

PANAMA

Special Report



Tierras Altas:
Poised To Be The Next Boquete?

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TIERRAS ALTAS

—Poised To Be The Next Boquete?

BY MICHELLE MILLER SHOGREN

Tierras Altas is poised to become the next Boquete.

Situated in the highlands of western Panama, it features comparable scenery—misty hillsides dense with greenery, gardens terraced into slopes, and abundant wildflowers. Its cool-weather climate and the outdoor lifestyle it affords are also similar...

But Tierras Altas is also very different to Boquete in important ways.

First, it's affordable. Everything from the cost of real estate to the cost of a burger costs less here, while costs in Boquete are closer to those of a mid-size U.S. city. Second, Tierras Altas is relatively unknown, while Boquete is one of the most famous expat communities in the world. Third, Tierras Altas is authentic and down-to-earth, while some complain of the imported American culture that dominates Boquete.

Tierras Altas is a district in Chiriquí Province, on the east side of Volcán Barú, an inactive volcano. It's made up of five townships: Volcán, Cerro Punta, Cuesta de Piedra, Nueva California, and Paso Ancho. Each of these contains a dozen or more small mountain towns.



Map of the area

The region is situated at a higher altitude than Boquete and its climate is cooler, but these factors vary village to village. Expats choose which village is right for them based on which type of microclimate they prefer.

I first visited in 2005 and declared Guadalupe my favorite small town in the region. It's stunning, with steeply sloped hillsides and European-style homes with high pitched roofs and elaborate flower gardens.

Now visiting for my fifth time, I'm convinced that I'm going to retire in Tierras Altas.

The towns and villages that make up the Tierras Altas region are stretched out along an asphalt road system. Volcán is the largest of them, with a population of 13,000. It's one hour (56 kms or 35 miles) from David, the provincial capital and closest big town, and nearly seven hours (490 kms or 304 miles) from Panama City.

Volcán has the lowest elevation in Tierras Altas, sitting at 1,400 meters (4,617 feet) above sea level.

Guadalupe, my favorite destination, is one of the last towns on the road and is situated at 2,255 meters (7,398 feet) above sea level.



Michelle in Cerro Punta

Getting Here

Tierras Altas is nearly a seven-hour drive from Panama City on a new asphalt road. To get here, drive

west along the Pan-American Highway. You'll pass David, where the two-lane highway winds through pine and eucalyptus forests with stunning views of the hillsides, adorable mountain homes, and farmland.

At La Concepción, you'll divert north towards Volcán and the Tierras Altas region in general.

If you're not driving your own car, you can access this area via public transportation, though it's a long journey. You'll need to take a bus from the Albrook Terminal in Panama City to David, then change buses to continue to your final destination.

The fare from Panama City to David is US\$12.60. From there, there are direct buses to the small mountain towns of Cuesta de Piedra, Volcán, Cerro Punta, Guadalupe, and Las Nubes. From David to Volcán, it's US\$3; from David to Guadalupe costs US\$4.50.

It can take over 12 hours to reach all the mountain towns beyond Volcán by bus. A faster alternative is to take a taxi from David to Volcán for about US\$25 or up the mountain to Cerro Punta or Guadalupe for US\$40 to US\$45.

Once you're in Tierras Altas, there are private taxis available.

David is home to David "Enrique Malek" International Airport, which services Panama City with regular direct flights. The flight takes about an hour and costs about US\$100.

Weather

Tierras Altas has a temperate mountain climate due to its altitude in the cloud forest. In fact, the town of Las Nubes' name literally means "the clouds."

In Volcán, the average temperature ranges between 13°C and 24°C (55°F to 75°F). There are micro-

climates here, and at higher elevations... places like Cerro Punta, Guadalupe, and Las Nubes... it can get down to 5°C (41°F) at night, especially in the dry season, which means frost.



Typical Tierras Altas home

Economy

Tierras Altas is the breadbasket of Panama thanks to its volcanic soil. In fact, 80% of the country's produce comes from the highlands, making agriculture the driving force of the economy. It's the only place I've seen dairy cows (as opposed to the long-eared Brahman cattle) in the country.

Tourism... especially locals from David coming for day trips... has been steadily growing here since the early 90s. I asked a number of locals about the history of tourism, and I was surprised to hear more than one person say, "After 1989..." to explain when the industry picked up.

In 1989, the United States invaded Panama to remove Noriega from power. Interestingly, I live in a tourist area that received visitors long before 1989, and I have never heard anyone reference a relationship between the invasion and tourism...



Los Quetzales Ecolodge

History Of Tierras Altas

There's evidence of human presence in Panama as early as 12,000 B.C. The isthmus was used as a land bridge to travel between North and South America, meaning that indigenous populations were here long before the first Spanish arrival in 1501.

French citizen Fred Lambert was the first outsider to settle here. At the time, Panama still belonged to Greater Colombia, which means he arrived between 1821 and 1903. Lambert bought property from the government and established a coffee plantation in Tisingal Springs, blazing the trail for future Europeans... and apparently Californians... to relocate to the Volcán area.

These settlers dedicated themselves to cattle ranching, coffee cultivation, and the installation of sawmills... industries that are still thriving in Tierras Altas today.

