

Annual Retire Overseas Index 2013



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First Annual Retire Overseas Index

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Introduction

Where is the best place in the world to retire? The truth, of course, is that it's impossible to answer that question.

Not ones to let a little thing like the impossible get in our way, however, this month, in our First Annual Retire Overseas Index, we answer the question directly. That is, we name and rank the top 21 places in the world to retire.

Each month in these *Overseas Retirement Letter* issues, we introduce you to the world's most appealing and advantaged destinations for the would-be retiree overseas, recognizing that, unfortunately, in the process, we may be doing more harm than good. That is, by providing you with ever-more, ever-new options to consider, we may be making it more difficult for you to choose where best you might plan your new life in retirement overseas...not less.

[Editor's Note: *We first published the Retire Overseas Index 2013 edition in the Overseas Retirement Letter, a monthly subscription-based e-zine highlighting the world's best opportunities for overseas retirement. To learn more about the Overseas Retirement Letter and be the first to see the Retire Overseas Index 2014 edition, please see the special offer at the end of this report..]*

In this issue, therefore, we take a step back and regroup. We consider all the world's top retirement options right now, at once, and relative to each other, because relativity is key. Nothing is absolute, and no place is perfect. No climate is perfect. No residency process is perfect. Infrastructure isn't perfect either, not anywhere...it's better or worse some places than others.

As is the health care...the residency options...the tax situation...the cost of living...the cost of buying or renting a home...the options for ways to spend your Friday evenings and your Sunday afternoons...etc.

So, for this special issue, we rate and rank the most important factors the would-be retiree should consider for all 21 of the world's top retirement havens today, in an effort to make it possible for you to make comparisons.

Specifically, for this First Annual Retire Overseas Index, we look at the following 12 factors:

- Climate
- English Spoken
- Existing Expat Community
- Residency Options
- Cost Of Living
- Entertainment
- Health Care
- Safety
- Real Estate
- Environmental Conditions
- Infrastructure
- Taxes

We consider each of these 12 factors for each of the following 21 destinations, your best options today for where to think about launching a new and exciting, exotic and affordable life overseas:

- Abruzzo, Italy
- Ambergis Caye, Belize
- Boquete, Panama
- Cayo, Belize
- Cebu, Philippines
- Chiang Mai, Thailand
- Copper Coast, Ireland
- Costa de Oro, Uruguay
- Cuenca, Ecuador
- Georgetown, Malaysia
- Granada, Nicaragua
- Hoi An, Vietnam
- Hua Hin, Thailand
- Istria, Croatia
- Kuala Lumpur, Malaysia
- Languedoc, France
- La Serena, Chile
- Medellin, Colombia
- Mendoza, Argentina
- Panama City Beaches
- Puerto Vallarta, Mexico

This Is How You Begin

Before you begin considering these specific retirement destination options, however, I suggest you first consider the world map. Very broadly speaking, from the retiree's point of view, it breaks itself down into three regions—the Americas, Europe, and Asia. (I figure you're not interested in retiring to Antarctica.) In which region might you find the retirement choice that'd be best for you?

If your base is North America, Latin America can seem the obvious place to focus your attention. Countries south of the border are, first, nearby and, generally, easily accessible. In addition, they can also offer two things that most retirees actively seek: a low cost of living and an abundance of sunshine.

But there's a world beyond the Americas that can also offer good weather and a low cost of living...plus, in some cases, some things you won't find here. In fact, a majority of the world's most affordable overseas retirement havens today are not to be found in Latin America, but in Asia. As a friend who has been retired in Asia for many years puts it, "Everywhere in Asia is more affordable than the cheapest places in Latin America right now." That may be a stretch, but pockets of Thailand, Malaysia, the Philippines, and Vietnam (the four Asian countries we feature in this month's index), for example, can be absurdly cheap. You could live a modest but comfortable life in any of these countries on a budget of US\$700 or US\$800 a month, even less.

Living on this side of the planet, you'd have access to some of the world's most beautiful beaches. You'd also be living a life that might best be described as unpredictable. Choosing to retire overseas is the best way I know to make sure that your life in retirement is full of adventure and the unexpected. Nowhere is this truer than in Asia.

Another way to process this might be to say that the culture shock for a retiree in this part of the world would be significant. For some would-be retirees, this reality is thrilling and invigorating...for others, it's intimidating, even terrifying.

In Asia, as well, you'd likely be a long way from home (if home were in North America, for example). You aren't going to pop back from Hua Hin for your grandson's birthday party in Des Moines.

