greek island at 260 kms

long, east to west, and between 20 and 60 kms wide, north to south, with a land mass of about 8,000 square kms—slightly bigger than the state of Delaware, at about 6,000 square kms. The capital, Heraklion, is about 140 kms away, a two-hour drive from Chania.

Of all the areas in Crete, the Chania prefecture is the most popular with foreigners. It has a total population of about 108,000 with about 53,000 living in Chania City, the capital of the prefecture, which this report focuses on. The Chania prefecture is itself divided into seven municipal units (formerly called municipalities), which is useful to know when searching online for properties: Akrotiri, Eleftherios Venizelos, Keramia, Nea Kydonia, Theriso, Souda, and Chania City.



Verdant, fertile hills

The language of Crete is Greek, but just about everyone I met, from real estate agents to market stall holders spoke English (some fluent, others basic). Signage is in Greek lettering, with major road signs also in English lettering, so it's not too hard to find your way around. However, road names, especially in the Old Town, have a habit of being slightly different from the map, and almost impossible to pronounce with any sense of dignity!

Crete has a hugely complex history of human civilization dating back to the Neolithic era through Europe's first advanced civilization, the Minoans, to the Mycenaeans, Romans, Byzantines, Venetians, Ottomans, Arab occupation, Egyptian rule, and finally Greek rule in 1913, interrupted by German occupation during WWII.

I'm not going in to detail here with the history... but the Old Town of

Chania is a microcosm of most of those cultures and conquests. There is evidence of the Romans, the Byzantines, the Venetians (1252 to 1645), the Ottoman Turks (1645 to 1898), and the Egyptian domination (1831 to 1841). Along the beautiful waterfront are the well-preserved remains of Venetian *arsenale* where ships were built and repaired, and you can even visit a Minoan ship, a reconstruction of the huge oared vessel used by the Minoan civilizations that once lived on Crete (3,000 to 2,800 B.C.). Walk out along the breakwater to the 19th century lighthouse and look back inland to the snow-capped mountains. This city feels loved and cared for.

Where To Live?

The three areas that are most popular with foreign buyers are the regional units of Chania, then

Rethymon just east and Lasithi further east.

I visited Chania City, the eastern side of the Akrotiri Peninsula, and Kissamos (at the western end of Crete but still in the Chania region). In my opinion, if you come half way around the world to live in Crete, you either want to be in walking distance of a beach or steeped in history—living in Chania's city center or Rethymon. Of course, there are some who would disagree and would head for the hills and the wonderful views. The option to do all is here.

Heading west to Kissamos (officially called Kastelli-Kissamou, the last little town on the northern coast), it's an hour-long, 38-km journey on good roads from Chania city, and the cost is just 5 euros on an air-conditioned bus. As I headed to the bus station in Chania city, Alkis, the owner of the little apartment where I stayed, asked where I was going. When I said Kissamos, he simply raised his eyebrows and said, "Enjoy your day." Nothing ventured, nothing gained, I thought, and headed off.

The first main town the bus stopped at was Agia Marina, where tourists looking for beach and night clubs head. True, I could see a sandy beach not far from the main road, and you can walk all the way here from Chania along the beach... but unless you're into bars and night clubs (all along the route), I'd steer clear.

Onwards along the coast, one little town merges with another... You'll see lots of low-rise holiday complexes—some developed (including the four-star Santa Helena Beach Resort), some abandoned, and some under development. The construction is interspersed with



Learn some Greek while you wait for your meal

agricultural land (potatoes), but there's not much to recommend it for long-term living, as far as I could tell, unless you head inland for the views.

At Maleme, the road crossed the end of an old airfield—one that was hugely significant during WWII. It was here that the Allies had a military airport, where the Germans invaded, and where they met some of the fiercest local resistance encountered during the entire war. Just inland, surrounded by fields of olive groves, is a cemetery where almost 4,500 German soldiers are buried.

As we passed from the Gulf of Chania to the Kissamou Gulf, turning slightly inland, the countryside changed from coastal plain to hills covered in bright yellow gorse flowers, poppies, vineyards, and olive groves. The water in the gulf twinkled looking over to Kissamos... I was glad I came out exploring.

At the end of the road—literally—the bus stopped and we all piled out. It turns out that Kissamos is largely a small agricultural town, with a long stony beach to the east and a small sandy cove to the west, and a handful of restaurants along the seafront—largely closed in April but still willing to serve some tasty snacks.

Over to the west is a small port where boats head out on day trips. From here you can hop over to the island of Gramvousa to visit its Venetian castle, its beach, and the turquoise blue lagoon of Balos.

If you want seclusion and low-key, this end of the island might appeal. I don't think town living would be worthwhile, it isn't attractive enough (hence Alkis's raised eyebrows, maybe!), but a property on the hills overlooking the bay would provide fabulous views, though not many neighbors, and would give

you access to the much quieter south-west end of the island. (As a general rule, the farther from the two airports you go, the fewer tourists and fewer facilities there will be.)

I was keen to see one of Crete's well-known beaches and the popular Akrotiri area (where many people associated with the NATO base live), so I headed for the little village of Stavros on the northwestern tip. This is the town where the movie "Zorba the Greek," starring Anthony Quinn, was filmed—there's a bigger-than-life-size photo of Quinn right on the beach.

The 35-minute journey took me through some attractive countryside, with olive groves, vines, and great bushes of flowering mimosa. We climbed up and out of Chania, passing a technical college and the small town of Agios Onoufrios. From there development was sparse and mixed, sometimes swanky villas, sometimes very basic living with chickens and goats scratching about up to the front door.