Their influence is seen in village names like Nueva Suiza (New Switzerland) and Nueva California (New California) as well as in the architecture of the

"La Invasión" And Noriega

With greater political stability after the collapse of Noriega's dictatorship, Panama began to receive more international investors and tourists. I was curious about why the dictatorship is still so fresh in people's minds in this part of the country...

The defense forces of General Manuel Antonio Noriega had expropriated and redistributed a lot of land in this area, including the site of the present-day Volcán Airport.

In 1984, following Noriega's orders, the armed forces built an asphalt runway in what was a rural area at the time. Miguel Janson of the Janson Farm and Coffee Shop confirms this, saying that his family used to own a grass airstrip that his great-grandfather and uncles used to land their small airplanes.

Miguel tells me that when Noriega asked to buy this land, his family had no other choice but to sell it to him for the price he suggested. There are rumors of this airstrip being used for nefarious purposes.

Allegedly there were large aircrafts from unknown origins frequenting the runway at night. There's speculation of both narco-trafficking and the transportation of arms to the Nicaraguan Contra group who was fighting to overthrow the revolutionary Sandinista government.

Miguel can't confirm those allegations, as he wasn't in Panama at the time, but the timeline certainly does line up.

Noriega often stayed at Hotel Bambito, the most luxurious hotel in Tierras Altas, in the mountain town of Bambito.

Both Pablo Escobar and Carlos Ledher (Escobar's co-founder of the Colombian drug cartel) accompanied Noriega here. They all used the helicopter pad that you can still see today... next to the trout ponds where families come to fish on the weekends.

These are little-known facts that Miguel doubts younger generations are aware of.



Drying coffee (Credit: Carlos Alfaro)

wooden homes and cabins, with steep A-frame roofs and fireplaces.

Many of the *extranjeros* (foreigners) that the locals refer to—Germans, Swedes, Argentines, etc.—were born and raised in Panama, some of them second- or third-generation Panamanian. Miguel Janson explains that he's third-generation Panamanian with Swedish and Italian heritage.

What's There To Do In Tierras Altas?

Coffee, Plants, And Strawberries

The cool climate, coffee, and produce—especially strawberries—all make Tierras Altas famous.

There are small businesses along the roads offering hot chocolate, coffee, and everything strawberry... shortcake, milkshakes, popsicles, strawberries with cream... you name it, they've got it.

As a “crazy plant lady” myself, I love this area for the variety of plants, flowers, and succulents that adorn every other house—at least in Guadalupe.

From citrus to roses and orchids, Tierras Altas has it all... There are lots of gardens to tour here including Finca Dracula whose orchid collection is the third largest in the world.

A Gardener's Dream

Where I live in Santa Catalina (on the coast), we're gardening-challenged with the heat and humidity.



Roadside strawberry stand

Here in Tierras Altas, nearly everything grows... citrus, broccoli, cauliflower, cabbage, lettuce, carrots, and of course, strawberries... in addition to the lowland crops such as bananas.

That's where my retirement plan comes in—I hope to buy a large parcel of land with both forest and an open space to have a garden.

The National Parks

Bird watching, hiking, and the national parks bring people from all around the world to this area.



Volcán Barú National Park is located here, and at 3,475 meters (11,400 feet) above sea level, it's the highest point in the country. There are seven different craters visible from trails within the park, including the Quetzal Trail which joins Cerro Punta and Boquete.

The picturesque town of Las Nubes is the gateway to International Park La Amistad (friendship), which is shared with Costa Rica. La Amistad was established in 1988 and declared a UNESCO World Heritage Site in 1990.

The 407,000 hectares of forest protect five species of cats: ocelot, puma, jaguar, jaguarundi, and margay. The endangered Baird's tapir is found here and about 600 species of birds.

Four indigenous groups live within the park: Naso, Bribri, Ngöbe, and Buglé. They live traditional lifestyles in small communities.

Other Activities

Putzing around in your garden or flower bed, birdwatching from your patio, a trip to the river, or a mountain hike are all common activities.

The Resplendent Quetzal

The Resplendent Quetzal is a bird in the trogon family. Not only is it resplendent, it's also elusive and endangered, making a sighting special.

Quetzals are found from Chiapas, Mexico, to western Panama. It's the national bird of Guatemala and is also the name of their currency—the Guatemalan Quetzal or GTQ.

Searching for the quetzal mid-February through July (during their mating season) is one of the main attractions to Tierras Altas.

Social activities tend to be low-key... a few friends or couples playing cards, going on a walk, small dinner parties, or meals out together. The Wandering Sloth Bar and Grill in Paso Ancho is a popular hangout.

A drive up the hill to Guadalupe or a trip to the national parks are wonderful half-day adventures.

Prior to COVID-19, there was a Friday farmers' market in Volcán, which will hopefully return.

There's a pickleball group and a few nonprofit organizations that are run by foreigners but work together with the locals. A quilt shop in downtown Volcán teaches indigenous women to sew.

Helping Hands of Tierras Altas is a group of American and Canadian expats who volunteer non-emergency medical supplies and care. They help with meals and work as caregivers and donate wheelchairs, walkers, and crutches.