For these reasons, it can make sense not to approach Asia as a full-time choice but, instead, to create a retire-overseas plan for yourself that allows you to enjoy the benefits of Asia (super cheap and super exotic) part-time. Savor the delights of life in this part of the world but take your leave before the delight turns to disenchantment. How about three months in the mountains of Thailand, where your retirement budget would stretch far indeed, followed by a few months in the south of France, say, or Italy?

Which brings us to the Continent. Not everyone is cut out for life in the developing world. If you're less interested in an exotic retirement than you are in a fully appointed one, your best options could lie in Europe. Most would-be retirees abroad dismiss this part of the world as too expensive, but that isn't necessarily the case, and, if it's a Continental lifestyle you dream about, I urge you not to write it off too quickly. Sure, a retiree on a modest budget probably can't afford Paris or Florence, but have you considered the Languedoc, in southwestern France, where life is quintessentially French but, as well, surprisingly affordable, or Abruzzo, which you could easily mistake for Tuscany if it weren't for the lower cost of living?

One of the big advantages of Europe, compared with other regional retire-overseas options, is the opportunity it affords for what might be referred to as "high culture." Every country in the world has local culture, but not everywhere has world-class museums, opera, and live theater, for example. If you're interested in a life that includes what are conventionally recognized as cultural offerings of the high-brow variety, you're likely going to be disappointed in much of Latin America.

This is not to say it's impossible to enjoy an Old World Continental lifestyle anywhere else. Some cities in South America offer a fair imitation, including, for example, Medellin, Colombia, and Buenos Aires, Argentina. Neither Medellin nor Buenos Aires is Paris (B.A.'s reputation as the Paris of South America notwithstanding). Still, both Buenos Aires and Medellin are cities of open-air cafes, classic-style museums, theaters, art galleries, and antique shops.

Both are also, you'll note, in South America, not Central America. The differences between these two regions, even between Panama and Colombia, next-door neighbors, can be striking. I'm speaking generally and you could find exceptions to every point, but, again, generally speaking, South America offers what I'd call more polished retirement options and is a good place to look if what you want is culture on the cheap.

Central America, by contrast, is, everywhere, rough around the edges. These are small, developing countries, struggling (let's be honest) to keep the lights on and the highways paved. They don't have money to invest in things like art museums. This can make for a way of life that is, for some, charming. Romantics (like me) in Central America see the potential for what could be rather than the reality of what sometimes is. Others find Central America frustrating, disappointing, even appalling.

Weights And Measures

For our First Annual Retire Overseas Index, we consider 21 destinations in 12 categories. Some of these categories have to do with the country where the destination is located; others have to do with the destination more specifically; and, in one case (infrastructure), we consider the category both for the country and the localized destination.

In each case (when considering the criteria for each country and, as well, when looking at the criteria for each specific spot), we organize those criteria into two groups—Category A and Category B. Category A criteria (which we consider more important) are weighted 70% when making the final tallies; Category B criteria (important but less so for the would-be retiree) are weighted 30%.

Specifically, here's how we did our ciphering:

Local Criteria

Category A--Weighted 70%

Climate
Cost of Living
English Spoken
Infrastructure
Safety

Category B--Weighted 30%

Entertainment Options
Environmental Conditions
Expat Community

Country Criteria

Category A--Weighted 70%

Health Care
Infrastructure
Residency

Category B--Weighted 30%

Real Estate
Taxes

On the other hand, this sun-blessed region can be but a quick plane hop away and a user-friendly place to establish foreign residency if you'd like to settle in full-time.

Step Two

Now that we've reminded ourselves of the big-picture differences among the three main regions where you might be considering relaunching your life in retirement, let's narrow our focus.

As I've explained, for this month's Retire Overseas Index, we're considering the 21 destinations we believe offer the greatest potential for the would-be retiree this 2013. Note that these destinations are not countries. You aren't going to retire to Panama or to Belize, not to France or to Ireland...just as you aren't going to retire to the United States. You might, though, for example, consider retiring to Naples, Florida, or Scottsdale, Arizona.

You might. But I'd suggest you consider the 21 thin-sliced destinations we highlight in this month's index first. I would say that, collectively, these are the world's most affordable, most welcoming, friendliest, safest retirement choices.

At the same time, however, some of these places are more affordable than others. In some, the available health care is better...or not as good. In some, real estate is a screaming bargain, while, in others, you might pay as much to rent a home as you would "back home," depending where you're coming from. Some offer turn-key residency options; others make you work harder if you want to remain in the country "permanently." In some of these places, the folks speak English, either as a rule or often enough to make it possible for you to get by without having to learn the local lingo. In others, you're going to have to make the effort to speak a new language. Some of these places are home to established and growing communities of foreign retirees, meaning you'll have lots of ready-made English-speaking company. In others, your neighbors would be local, meaning you'd have to speak their language and respect and embrace their way of life.