One of the benefits of this area over Kissamos is accessibility; Chania airport is only a 15-minute drive. Akrotiri, particularly on the east side overlooking Souda Bay, is where you'll find the more expensive villa developments ranging in price from 85,000 to at least 850,000 euros.

The beach at Stavros is beautiful. It's a horseshoe-shape surrounding a blue-green, seawater lagoon, with a towering mountain behind it protecting bathers from the wind whipping across from Cape Tripiti.

I was surprised by how little development there was at the beach—just three tavernas,



Kissamos seafront



Stavros Beach

including, of course, Zorba's, and a handful of villas. The Akrotiri area is sparsely populated, with clusters of small villages, but most have at least a taverna and a mini-market of some sort. You're within a 30-minute drive of Soudan and Chania for other facilities.

Security And Crime

I felt very safe wandering all over Chania, from the market to the bus station. The people are friendly and welcoming, and there's a sense that this is a non-volatile place. I wasn't alone all the time, sometimes traveling with a female friend, but when I was alone, including a very early morning run, I felt at ease and never threatened or felt that there was any suggestion of possible pickpocketing.

As with all places, there's always at least one fly in the ointment: in Chania, it's graffiti. I asked three quite different people what this was all about, expecting them to say they were political slogans about the austerity measures, but it turned out

the graffiti is a local youth pastime and something that they all go through. Shrug of the shoulders.

LGBT

I noticed, while walking all over Chania and traveling on buses, that there were no obvious signs of the LGBT community throughout Crete: No same-sex couples walking along holding hands, no rainbow flags

outside apartments or stores, in fact, nothing to suggest LGBT tourists or residents at all.

It could have been because I was there off-season, so I asked my short-stay landlord Alkis Drakakis if there was any reason for that. He said there wasn't... though perhaps the older generations frown upon public demonstrations of same-sex relationships. Crete simply hasn't developed an LGBT "scene."



Where Chania's New Town meets Old Town

Handicapped Access

Although many of the beach areas have ramps and are accessible for people in wheelchairs, I think the streets and sidewalks would be hard to negotiate.



Graffiti

The Old Town has cobbles and bumpy old roads, part of the attraction for many, and the New Town has uneven sidewalks, cars parked randomly, and crosswalks that don't "tweet" or signal to blind pedestrians.

Eating Out

Cretan food is based on all the foods commonly grown in the region; it's simple, delicious, and good for you, according to multiple studies that have been carried out since the 1960s on the so-called "Mediterranean diet."

However, bear in mind that these studies were based on rural folk living off the land and eating a diet high in fruits, vegetables, cereals, potatoes, poultry, beans, nuts, lean fish, dairy products, small quantities of red meat, moderate alcohol consumption, and lots of olive oil as an important fat source.

Today's supermarkets have all the unhealthy trappings of a supermarket anywhere in the world, and obesity is at record levels in Greece—there's even an obesity clinic in Chania.

All that being said, eating out is a real pleasure, even for vegetarians like me!

You'll find all the classic Greek dishes like *tzatziki*, *melitzanosalata* (eggplant salad), huge Greek salads with fresh feta cheese and plump olives, and, for meat eaters, different kinds of souvlaki (meat kebab). Choose *dakos* or *ntakos* as a snack or starter, a local dish of crusty barley rusk topped with tomatoes, olive oil, and crumbled *myzithra* cheese.

Other Cretan favorites include stuffed zucchini flowers, snails in butter and herbs, and little samosa-like pies filled with cheese

or spinach... or it could have been *stamnagathi*, the wild, spiny chicory that's popular here, which I saw for sale in the Agora market. And, of course, there's plenty of shellfish and seafood of all kinds to choose from.

Desserts are not the norm when eating out, but you'll often be given a small square of cake soaked in honey at the end of a meal, along with a glass of raki—clear neat alcohol. If you have the chance, though, try *kalitsounia*, a Crete specialty that's a bit like a custard pie filled with tangy *myzithra* cheese, lemon zest, and cinnamon, and drizzled with thyme honey.

The average cost of my evening meals, eaten either overlooking the fishing port or the old port in Chania, was 12.50 euros per person, which included a small starter, a hearty main course, and a glass



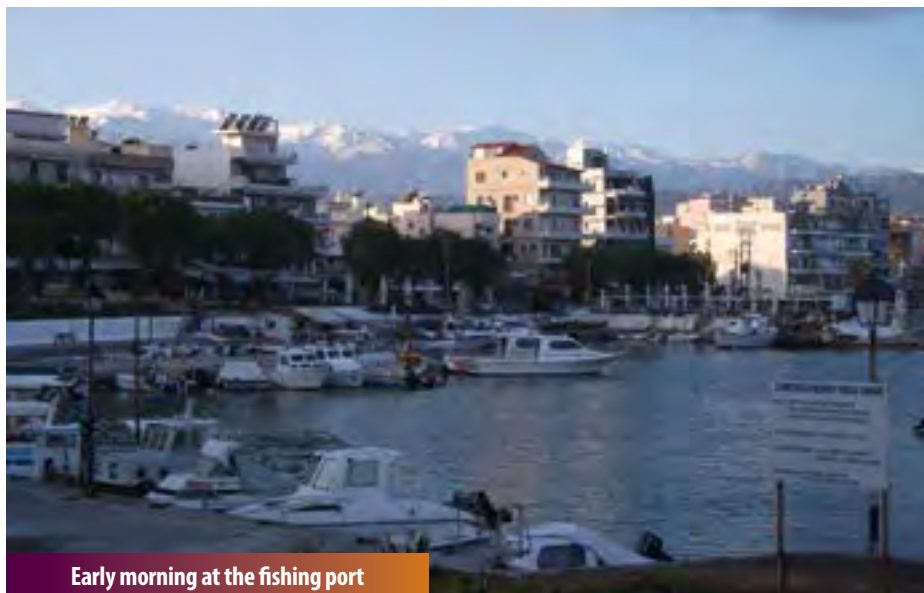
Tasty lunch

of local wine. Add another 4 to 6 euros to that for a meat or seafood main course. I could have spent double that in one of the higher-end restaurants and if I had something other than the excellent house wine—Vin de Chania—it would have been more expensive too.