There's a group who spays and neuters pets, and they've been successful at organizing local clinics.

Amenities

Volcán is the hub of Tierras Altas. Just 30 minutes from Guadalupe and an even shorter drive from Alto Bambito, Paso Ancho, and the other small towns that expats favor, most of your day-to-day needs can be met in Volcán.

Both national banks—Banco General and Banco Nacional—have branches here, as well as Banistmo bank, and there are a number of gas stations, grocery stores, and hardware stores.

Romero supermarket in Volcán has first-world items including American and European cheeses, a selection of wine, liquor, craft beers, and a small health food section.

There's at least one English-speaking doctor, a dentist, and a few lawyers in Volcán.

If you're planning on building your own home or business, you can start with the permitting process in Volcán and later go to Bugaba to request an inspection from the fire department.

Basic building supplies and appliances can be bought here, but for custom or first-world products, a drive to David, the provincial capital, is in order.

The Chinese-owned grocery store—or M/S (mini super)—in Guadalupe has the basics... plastic dishes, school supplies, staple foods, national cheese, and alcohol.

The Cerro Punta store has a similar fare, plus a Delta gas station.

Both the expats and locals I spoke with say they go shopping in Volcán once or twice a week and usually travel to David once or twice a month.

Cost Of Living

Tierras Altas is one of the most affordable places to live in Panama. It also has the cheapest produce in the country. A couple could live comfortably on a food budget of US\$400 to US\$500 per month shopping at both the nicer Romero and the other local supermarkets in Volcán.

That might include one or two nights out per month, even at the popular Wandering Sloth Bar and Grill where a “gringo burger” costs US\$4.45. A national beer is priced at US\$1.50 and a glass of wine US\$2.50. A 16-inch family-sized pizza starts at US\$8.95.

If you were to eat a more Panamanian-style fare, it would be cheaper. A typical dish with chicken or meat, rice, beans, and a small salad costs US\$3 to US\$4.

I saw a small apartment building in downtown Volcán offering private furnished apartments for US\$300 a month, with washing machines, electricity, water, sewage, garbage, and Wi-Fi included.

The price of public water depends on the size of your home and how many bathrooms you have. Sonia Perez, a Puerto Rican woman who migrated here from the States, tells me she pays US\$7.50 for water per month because her home has two bathrooms.

Cable TV is bundled with internet and provides 222 channels for US\$55 per month. Basic cellular service with 7.5 GB of LTE speed data costs US\$20 per month. Household help (either a gardener or housekeeper) costs US\$15 for an eight-hour day. [Go here for an in-depth look at monthly expenses.](#)

Who's Here, Where, And Why?

The expat population is sprinkled throughout several small mountain communities in the Tierras Altas area. The majority live close to Volcán where it's warmer and sunnier.

Guadalupe is home to a dozen or so expats from both North America and Europe, as well as Panamanians of European descent. In Cerro Punta, about 50 foreigners live both part-time and year-round.

In the past, Tierras Altas was home to mostly people of retirement age, but younger families have started relocating to the area.

There are about 1,000 expats living in Tierras Altas, the majority of whom—600 or so—are North Americans. That said, it's becoming a popular destination for immigrants from South Africa, too.

As Eric Stevenson explains to me in our interview, it's really about which micro- climate you prefer. There are over a dozen towns that appeal to foreigners here: Guadalupe, Cerro Punta, Bajo Grande, Paso Ancho, Bambito, Alto Bambito, Nueva Suiza, and Nueva California, just to name a few...

There's a friendly small town feel everywhere you go, and life moves at a slower, more relaxed pace. There's still little development overall, which means plenty of room for opportunity.

"If Boquete Is Los Angeles, Tierras Altas Is San Francisco..."

This is what one local expat tells me... meaning that Boquete is more elite, with lots of social events, theater groups, and fine dining, whereas Tierras Altas is more laid-back, lacking the glitz and glamour, and featuring less gated communities.



Terraced gardens in Guadalupe

Integration

When I asked the local and foreign populations whether they mixed and mingled with one another, the two groups had different answers.

The local perspective is that no, aside from greetings or pleasantries in passing, they never share birthdays or holidays with their foreign neighbors.

One woman who spent years working in the service industry tells me that the foreigners who live in Volcán are often rude, talking down to her.

None of the locals I spoke with are aware of the nonprofit groups or efforts the foreigners are making here.

The expats I spoke with focus on good-deed-doing as a way to say yes, they interact with the local population. Eric mentions that prior to COVID-19, his restaurant clientele was 80% Panamanian. They hosted a weekly Panamanian musician and what he called a “gringo band” that brought everyone together.

LGBTQ

In Panama, LGBTQ relationships aren’t legally recognized and same sex marriage isn’t legal. Little progress has been made regarding the acceptance of and respect toward the community.

Although it’s no longer a crime, there are many groups who reject the LGBTQ community, with transgender individuals facing the most discrimination.

Hopefully in the near future Panama will be one of the several Latin American countries recognizing the rights of LGBTQ individuals and same-sex couples.