Two more general points before we focus our attention geographically. First, while it'd be fair to say that some of the places on our list are safer than others, you can take for granted that every one of the places in our index this month qualifies as safe. We wouldn't name a destination as among the 21 best places in the world to retire if it were dangerous. (Remember this when we speak further, in a minute, about Medellin, Colombia, for example. Yes, I'll pre-empt your concern now, Medellin is safe.)

Second, while each country on our list has its own tax code, some more onerous than others, you may not need to care. If, resident in your new country as a retiree, you will have only retirement income (that is, Social Security or pension income), then your tax situation should be unchanged from what it would have been had you retired back home...or anywhere else. Most countries do not tax retirement income. If you're an American receiving Social Security, you're paying U.S. taxes on that income. Retired to another country, you'd continue paying U.S. taxes on that income, but you should not pay any additional tax in the country where you've relocated.

It's with non-retirement income that taxes can become an issue. If you have capital gains income, for example, you may or may not owe tax on it in the United States and you may or may not owe taxes on it in the country where you're residing. It depends where the gains were earned and where and how you take payment of them.

Likewise, if you're working (either for yourself, in your own business, or for someone else), you may or may

not owe tax in the country where you're residing, depending on many particulars of your situation.

Some countries charge property tax, some don't. Don't invest in a home of your own wherever you relocate, and you don't have to worry about this one way or the other.

Why These 21?

Our primary agenda with this index is to help you contrast and compare the 21 destinations it highlights, the places we have identified as the best places in the world to retire right now. However, before we proceed to do that, you may be wondering: Why these 21?

That is, of all the places in all the world, why have we chosen to focus your attention on these 21 in particular? Good question.

First, collectively, these 21 spots represent the best our world has to offer—city, beaches, mountains... Old World and New...East and West.

Second, each of these 21 places is special, remarkable in some way. Indeed, some are remarkable in several ways.

Specifically, some are among the cheapest places in the world to live well (Cuenca, Ecuador; Granada, Nicaragua; Hoi An, Vietnam; and Chiang Mai, Thailand, for example). Some offer lifestyles that qualify as quintessentially Old World, rich with culture, history, and romance, at prices that even retirees working with modest budgets can afford to embrace. (Here I'm thinking of Languedoc, France; Abruzzo, Italy; and Istria, Croatia.) Some promise escape, either practical (Cayo, Belize) or romantic (Corrper Coast, Ireland).

In some of the places we feature in our index you can embrace the best of beachfront living on a budget (Costa de Oro, Uruguay; Hua Hin, Thailand; Cebu, Philippines; and Hoi An, Vietnam). Puerto Vallarta, Mexico, is the best place to embrace what I'd describe as a luxury-level beach lifestyle on a non-luxury budget. Puerto Vallarta; Ambergris Caye, Belize; and the Panama City Beaches are the best places to retire to the beach in the company of fellow expat retirees. All are home to established and growing foreign retiree communities.

Legal Residency In Asia— Everything The Would-Be Retiree Needs To Know

Malaysia, the Philippines, and Thailand offer retirement visas that can be extended legally and indefinitely.

Thailand requires that a retiree make a "border run" every 90 days. Most of us think of "border runs" as ways of circumnavigating the local residency laws (that is, as illegal). This is not the case currently in Thailand. In this country right now, a border run is not only not illegal, it is a legally mandated condition of the Non-Immigrant Long-Stay Type O-A retirement visa.

Qualifying for this retirement visa requires income of 65,000 baht (currently about US\$2,250) per month. As an alternative, an applicant can deposit 800,000 baht (US\$28,000) in a Thai bank.

Years ago, thousands of foreigners were living in Thailand long-term without the proper visas and making border runs to avoid being evicted from the country. In 2006, the government changed the law to address the situation. Now, again, foreign residents are required either to obtain the correct visas or leave the country. As a practical matter, it is much easier to obtain a retirement visa in Thailand than it is to get a Malaysia My Second Home visa in Malaysia, and the financial requirements are much less in Thailand, too.

Vietnam does not offer an official "retirement visa." However, it is legal for a foreigner to remain in Vietnam indefinitely with a tourist visa. It's simply a matter of extending your visa through either a travel agent or directly through the immigration department, and extensions are easily granted. Eventually, you will have to leave the country (and return, even the next day). Perhaps you'll be able to stay 18 months before having to make a "border run"...perhaps longer. But, again, this is not illegal but a realistic option for the retiree who would like to stay in this country indefinitely.

Note that visa runs are not necessary in either Malaysia or the Philippines, where permanent residency is part of the retirement program benefit package.