A restaurant warning: You will be pressurized to eat at almost every taverna as you walk around the old port area and some of the Old Town. It's annoying. Just smile, tell the waiters you'd like to look at the menu on your own, and don't be bullied into a place you wouldn't normally choose. Or choose the ones that say on the sidewalk "No pressing!" They really do leave you alone unless you ask for help.

Things To Do

Chania has lots of activities on offer, from visiting museums and galleries to scuba diving.



Early morning at the fishing port

The Municipal Art Gallery hosts art exhibitions, as does the renovated Giali Tzamisi Mosque in the Venetian Old Port.

Monasteries and churches are magnificent in Chania. Be sure to visit inside Agios Nicolas on Splatzia Square, which at one time was a mosque and so has a

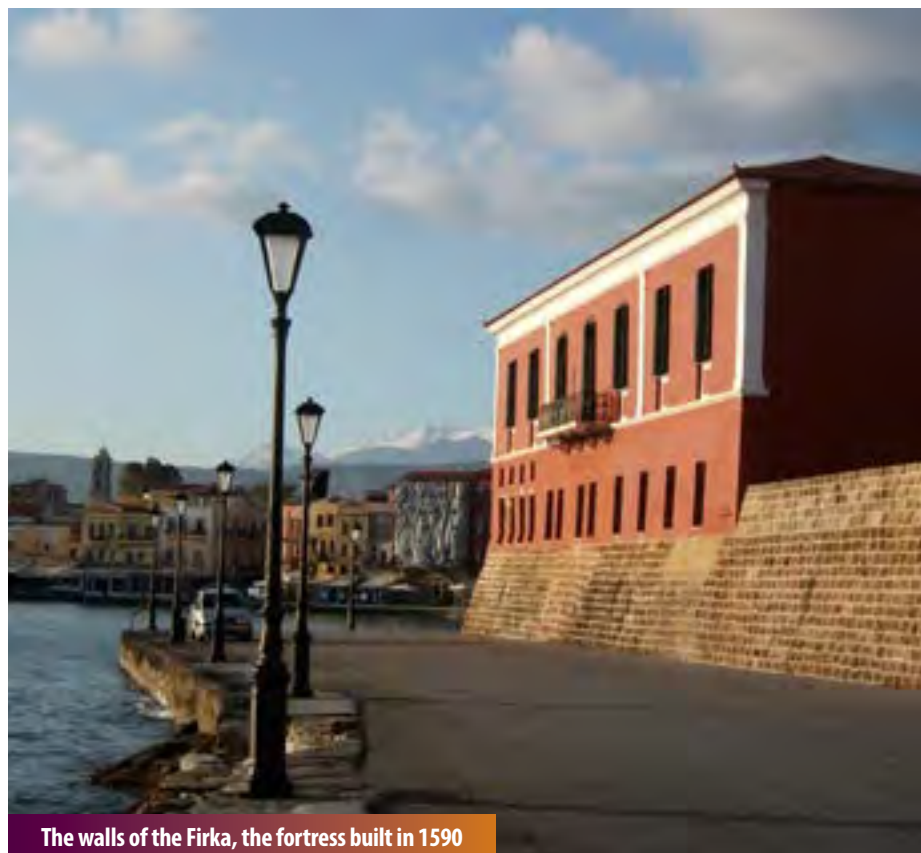
minaret but was later turned back into a Christian Orthodox church. The inside of Chania Cathedral is spell-binding, with more silver and gold than you'd ever think possible inside one small building. And then there's the Egyptian lighthouse, the Byzantine walls of the city, the Firka Fortress, and all the Venetian buildings, including the Grand Arsenal.

In the summer, watch outdoor movies in the municipal gardens, and go to the summer cultural festival with classic and modern music and theater performances.

The great outdoors offer the obvious watersports of swimming, kayaking, scuba, and sailing. There's also cycling, mountaineering, horseback riding, and paragliding. (Contacts for all these activities are in the Rolodex.)

Visiting And Visas

U.S. citizens and Canadians may enter Greece without a Schengen visa for stays of up to 90 days for tourism or business purposes. You should arrive in country with proof of sufficient funds (approximately 50 euros per day), a return airline ticket,



The walls of the Firka, the fortress built in 1590

medical insurance, and at least six months' validity on your passport.

If you wish to stay longer than 90 days you have two options:

1. Apply for a temporary extension of your short-term visa—only granted if you have compelling reasons to stay and will only allow you extra time in Greece, it does not allow you extra time in the Schengen Area.
2. Apply for a long-term visa (known also as a National D-type visa), which generally lasts for up to 365 days.

This long-term visa also allows you to travel to other Member States of the Schengen Area for 90 days within any period of 180 days. The fee is currently 180 euros (there are some exceptions that might make this fee lower), and you must provide evidence of sufficient funds and have private health insurance for you and your dependents in order to apply.

The minimum sufficient funds are not listed on the websites of the Hellenic Republic or the U.S. Embassy in Greece. However, according to several law firms in Greece, the Ministerial Decision 41712/2014 says "the minimum amount of the sufficient resources is 2,000 euros per month. If the third country citizen is accompanied by members of his family, this amount is increased by 20% for the spouse and 15% for each child."