Disabled Access

In general, Panama is full of pedestrian hazards for those who don’t have a disability... gaping holes on sidewalks and irrationally high curbs and stairs abound.

But there’s hope. During my last visit to Tierras Altas, I saw sidewalks, especially in the touristy area of Guadalupe. I also noticed more accessibility in the supermarkets.

A development plan for Volcán already exists with drawings and videos rendered. It includes storm water drainage, sidewalks, and bike paths. If accessibility is important to you, keep your eyes on Volcán in the near future...

We may be pleasantly surprised.

Safety

I spoke with Carlos Alfaro, owner of the Los Quetzales Ecolodge and Healing Spa, at length about this area. Carlos is Panamanian-American and has a wealth of knowledge to share, having built the first hotel in Guadalupe in 1991.

I asked Carlos about safety and security. He says that crime isn’t an issue here, that it’s a safe place to live.

“Panama is one of the safest countries to live in,” he says, “even more so than Costa Rica where there’s lots of petty crime and theft. What you have to contend with, if you’re trying to run a small business here,” he says, “is a lot of rules and regulations from the government.”

As a small business owner myself, I know exactly what he’s talking about. There are a dozen or so government agencies who turn up semi-regularly to check your paperwork—that you’re paying your taxes, that everyone has legal work permits, that your employees receive overtime pay plus one month paid vacation, among other legal requirements.

From the health department to the Consumer Protection Agency (Acodeco), Social Security, and the Ministry of Labor, all the red tape can be discouraging.

We shared a laugh at the fact that the conversation had shifted from crime to annoyances with the government.

Dangers And Annoyances

The beauty of this area, with its terraced gardens, is a double-edged sword. At least 90% of those gardens on the sloping hillsides are grown with fertilizers and chemical pesticides.

Both the local and foreign populations have serious concerns about this, and Carlos is vocal about the need to ban the use of glyphosate (a systemic herbicide) in Panama.

Many European, Middle Eastern, and Southeast Asian nations have completely banned the use of glyphosate after the World Health Organization's International Agency for Research on Cancer identified it as a probable human carcinogen in 2015.

This means that exposure to glyphosate is a cancer hazard—especially for those working in industries that have direct contact with it. The rates of cancer and birth defects are high in Tierras Altas, especially among the agricultural population.

Farming has also led to deforestation, which causes landslides, especially in the rainy season from April through November.

So why would anyone—me included—want to live here? The beauty is undeniable. My vision is to have my own organic garden on a piece of land away from agricultural development.

Ease Of Doing Business

With the government regulations, opening a business can feel like a hassle, but it's not impossible. With so many facilities in Volcán, it's easier here than in other locations that require a one- or two-hour drive to a major city.

All bills and services are paid in Volcán... electricity, water, garbage, phone, cable, internet, etc.... which is helpful.

There are English-speaking lawyers here, but you'll have to go to David for the notary and Ministry of Commerce and Industry (the agency that issues business licenses). David is easy to navigate, and you can find nearly everything here, which saves you regular trips to Panama City.

Internet, phone, and TV bills can be set up for autopay or online payment. Internet service with Tigo (formerly Movistar) works well, allowing you to work online, and is used for credit card machines.

Eric gave me more insight into having a restaurant here in the Expat Interview.

Can You Still Shop On Amazon?

I've had a P.O. box at the national post office for over a decade, which is fine for receiving letters from friends and family, but can be slow and unreliable... Packages sometimes take months to arrive. I wouldn't send anything of value that way.

Businesses like the locally owned Alanna Group provide a reliable forwarding service for mail and packages directly to Volcán so that you can still order from Amazon.

Buying Property

Foreigners with and without residency can legally own property in Panama. You can hold property titles in your personal name or through legal entities such as corporations, private foundations, limited liability companies, partnerships, or trusts.

Not all property is titled property but may be *derechos posesorios* or right of possession (ROP) land. Foreigners have a legal right to ROP land and can have the property titled, but until then, technically the government owns it.

You'll have to pay both the government and the seller per meter before the property can be titled.



Your lawyer can verify a property's ownership by checking the title or finca (farm) number as well as its certification in the public registry (*registro público*). The latter will confirm any liens that may be held against the property.

The sale of property in Panama is usually completed in a two-step process. First, you will be asked to pay a deposit (usually 10%). A promissory buy-sell contract (*contrato promesa de compraventa*) is created to state the terms and conditions of the sale.

This will include details about the payment process and closing costs such as the title tax and transfer tax (which are both 2% of the sale value) and capital gains.

Once the terms and conditions of the promissory agreement have been met, a final sales contract will be drawn up and then signed in the public notary. Payment is then made to the seller.

If you choose to pay in cash or a cashier's check, you should do so at the notary office so they can act as a witness. This is the most common way of doing business. If your payment is made via wire or bank transfer, have the notary witness that transaction as well.

Other payment options are either using your lawyer and their bank account as an intermediary or setting up an escrow account, but most people in Panama aren't familiar with this process. Your lawyer will

then present the sales contract to the public registry where they'll officially transfer the property to your name.

Rental Market

Tierras Altas is quite the buzz right now. There used to be an abundance of rental properties on the market, but now they're harder to find. Even so, rental prices are low compared to elsewhere in the country. I noticed a three-bedroom apartment on offer for US\$500 per month.

You'll pay more for a mountain home away from Volcán proper. Most start at about US\$1,500 per month.

There's another option on the horizon—Sonia Pérez's Golden Years Community apartments, which are under construction. The facility will consist of 28 one-bedroom apartments and 4 two-bedroom apartments that will rent for US\$1,500 and US\$2,000 per month, including three meals a day, weekly laundry, and housekeeping.

The community will also provide transportation to Volcán and David for groceries, outings, and medical appointments. Sonia's project is located in Cuesta de Piedra, which is at a lower elevation, with a warmer climate.

Her goal for the Golden Years Community is to keep her prices low to allow both expats and Panamanians to live in a happy, colorful environment. Sonia says she's trying to fill a need in the community.

In the future, Sonia hopes to also construct two-bedroom duplexes for people who want to be associated with Golden Years, but still live independently. She plans to build a nursing home, too.

Look for more information about real estate offerings in Tierras Altas in the [Property Picks](#) section, and you can find Sonia's contact and the Golden Years Community in the [Rolodex](#).

Property Market

I spoke with a woman from one of the leading real estate companies in the area who tells me that she sold nearly her entire inventory to Panamanians during the height of COVID-19 in 2020.

She says many of the small lots and affordable homes she had available were bought by people looking to escape Panama City, David, and other suburban areas.

That said, there are other agencies that specialize in real estate here, and I saw several for-sale-by-owner signs on both homes and raw land when I was in Tierras Altas.

The going rate for smaller lot-sized parcels (1,000 to 5,000 square meters) ranges from US\$8 to US\$40 per square meter depending on the desirability of the location.

Compared to the market price on the coast where I live (US\$100 per square meter) this is an excellent buy.

Multiple-hectare-sized parcels (over 100,000 square meters) average about US\$1 per square meter. Property with a family sized home of 260 square meters (2,800 square feet) is typically about US\$1,000 per square meter, depending on the lot size.

A three- to four-bedroom, two-bathroom home is usually about US\$260,000.

Tizingal Springs Waterfall Community is an innovative new project only five minutes from Volcán. They're focused on self-sustainability, offering seven titled lots starting at US\$48,000 for 1,022 square meters (lot #5). Or there's a two-bedroom, two-bathroom, 95-square-meter home with property for US\$179,000.

Every lot has edible landscaping including fruit trees, a raised permaculture garden bed, and a chicken coop with 10 chickens. Many have views of the waterfall, the volcano, or both.

When you invest over US\$200,000 with Tizingal Springs, they'll cover your legal fees for the Friendly Nations Visa and their in-house attorney will facilitate your immigration process.

There's also a rental opportunity with the homes here. I've included this project, along with my other favorites in the [Property Picks](#) section. All real estate contacts and websites are in the [Rolodex](#).

Health Care

There are basic public health clinics in Guadalupe and a few of the other small towns. They're typically open from 7 a.m. to 3 p.m.

There's also a 24-hour public (MINSA) clinic in Volcán, but they don't usually have staff after hours

and the imaging department closes at 3 p.m. Both the locals and expats I talked to receive care at this clinic. There are private doctors' offices in Volcán (some with English-speaking doctors and staff) and an English-speaking dentist.

In David you'll find adequate regional hospitals, as well as first-world health care at the Hospital Chiriquí and the Centro Médico Mae Lewis where they have a full lab, imaging services, and operating rooms. You can find bilingual doctors in most fields of medicine here.

Medical care in Panama costs significantly less than in the States. A visit to a specialist (cardiologist, podiatrist, gynecologist, etc.) is normally US\$50. It's normal to have direct access to your doctor, too. They'll typically give you their cell phone number to ask questions and receive a higher standard of personalized care.



A teeth cleaning on average is about US\$30, and a cavity filling is US\$40 to US\$50. Eye exams are generally free if you order prescription eyeglasses through the same doctor, which start at about US\$100.

Retired friends of mine have a national insurance plan with Pan-American Life Insurance Group that also offers international plans. For both of them (they're in their late 60s and early 70s) they pay US\$2,000 per year for what they describe as covered self-insurance. Their plan pays at least 50% of all their medical expenses, and they're happy with the service they've received so far.

Internet

The internet speed in this area is impressive.

Fiber optic is available with Tigo. The cheapest plan costs US\$55 for 100 Mbps with 100 Mbps downloading speed and 10 Mbps uploading speed. This service is provided along the main road to Guadalupe and extends to a few smaller roads, too.

You can work remotely here... That said, power outages are common and though they usually only last 10 to 15 minutes, they sometimes last for hours. The farther you are from Volcán, the longer it can take to get back up and running. Eric and Nancy report being without electricity in Paso Ancho for up to 16 hours at times.

Is Spanish Necessary?

"Yes and no," Eric tells me. "Far less English is spoken here than in Boquete or David, but if you make an effort, you'll find a way to communicate. Now with technology it's a lot easier. When we first arrived we didn't speak any Spanish."