Then there's the property purchase route... for a minimum purchase price of 250,000 euros, you could acquire both a property and permanent residency—residency that allows you full access to the Schengen Zone.

Renting A Property

Long-term property rentals are generally for a 12-month period. The properties are usually unfurnished and the rental price does not include utilities. A security payment of two to three months is not unusual.

The real estate agents with Ktimatoemporiki (with an office in Chania's Old Town) are very helpful and speak and write fluent English. They told me, "The landlord has to declare the rental income to the tax office, so a rental contract is necessary. In some cases the shown rental amount could be less than actually agreed. To sign a rental contract, you will need your ID/passport and your Greek tax number or AFM." (More on the AFM later.)

Rentals in Chania town and the wider Chania municipality vary from about 350 to 1,000 euros per month

depending on the size and level of luxury. Note, however, that the American and Canadian visitor visa only allows 90 days, so you'd only be able to stay for three months of a 12-month contract.

In that case, I'd look at staying in a short-term rental. I can recommend Alkis Drakasis' apartments where I stayed in Nea Chora, within a stone's throw of the town beach. They are clean, comfortable, and have all you need for a three-month stay. The big bonus is that Alkis is a local and very keen to share his love and knowledge of Chania and Crete with his guests. (See the Rolodex for Alkis' contact information.)

Buying A Property

Until the economic crisis hit Greece, 87% of Greeks were property owners rather than renters—the highest percentage in the EU, according to the European Commission's data.



An example of a reformed Old Town building, now a hotel

However, since the crisis and strict austerity measures were introduced, many Greeks are struggling to pay for their properties and so are more likely to accept an offer, making it a strong buyers' markets in some areas.

The Bank of Greece says prices have fallen by a third since the crisis hit in 2009; some commentators say it's much more than that. As with many places that have faced economic crisis, the effect varies from area to area.

Greece does not apply general restrictions on foreigners buying property, and most property is bought freehold. However, properties in areas close to military and naval bases are restricted to Greek nationals. Souda Bay, on Crete's Akrotiri Peninsula (just northwest of Chania's city center but still in the Chania municipality) is the site of a major naval base of the Hellenic Navy and NATO. That means properties in much of that area are off-limits to foreign buyers, in particular the Vlytes and Loutraki areas.

The golden carrot that Greece offers non-EU citizens and their family members (children up to 21 years of age) in return for purchasing property is a residence permit and full access to the Schengen Zone. The total value of the property investment must equal or exceed 250,000 euros, and the purchase may be made by an individual or a legal entity in order to qualify for the residency visa. In the case of joint ownership, the residency permit is only granted to the joint owners if the partners are spouses.

You can buy one or more properties whose total value equals 250,000 euros, as well as land with the

intention to build on it to the total value of at least 250,000 euros.

That gives you a huge range of properties available right now in Chania city center...

I saw a very old, full-renovation-needed property in the heart of the Old Town for 72,000 euros; a three-floor Venetian townhouse (circa 1252 to 1645) that needs modernization for 235,000 euros; and a beautiful two-bedroom apartment in Chania's New Town, with a huge terrace and beautiful views of the mountains for 167,000 euros.

Or look outside the city but still within Chania municipality at a 500-square-meter plot of land less than 1 km from the pretty sandy beach at Agios Onoufrios for 72,000 euros. Go for luxury with a six-bedroom home 5 kms outside Chania city—it also has a separate

one-bed guesthouse for sale for 520,000 euros.

All these properties are available through the realtor Ktimatoemporiki.

Gregory Panagiotopoulos from Select Properties showed me a few restoration projects in the Old Town, some in the mid-work phase. He told me that it is possible to buy an ancient property for 65,000-plus euros and then spend the remaining qualifying 185,000 euros (to reach 250,000 euros for the residency visa) on reconstruction to produce the property of your dreams—as long as you can provide evidence of the building costs.

Buying a property in Crete is straightforward; there is a well-documented buying process, which, if followed with the help of a registered real estate agent and English-speaking attorney, should be hassle-free.



Old town property under development

The whole buying process should take between six to eight weeks, and all documents are signed in the presence of a notary. By law you must first appoint a lawyer. Your lawyer will help you obtain your tax number and should help you open a bank account.

The basic property-buying process:

1. Appoint a lawyer (you must do this by law).
2. Apply for your tax number (AFM).
3. Appoint a notary.
4. Get a copy of the title deeds and carry out a title search.
5. Pay the property transfer tax (this must be done before signing the contract).
6. Sign the contract in the presence of a public notary.
7. Transfer of the title to your name.
8. Notify the land registry of the change of title.

But the first thing you must do is visit... for two reasons. One, you really shouldn't buy a property from a photo or weblink (unless you have a trusted property scout); two, you have to start the application for a residency permit on the basis of first having been issued a tourist visa.

Here are some key details of the residence permit program (more complete information can be found from the government brochures you can download from the Rolodex)...

The application process should take place before your entry visa expires (90 days from date of entry in to Greece), but you do not have to remain in Greece during the application process; instead you may assign a proxy (attorney) to complete the process for you.

All that's needed to apply for the residency visa is two copies of the

application form, two photographs, a contract of purchase, and a certificate of hospital and medical insurance. Once the residence permit is ready, you can collect it in person or have your agent or attorney send it to you—you do not have to travel to Greece first to validate it.

The fee for the application is a one-off payment of 500 euros, and the whole application process should not take more than two months.

The residence permit is permanent, but the holder must renew the permit every five years. To renew, the property must remain in your ownership, but you do not have to remain in Greece for the residency to remain valid.

The permit does not allow you to work in Greece.

The residency permit is transferable to another non-EU person when the property is sold.