Eric and his wife Nancy prove that it's possible to open and operate a thriving business while learning Spanish.

There are Spanish teachers in Tierras Altas if you're looking to hire a tutor or start with the basics.



Volcanic mud masks and springs (Credit: Carlos Alfaro)

Education

With more young people and families migrating to this area, some are choosing to homeschool, while others send their children to local schools. Primary education (kindergarten to sixth grade) is available in each of the small villages in Tierras Altas.

A bilingual private school, Tierras Altas Academy, opened in Volcán just before COVID-19 and is now back to classroom learning. Look for their website in the [Rolodex](#).

In David, there's the British Oxford School and the Cambridge Bilingual School. There are many international academies in Panama City.

The overall level of public education in Panama is low compared to the rest of the world. Panama ranked 71 out of 77 countries when tested by the Program for International Student Assessment in a 2018 student evaluation.

Residency

Foreigners can now visit Panama for 90 days without a visa (if they're from visa-exempt countries).

As far as temporary and permanent residency go, there were two major changes to Panamanian

residency laws this year. One was to the existing Friendly Nations Visa, and the other was the introduction of an entirely new option: a Short Stay Visa for Remote Workers. Under both, you can work. Be aware that with the Pensionado Visa (the pensioner's visa, the one that most retirees go for), you can't obtain a work permit.

Let's start with the changes. The Friendly Nations Visa was created in 2012 to allow citizens of over 50 countries with economic or professional ties to Panama to apply for residency status. Changes made in May of this year eliminate the possibility of permanent residence by incorporating a business or opening a bank account and depositing the sum of US\$5,000.

You now have to first obtain temporary residency status for two years and then apply for permanent residency by filing a second application within 30 calendar days of the expiration of the initial two-year temporary residency.

You can apply for the Friendly Nations Visa in one of two ways: either through a job offer or through a real estate investment. If you apply for work purposes, a work permit must be submitted and approved for residency to be granted. If you purchased real estate, it must have a minimum value of US\$200,000.

The new Short Stay Visa for Remote Workers was Panama's response to both the digital nomad trend and COVID-19 remote work situations. This visa allows visitors who are employed by foreign companies or who are self-employed to live and work remotely from Panama for nine months with a one-time extension of nine additional months.

You must have a minimum annual income of US\$36,000 that you can prove comes from a source outside Panama through a bank certification or bank statements. It can take up to six months for immigration to process your actual nine-month residency permit.

New Law For Tourists

As of Oct. 1, 2021, tourists will only be allowed to stay 90 days in Panama. In the past, stays of up to 180 days were allowed, but this is no longer possible without a residency visa.

There's a list of countries that require a tourist visa or special permission to enter... that said, tourists from the United States and Canada don't need one. A link to the full list and immigration requirements is in the [Rolodex](#).

The Pensionado Visa allows legal residency in Panama provided you have a pension income guaranteed for life. There's no minimum or maximum age required to qualify. You only need to prove you receive a minimum of US\$1,000 per month.

If your monthly income is less than this but equal to or more than US\$750 per month, you can use a real estate purchase with a value of at least US\$100,000 to reduce the lifetime monthly pension income to US\$750. I've included the full list of requirements to obtain this visa in the [Rolodex](#).

Discounts & Tax Exemptions

Most of the following discounts are available to any legal resident of Panama who is over 55 (for women) and 60 (for men). If you're in this age bracket you'll qualify for many of these savings even if you don't have a Pensionado Visa.

The list of benefits and exemptions includes:

- A one-time duty tax exemption for household goods up to a total of US\$10,000
- Duty exemption for importing a new car every two years
- 50% off entertainment anywhere in the country (movies, concerts, sports)
- 30% off bus, boat, and train fares
- 25% off airline tickets

- 50% off hotel stays Monday through Thursday
- 30% off hotel stays Friday through Sunday
- 25% off at restaurants
- 15% off at fast-food restaurants
- 15% off hospital bills (if you're uninsured)
- 10% off prescription medicines
- 20% off medical consultations
- 15% off dental and eye exams
- 20% off professional and technical services
- 50% reduction in closing costs for home loans
- 25% reduction on utility bills
- 15% off loans made in your name
- 1% less on home mortgages for personal residences

Getting Pets Here

The process of bringing your pet into Panama isn't impossible, it's just time sensitive. These guidelines are for importing your cat or dog from the States.

If you're coming from another country or have another animal (exotic pets require a sanitation certificate), check with the Panamanian Consulate in your country for specific instructions.

You'll need the following from your vet within 10 days of your departure date: health certificate, rabies vaccination certificate, and certificate of origin. Dogs must also have current vaccinations for distemper, parvovirus, and leptospirosis.

The U.S. Department of Agriculture (USDA) must certify the health certificate. You'll need the Panamanian Consulate or the U.S. State Department Office to authenticate the document with an apostille.

To make all of this happen in 10 days, you'll have to use an overnight delivery service such as FedEx, UPS, or DHL.

Address an overnight envelope to the USDA. Inside that envelope, include two more prepaid overnight envelopes: one addressed to the Panama consulate or embassy of your choice and one back to you.