You may purchase land and then build on that land to the value of 250,000 euros; you may purchase a timeshare to the value of 250,000 euros; and you may purchase property to lease to the value of 250,000 euros.

Property Purchasing Costs

Expect to pay about 9% to 10% on top of the purchase price. That's made up of 3% property tax; 2% to 2.5% to the real estate agent; 2% to the notary; 2% to the land registry; and 1% to your lawyer. All the professional fees are also subject to 24% VAT (sales tax), so be sure that is supplied on the quoted price or be prepared for it.

Once you own your property, there are two annual taxes to pay. The municipal property taxes (that pay for things like street lighting, trash collection) are low and are paid as part of the electricity bill. Expect to pay 0.025% to 0.035% on the assessed value of the property. A yearly property tax of 0.3% to 0.8% of the assessed value of the property is payable if the value of the property exceeds 243,000 euros.

Plus, of course, maintenance and utilities (both electricity and water are metered, so you only pay for what you use.) Solar panels are common and a good way to reduce costs, given the 300 days of sunshine per year.

Renting Out Your Own Property

If you buy a property and then decide to let it, you must first register the property and obtain a license from the Greek National Tourist Board (EOT) and then, when the time comes, declare the rental income to the tax office. (If family and friends stay for free in your property, you don't need a license.)

If you buy a plot of land with the view to building a potential rental property, the realtors Ktimatoemporiki recommend that you apply for the building permit and the EOT license at the same time, because there's really no point in having one without the other.

Getting Hooked Up And Staying In Touch

There are two major cell phone providers in Crete: Vodafone Greece and Cosmote, both with offices in

Chania. Once you have a tax number and proof of residence, setting up an account is straightforward.

According to local users, they both provide good coverage, and both have every kind of plan possible to suit you whether you want minutes, data, or a combination of the two. You can get a cellphone calls and SMS-only plan for 20 euros per month and then buy data separately, or you could buy a bundle that provides calls and data.

At home, Vodafone Greece, Cosmote, and Forthnet provide internet/phone/satellite TV bundles. An internet/satellite TV bundle costs 30 euros per month with Forthnet; internet only would be 15 euros, but, as Greek terrestrial TV is limited, you might want the satellite TV. While I was in Crete, I used the internet in my apartment to download and upload files with speeds.

Health Care

I spoke to Alkis Drakakis about health care on the island. He was born and raised in Chania and owns and manages several short-term rental apartments there. He said that the national health care is desperately stretched and impoverished (a result of the austerity measures in place here), and he would not recommend the state-run Chania General Hospital. Instead, try Tsepti Hospital, a small, private clinic with English-speaking staff. However, for anything major, the University General Hospital, two hour's drive away in the capital, Heraklion, is where both private and non-private patients go, including Alkis. A visit to a private doctor in Chania would cost about 50

euros without insurance. (See the 'Rolodex' for health care contact information.)

School Education

Schooling for children is compulsory in Greece from 6 to 15 years old, and many children under 5 go to full-time pre-school. If you moved here with the residency visa and brought your school-age children with you, they would be able to attend state-run school for free.

However, due to the economic woes, many schools have suffered, with teachers leaving for other employment or simply not having a job at all. That has meant private schools (teaching in Greek) have become more popular with those who can afford them. The international school, Theodoropoulos School near Chania airport, follows the Calvert Curriculum in English.

Pets

There are cats everywhere in Chania... especially throughout the Old Town, with its rich pickings from all the tavernas, and around the small fishing port at Nea Chora—for obvious reasons. One local couple who owns a gift shop at the top of the Old Town have started a care and spaying program to reduce the number of strays. I donated a few euros towards their campaign and was rewarded with a glass of something very strong!

Many people have small- and medium-sized dogs, and there seemed to be a lot of pet stores selling birds and tropical fish, so I assume they are popular too.

Bringing your pet with you? All pets coming in to Greece must have a rabies vaccination, plus all other usual vaccines.



The cat sanctuary in the Old Town

Greece, and therefore Crete, does not allow the introduction of “young dogs, cats, and ferrets” into their territory. That is to say, animals under 12 weeks old that haven’t had a rabies vaccine, or those between 12 and 16 weeks and not yet fully protected by their rabies vaccination.

Chania’s airport and port is an authorized Border Inspection Post for in-bound pets. However, if you are coming direct from outside the EU, you are more likely to fly in to Athens International Airport, which is also a Border Inspection Post.

Pet owners must carry a valid EU Pet Passport for each pet when traveling with their animals between EU countries.

The Cost of Living

A penny pincher’s budget of about 800 euros will provide a small apartment rental in one of the

less attractive areas of Chania City or a small, simple villa out in the countryside of Akrotiri or going west towards Kissamos. However, on that amount, you’d have a simple life. You wouldn’t eat out, use taxis, or go to the movies.

A budget of about 2,012 euros will get you a bigger, more luxurious property in the Old Town of Chania, out in Akrotiri, or overlooking Kissamos Bay. You would be able to eat out, go to a gym, watch the occasional movie, and indulge in a few more luxuries (like buying foreign newspapers and renting a car or paying for the occasional taxi).

As with all *Overseas Living Letters*, these budgets are for the basics. They do not include travel allowance for trips back home, money for gifts, or savings, health insurance, or extensive medical costs. They also don’t include the cost of running a car (see ‘Buying A Car’ next page).

Go to the budget section to compare a penny pincher’s renting budget with a comfortable renting budget and a home owner’s budget.

Shopping

The supermarket chain YNKA has recently bought up every minimarket in the center of town. They provide all the basics that you need, which this month’s shopping list is based on. For bigger monthly trips—and probably better deals—you need to head out of town to Carrefour or Lidl.

Also in the center, marking the border between the Old and New Towns, is the Chania Market, a 100-year-old covered agora selling some fruit and vegetables and also cheese, honey, olives, and plenty of tourist gifts. Prices here are higher than the supermarket, but a lunchtime snack of bagel-like olive bread, a typical Greek sweet pastry, an apple, and a cold drink cost just 2.30 euros.

On Saturday mornings in the Old Town, a produce and houseware market is hosted along Minoos, inside the city walls, where you’ll find locals buying their food.

The Old Town is where you’ll find gift shops, leather shops, bags, jewelry, crafts, and the like, plus plentiful beauty treatment centers, including fish spas and even Turkish hammams.

In the New Town are the everyday well-known brands (Zara, H&M, Nike) and some you’ll have never heard of before. The locals clearly like to dry clean, as dry cleaners were plentiful along with opticians and shoe shops. New Town is where you’ll find the phone/internet companies, including Vodafone and Cosmote.



Receipts—it really is all Greek to me

Buying A Car

I wasn't in the market for buying a car during my stay, so I decided to have a chat with Alkis Drakakis, whose property I rented, on the topic. He told me this:

"It all depends on the size of engine and the fuel. Small cars with an engine size up to 1400cc, if they are new and have low CO2 emissions, are free of taxes, and the insurance is about 300 euros per year.

"The average type of car that you see on Crete's roads is a 10-year-old Mercedes, running on diesel with an 1800cc engine. The taxes for this type are 300 euros.

"Go up an engine size to 2000cc (2.0) and you'll pay 600 euros in taxes; for 3000cc (3.0) it's 850 euros. If the engine size is more than 3000cc you'll pay about 1,100 euros in yearly taxes. There's also a luxury tax of 600 to 1,100 euros for new cars (until



Local cheeses for sale inside Agora Market

they are 10 years old) with an engine size bigger than 2000cc."

The ideal low-cost car for Crete, said Alkis, is a 1300cc model with a diesel engine. This would cost you

300 euros per year in insurance and between 0 and 100 euros per year in tax, depending on CO2 emissions.

At the time of writing, diesel was 1.23 euros per liter, and unleaded gas was



A fish shop in the new town



Agora market

1.60 euros per liter (3.78 liters equals 1 U.S. gallon). If you intended to use your vehicle for short journeys, you may find it more economical to purchase one that runs on unleaded gas to benefit from the lower emissions tax.

Which Income Will Be Taxed In Greece?

Resident in Greece? You must pay tax on your worldwide income if you live on Crete for over 183 days a year and/or your life is centered there, i.e. your family lives there and your children are educated there. Fortunately, the United States and Canada both have a double-taxation treaty with Greece.

Not resident on Crete? You only pay tax on income earned there. Income tax paid by the individual is on a progressive scale from 22% (0 to 20,000 euros) to 45% (over 40,000 euros).

Anyone with an income, a home, or even a car in Greece must fill out a tax return. The tax year ends in December and returns are expected by May of the following year. It's advisable to obtain professional guidance when filing a tax return, which I'm told costs about 200 euros.

The Greek debt crisis is in large part due to mass tax avoidance by the huge number of citizens who simply didn't pay or only partly paid their taxes. Now tax collection is far more rigorous, so do not be tempted to go there thinking you can hide from taxes.

Before you can do anything on a long-term basis in Crete, such as buying a car or a property, you will need a tax registry number known in Greece as AFM (ΑΦΜ).

The number is straightforward to get from the local tax office, but you may need help from a Greek speaker. Typically, a property lawyer will help you with this as part of their service. You will need to take original documents and photocopies, like birth certificate, marriage certificate, and passport, plus passport-sized photos. The AFM is obtained on the day of application.

Residents and nonresidents of Greece have to pay a few monthly non-income taxes including a municipal tax (0.025% to 0.035% on the assessed value of the property); property tax (0.3% to 0.8% of the assessed value of the property). So for a standard 70-square-meter, two-bedroom property you should expect to pay about 23 euros per month) and VAT at 24% (already added to most everyday purchases).

Extraordinary taxes. These are a result of the economic troubles

and come and go depending on the state of the government and demands of the IMF. Another reason why it is essential to talk to a tax specialist in Greece. Capital gains tax has not been re-introduced after its collection ran into difficulty in 2013.

Banking

All of Greece's biggest banks are in Chania, including the Bank of Greece, which I was told was the easiest to open an account with. There are "pop-up" ATM machines all over town should you need to withdraw cash. Most places in town take bank cards, just watch out for fees that your bank might charge you.

As with most European countries, online banking is the normal way of paying bills and setting up payments. Make sure the bank you settle on provides that service.

The lawyer you appoint to purchase



The clean and efficient bus station

a property should help you set up a bank account.

Your First Visit

Crete has two international airports at Chania and Heraklion and a small airport for national flights at Sitia. Chania airport is a 30-minute bus (2.50 euros) or taxi ride (about 25 euros) from the center of Chania city. It handles flights from other parts of Greece and several European countries. To get to Chania from outside Europe, you'd first need to fly into Athens and then fly to Chania, or take a boat from Piraeus to Souda, 30 minutes from Chania city.

The tourist season runs from April through October, with the peak season from June to the end of August when temperatures average 82°F (28°C) and rainfall is almost nonexistent.

April and May are lovely times to visit because it's still cool (about 66°F/19°C), the hillsides are covered with wild flowers (expect occasional showers), and the thronging masses of tourists haven't arrived. However, I can vouch for the crystal-clear sea being nippy and occasional showers also turning into torrential downpours.