The information about quarantining your pet varies. You can apply for home quarantine and should do so 3 to 10 days before you travel. Before traveling, make sure that your animal crate meets airline requirements and fill out the Panama Import Form.

When purchasing airline tickets, be sure your arrival will be during the Panamanian veterinarian's working hours, which are generally weekdays from 8 a.m. to 3 p.m. Be aware of holidays.

Have exact cash for the import fee and for the home quarantine, and make copies of everything. Be sure to check in with your pet three to four hours before your flight, and include all the paperwork with your animal. It travels with your pet, not you.

See the [Rolodex](#) for more information and the official USDA checklist.

Taxes

On Jan. 1, 2019, a new Panamanian property tax law went into effect, which declared all properties whose value is registered under US\$120,00 are exempt from property tax.

Properties whose registered value is between US\$120,001 and US\$700,000 pay 0.5% on the difference over the US\$120,000 exemption annually.

To be eligible for this tax exemption, the property must be registered as *patrimonio familiar* (family patrimony) or as *vivienda principal* (primary residence).

Panama is a known tax haven, right? In recent years, Panama has become stricter when it comes to banking and taxes. The U.S. government is now asking more questions about foreign owned-bank accounts and corporations as well.

Regardless, foreign residents pay personal income tax in Panama only on money earned within the

country, which is calculated on a sliding scale from a minimum of 15% after the first US\$11,000 to a maximum rate of 25%.

American retirees are not taxed on pensions, Social Security, or similar income earned in the United States. Still, the IRS requires U.S. citizens to file tax returns, even if you're not living in the United States.

You're exempt on foreign-earned income up to US\$101,300 or double for a couple.

For more information on rental income tax, transfer from land sales, and capital gains, see the [Rolodex](#).

The Next Boquete?

Tierras Altas has the potential to be the next Boquete. There's room to grow here, and hopefully this will be done in a responsible way. There's already a master development plan that includes storm drainage, a bike path, and sidewalks.

If you've been to Boquete, you know there isn't much room for growth, and for a small town, traffic is an issue. Tierras Altas has the same cool climate and is cheaper, plus some residents claim the people are more relaxed and down-to-earth.

Boquete has a reputation for being cliquey and more concerned with social status. The Tierras Altas folks I spoke with are not worried about appearances and were more focused on their quality of life.



Beautiful mountain views in Tierras Altas

Who Is Tierras Altas For?

Nature lovers, birders, gardeners, hikers, tinkerers (those who can stay busy with hobbies and projects), relaxed, every-day, down-to-earth people.

Who Need Not Apply?

City folks. If you're used to large social circles and events, like to get dressed up, night life, and fine dining, you'll be disappointed here. 🌸



About The Author

Michelle is an American expat who relocated to Santa Catalina, Panama, in 2005. She and her husband built, owned, and operated La Buena Vida, working in hospitality, food service, and wellness until 2018. Michelle was instrumental in founding the Santa Catalina Chamber of Commerce as well as starting a recycling and outdoor education program for the village. A yoga instructor and massage therapist by trade, these days Michelle stays busy writing, offering her services in the healing arts, and with her unique upcycled beach mosaics.



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And, as a foreign resident, you can pay zero local tax...

Panama is one of the best places in the world right now to start a business... and one of the easiest places to obtain foreign residency...

Plus, outside Panama City, this beautiful country hides the smartest beach, river, and mountain property buys anywhere on the planet today...



CLICK HERE
TO LEARN MORE

Tierras Altas Property Picks

BY MICHELLE MILLER SHOGREN

Lots of Tierras Altas real estate was snapped up during the height of the pandemic last year, though there is still inventory available. I saw several for-sale-by-owner signs on both homes and raw land when I was there...

The going rate for smaller lot-sized parcels (1,000 to 5,000 square meters) ranges from US\$8 to US\$40 per square meter depending on the desirability of the location.

Compared to the market price in Santa Catalina where I live (US\$100 per square meter) this is an excellent buy.

Rentals

House For Rent In Paso Ancho

(Prestige Panama Realty ID #1844)

Price: US\$1,300 per month
3 beds, 2 baths

This furnished, 160-square-meter (1,722-square-foot) home with three bedrooms and two bathrooms features unparalleled highland views. Situated on a 1,500-square-meter (16,145-square-foot) lot in Paso Ancho, there's plenty of room to spread out here. It's for rent for US\$1,300 a month (including water and internet service).



House for rent in Paso Ancho
(Credit: Wee-Mingh Fung)

Spacious House In Mountain Peace Estates

(Prestige Panama Realty ID #2063)

Rent Price: US\$1,000 per month
Sales Price: US\$250,000
3 beds, 2 baths

Located in Volcán, this three-bedroom, two-bathroom, 260-square-meter (2,798-square-foot) rents for US\$1,000 per month. It's also available for sale for US\$250,000. The total lot size is 1,280 square meters (13,800 square feet). The unit is currently unfurnished.



House for sale or rent
(Credit: Prestige Panama Realty)

Golden Years Community Apartments

Price: US\$1,500 to US\$2,000 per month
1 and 2 beds and baths

Located in Cresta de Piedra, this project is currently under construction. When finished, it will consist of 28 one-bedroom apartments and 4 two-bedroom apartments that will rent for US\$1,500 and US\$2,000 per month, including three meals per day. Golden Years Community will also include transportation to Volcán and David for groceries, outings, and medical appointments.