I was told the heavy rain I experienced one morning during my stay in April was almost unheard of and that the winter (averaging 58°F/14°C) had been one of the coldest on record—the snow on the mountains was evidence of that. So apart from high summer, come prepared for all weathers.

If you come to explore Chania town and municipality only, I wouldn't

jump at renting a car. First of all, explore on foot, it's the only way to get to know the Old Town. (Actually, not the only way, you could rent a Segway, but they're more of a hindrance than a help.)

Next, widen your circle with the excellent bus service, and then hire a car for a day or two if you want to go off on day trips to more inaccessible locations. If you don't want to drive the little roads of the island yourself, there are taxis available at the bus station, with rates printed on the wall beside the taxi rank.

Is Chania For You?

I think just about anyone who visits Crete, and specifically Chania, would be delighted with the island life here, especially if you love being outdoors, enjoy learning about ancient history, and like a laid-back style of European living.

If you're after a buzzing cosmopolitan big-city life, this wouldn't be the right choice. Of course, as with anywhere, there are differences to living in North America, not least the language, but a huge positive here is that the people are welcoming and genuinely friendly—they're no fools, clearly very aware how much their economy and lives depend on making sure visitors enjoy themselves here.

Greece is still very unsettled economically, but there are signs (in Chania, at least) that there is money there—from the new builds and restoration work going on to the expensive retail stores. No one wants to live in a place where the locals are overtly suffering. I'm sure behind closed doors there are people struggling to pay bills, but it doesn't

show on the face of things. Let's be honest, though, it would take you quite some time to get to the level of talking about the economy and how it affected your neighbors.

If you worry that island life might not be for you, I wouldn't... it's a big island that you can easily get away from, particularly with the low-cost airlines that serve it from two international airports. After all, think about the "island" you live your day-to-day life on—it's probably much smaller than Crete! 🇬🇧



About The Author

Lucy Culpepper is a Euro Correspondent for Live and Invest Overseas who has traveled to, written about, and worked in some 30 countries. She is originally from Wales in the United Kingdom and has lived all over the U.K., in Southern California, Spain, and France.

Lucy recently spent seven months exploring Mexico and Central America with her husband and two children before deciding to return to Europe where she has now settled into the life of freelance editor and writer.



Video Resource

To view our June Overseas Living Letter video feature "Live and Invest Overseas in Chania, Crete," click the link below.

[Crete, Greece, Overview](#)

Chania, Greece Shopping List

Local currency is the euro
[Go here to convert into U.S. dollars at today's exchange rate.](#)

Beverages

Mythos Beer

€3.⁹⁵
4x0.51 cans

Nescafé Coffee

€3.¹⁹
100 g

Wine

€2.⁷⁶ -
€10.⁵⁰
1 bottle

Orange Juice

€1.¹⁴
1L

Coke or Pepsi

€1.¹⁴
1.5L

Filtered Water

€0.³¹
1.5L

**Dewar's
White Label
Whiskey**

€17.⁸⁷
.7L

Lipton Tea

€1.⁶⁶
20 tea bags

Fresh Fruit And Vegetables

Oranges

€0.⁵⁵
1 kg

Leaf Lettuce

€1.⁴⁸
1 head

Apples

€1.⁰⁹
1 kg

Tomatoes

€1.⁹⁹
1 kg

Bananas

€1.⁶⁵
1 kg

Cauliflower

€0.⁹⁶
1 head

White Potatoes

€0.⁷⁵
1 kg

Yellow Onions

€0.⁵⁸
1 kg

Broccoli

€1.¹⁰
500 g

Cucumber

€1.¹⁸
1 unit

Carrots

€0.⁶⁴
1 kg

Sweet Red Pepper

€4.³⁵
1 kg

Staples And General Groceries



Sliced White Bread

€1.50
1 loaf



Local Bakery Bread

€1.00
1 loaf



Cookies
Local Brand

€1.42
176 g



Potato Chips
Local Brand

€0.98
large bag



Strawberry Jam

€3.70
370 g



Local Rice

€0.69
500 g



Crackers

€1.26
100 g



Kellogg's Corn Flakes

€3.70
375 g



Hellman's Mayonnaise

€2.84
500 ml



Olives

€2.24
1 kg



Sugar

€0.88
1 kg



Tuna Fish

€3.74
1 kg



Heinz Ketchup

€3.04
400 ml



Tinned Tomatoes

€0.91
410 g



Peanut Butter
Local Brand

€4.58
350 g



Virgin Olive Oil

€11.35
2L



Spaghetti Noodles

€1.43
1 kg

Meat, Fish, And Poultry

Beef Strip Loin

€6.³²
1 kg

Sausages

Local Brand
€4.⁴⁷
1 kg

Bacon

€2.⁶⁴
100 g

Chicken Quarters

€4.³⁴
1 kg

Local Beef

Top Ground Round

€4.⁹⁰
1 kg

Shrimp

€10.⁹⁸
1 kg

Fish, Whole

Red fish/kokkino apo

€3.⁹⁸
1 kg

Sliced Ham

Local Brand
€6.⁵⁷
100 g

Pork Tenderloin

€5.⁵⁸
1 kg

Kebabs

Pre-prepared

€4.⁸⁶
100 g

Eggs And Dairy

Cheddar Cheese

€1.⁷⁸
10 slices

Feta Cheese

€1.⁹⁹
350 g

Philadelphia Cream Cheese

€3.⁶⁵
300 g

Milk

€1.⁵⁰
1L

Local Butter

€2.³⁰
250 g

Greek Yogurt

Local Brand
€3.⁶⁰
1 kg

Eggs

€3.⁶⁹
6 large

Household Goods And Toiletries



Paper Towels
€2.49
4 rolls



Gillette Razor
€5.99
1 razor & 2 blades



Toilet Paper
€4.45
8 rolls



Laundry Soap
€7.09
70 washes



Pantene Shampoo
€3.89
400 mL



Cat Food
Gourmet Gold
€0.72
1 can



Lenor Fabric Softener
€2.16
28 washes



Lux Hand Soap
€1.34
1 bar



Dog Food
Local Brand
€0.53
405 g



Colgate Toothpaste
€3.16
75 mL

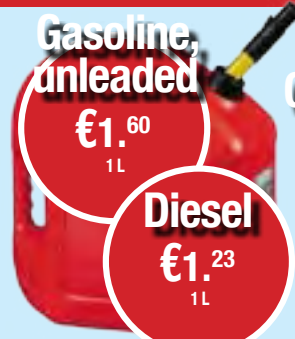


Fairy Dishsoap
€2.89
900 mL



Finish Dishwasher Tablets
€7.99
20 washes

Miscellaneous



Gasoline, unleaded
€1.60
1L

Diesel
€1.23
1L



Cigarettes, Marlboro
€4.00
1 pack

Go here to
convert into U.S. dollars
at today's exchange rate.

EATING OUT:

A Mythos beer: €3

A coffee: €2.50

A sandwich (or equivalent): €3

Average cost of a meal out per person: €10

Lunch: €10



Monthly

Budgets

Penny-Pincher's Budget (for a couple, bare minimum costs)

Item	Cost	Notes
Rent	€350	2-bedroom apartment in not-as-central location.
Transportation (bus, taxi, etc)	€12.50	To Chania center from Chania airport: taxi €25; bus €2.50. Heraklion (capital; 2 hours 40 minutes): taxi €165; bus €15.10. (Assume some walking, but mostly taxi and bus travel).
Gas (cooking/heating)	€22	No mains gas. Bottled gas (propane/butane) is about €22 per 10-liter bottle (used by some for room heaters).
Electricity	€70	€70/month is as high as this bill would get.
Water	€10	€10 to €15/month.
Internet	€15	Internet only.
Cell phone plan only	€20	€20/month; various deals on minutes/data.
Garbage collection	-	Included with property tax (on street containers; no individual collection).
Groceries	2€80	Includes weekly shop of produce and basics, plus one monthly shop of longer-lasting items i.e. wash powder.
TOTAL	€780	

Apartment or House Rental Budget (for a couple)



Item	Cost	Notes
Rent	€1,000	2-bedroom apartment from €450/month based on 12-month minimum contract. Some 6-month winter rentals are available.
Transportation (bus, taxi, etc.)	€225	To Chania center from Chania airport: taxi €25; bus €2.50. Heraklion (capital; 2 hours 40 minutes): taxi €165; bus €15.10. (Assume some walking, but mostly taxi and bus travel).
Gas (cooking/heating)	€22	No mains gas. Bottled gas (propane/butane) is about €22 per 10-liter bottle (used by some for room heaters).
Electricity	€70	€70/month.
Water	€15	€10 to €15/month.
Telephone/internet	€30	€30/month. Internet only €15/month.
Cell phone plan only	€20	€20/month; various deals on minutes/data.
Garbage collection	-	Included with property tax (on street containers; no individual collection).
Household help	€40	€5/hour.
Entertainment	€20	Movie ticket: €5 to €6; Touring theatre ticket: €5. Not including eating out.
Groceries	€400	Includes weekly shop of produce and basics, plus monthly longer-lasting items i.e. wash powder.
Gym membership	€70	€35/month. Tennis court rental: €12/hour.
Medical appointment	€100	€50.
TOTAL	€2,012	



Apartment or House Ownership Budget (for a couple)

Item	Cost	Notes
Municipal property Tax:	€33	Variable; approximately €300 per 60 square meters per year (or a range of 0.25% to 0.35% of the "objective value of the real estate property"). For a 100-square-meter home, average €33/month.
Transportation (bus, taxi, etc)	€50	To Chania center from Chania airport: taxi €25; bus €2.50. Heraklion (capital; 2 hours 40 minutes): taxi €165; bus €15.10. (Assume some walking, but mostly taxi and bus travel).
Gas (cooking/heating)	€22	No mains gas. Bottled gas (propane/butane) is about €22 per 10-liter bottle (used by some for room heaters).
Electricity	€70	€70/month
Water	€15	€10 to €15/month
Telephone/internet	€30	€30/month. Internet only €15/month
Cell phone plan only	€20	€20/month; various deals on minutes/data.
Garbage collection	-	Included with property tax (on street containers; no individual collection).
Household help	€40	€5/hour
Entertainment	€20	Movie ticket: €5 to €6; Touring theatre ticket: €5. Not including eating out.
Groceries	€400	Includes weekly shop of produce and basics, plus monthly longer-lasting items i.e. wash powder.
Gym membership	€70	€35/month. Tennis court rental: €12/hour
Medical appointment	€100	€50
TOTAL	€870	



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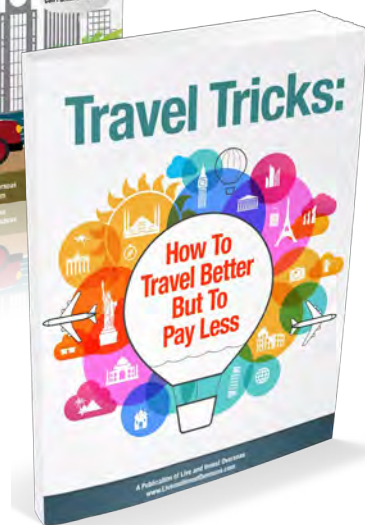


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