Rendered drawing of Golden Years Community
 (Credit: Sonia Pérez)

Property For Sale

Tizingal Springs Waterfall Community

With reasonably priced lots and homes, a clean water source, volcano views, a waterfall, trails, and focus on sustainability, this small seven-lot project has huge potential.



Tizingal Springs master plan
 (Credit: Tizingal Springs)



Rendered drawing of two-bedroom home at Tizingal Springs
 (Credit: Tizingal Springs)

Beautiful Home In Nueva California

Price: US\$269,900

4 beds, 3 baths

Construction: 260 square meters

Price per square meter of construction: US\$1,040

This furnished, 160-square-meter (1,722-square-foot) home with three bedrooms and two bathrooms features unparalleled highland views. Situated on a 1,500-square-meter (16,145-square-foot) lot in Paso Ancho, there's plenty of room to spread out here. It's for rent for US\$1,300 a month (including water and internet service).



House in Nueva California
(Credit: Eric Durocher)

Commercial Or Residential Lot

(Prestige Panama Realty ID #1982)

Price: US\$75,000

Lot size: 1,500 square meters

This 1,500-square-meter (16,145-square-foot) lot is an excellent commercial or residential property located just a few minutes from Volcán on the main road. All public services are available here: water, electricity, internet, and public transportation. It has flat topography and offers beautiful views of the surrounding area. It's priced at US\$75,000.



Commercial or Residential Lot
(Credit: Prestige Panama Realty)

Great Buys In Caisán Abajo

Price: US\$39,000 per lot (or US\$119,000 for the entire project)

Lot size: 4,689 square meters (or 21,392 square meters for the entire project)

Inexpensive and beautiful view lots are available for sale in Caisán Abajo (in the direction of Costa Rica) only 15 minutes from Volcán. Each of the following lots are now US\$39,000: Lot #2 (4,689 square meters or 50,470 square feet) and Lot #3 (5,147 square meters or 55,400 square feet).

The owner is also willing to sell Lot #4 along with Lots #2, #3, and the remainder of the undivided land (a total of 21,392 square meters or 230,260 square feet) for US\$119,000. This is listed with Eric Durocher at Casa Solution. 🌸



Lot #2 in Caisán Abajo
(Credit: Casa Solution)

Tierras Altas Rolodex

BY MICHELLE MILLER SHOGREN

Taxes

[Property Tax](#)

[Income Tax](#)

Pets

[Pet Importation Guide](#)

[USDA Checklist](#)

Residency

[Embassy Of Panama: Immigration And Visas](#)
[Pensionado Visa Requirements](#)

Education

[Tierras Altas Academy](#)

Real Estate

[Tizingal Springs Waterfall Community](#)

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[Casa Solution](#)

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Prestige Panama Realty

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[Golden Years Community](#)

Sonia Pérez is the Puerto Rican-U.S. expat owner of the Golden Years Community development.

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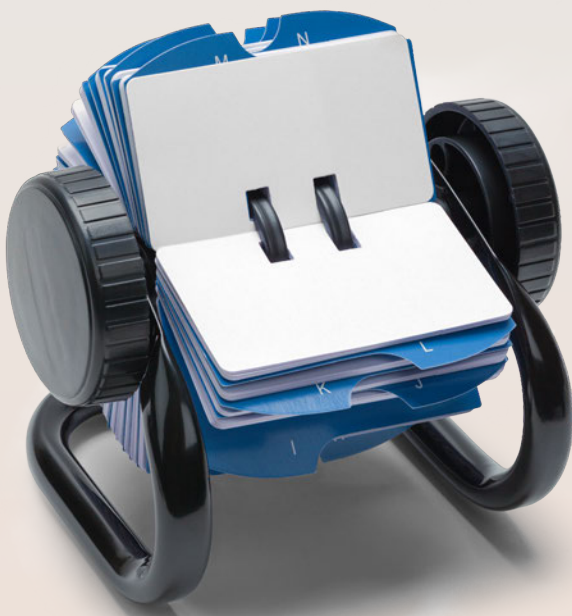
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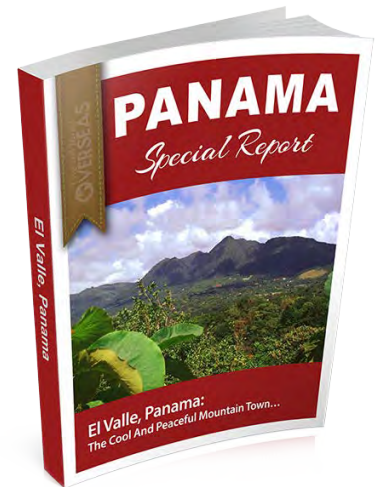
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- **“Little Black Book for Panama,”** our private Rolodex, not available for sale anywhere—This is a guide to our best in-country contacts, which is supplemented every month with the new contacts we’ll introduce you to in your issues of the ***Panama Letter***...

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