As Asia Correspondent Wendy Justice explains, "It is no longer right to assume that Asia is not a full-time retirement option. There is no reason why someone could not live as a retiree continuously in some Asian countries with a very legal document giving them permission to do so."

We feature here our picks for the best places in the world to enjoy the best of city living on a budget (Medellin, Colombia; Georgetown and Kuala Lumpur, Malaysia)...the best places to retire among the vines (the Languedoc, France, and Mendoza, Argentina)...the best highlands options (Boquete, Panama, and Cuenca, Ecuador)...and our favorite place to kick it in the Caribbean (Ambergris Caye, Belize).

Now, to the point. Let's look at each of the important criteria you should consider as you shop the globe for the retirement Shangri-La with your name on it, drawing out comparisons, specific destination to specific destination, along the way.

Climate

Climate is a good example of how choosing a retirement destination overseas is a completely subjective and personal challenge. I don't think anyone would choose to retire someplace with bad weather (Ireland might be an understandable exception to this rule...see below)...but what is bad weather? More constructively in this context, what do you qualify as good weather?

A typical description of good weather might be spring-like year-round, with no harsh season and temperatures in the 70s to low 80s 12 months a year.

Specifically, following are the criteria we consider for our index this month: Months of dry season versus months of rainy season, average lowest daytime temperature, and average hottest daytime temperature. Looking at the 21 destinations on our list this way, we find that these two have "ideal" climates:

- Cuenca, Ecuador
- Medellin, Colombia

However, maybe perpetual spring doesn't appeal to you. Personally, I prefer a change of season. If you, too, appreciate seasonal variety, consider the following six locations, in each of which you could enjoy spring, yes, but summer, fall, and winter, too:

- Abruzzo, Italy
- Istria, Croatia
- La Serena, Chile
- Costa de Oro, Uruguay
- Languedoc, France
- Mendoza, Argentina

Some folks like it hot. If you prefer a more tropical climate and don't mind high humidity (because you'll have it, all year-round), consider:

- Cebu, Philippines
- Granada, Nicaragua
- Kuala Lumpur, Malaysia
- Georgetown, Malaysia
- Hua Hin, Thailand

Also tropical but less sultry and therefore, generally speaking, more pleasant are:

- Ambergris Caye, Belize
- Chiang Mai, Thailand
- Puerto Vallarta, Mexico
- Cayo, Belize
- Hoi An, Vietnam
- Panama City Beaches (note that I am not talking about Panama City proper, which is unrelentingly humid all year-round...and which also does not appear on our list of top 21 choices)

Two destinations featured in our index are missing from these lists of possible climates—Copper Coast, Ireland, and Boquete, Panama.

The climate in Ireland is bad. No matter how you define good weather, you won't find it in Ireland, because, nearly every day of the year, this country is wet, chilly, and gray. Most of the remaining days of the year it is wetter, chillier, and grayer. This is one important reason why Ireland can make best sense as a part-time retirement choice. Escape it November through March, when the skies are darkest, the days shortest, and the damp inescapable.

The other destination on our list deserving of special comment to do with its climate is Boquete. This mountain valley region of Panama has earned a reputation for having an ideal climate—that is, spring-like weather year-round. Having spent time in this part of Panama for more than 15 years, I've decided I don't agree with that description. The weather in Boquete is not spring-like...unless your idea of spring is chillier and wetter than mine. I wouldn't say that the climate in Boquete is bad, but I would say it's not as good as it is sometimes represented to be. It is rainier and windier in this part of the country than down on the coasts, and temperatures are often cool enough to warrant the fireplaces that have been built into many homes here. That may be just what you're looking for, but I've known a number of retirees who started out in Boquete but moved on (either elsewhere in Panama or to another choice altogether... say, Cuenca), because they found Boquete's climate not as comfortable as they had expected it to be.



Coronado, Panama

Cost Of Living

This is the toughest category to dissect, because the truth is it is impossible for me (or anyone) to tell you how much it costs to live wherever you may be thinking about retiring.

We recently received an e-mail from a reader that went like this:

"Kathleen, just so you know, I subscribed to your [newsletter on Panama](#) and made the trip to Panama. Let it be known now that I want to cancel.

"Panama is a very interesting country, but by no means is it really affordable or a place where you could live on US\$1,000 per month. I went March 6-20 of this year and was amazed at the cost of everything, from Panama City to David and points in between. Either you all are spouting old information or inflation has set in something fierce.

"Gas was US\$4.20 a gallon for regular unleaded, burgers were US\$10, and three-bedroom homes in Boquete were going for US\$350K+.

"I live in Los Angeles, and the prices for many normal items, meals, etc., were not much cheaper in Panama.

"This experience has made me realize Mexico is probably the better location for me to consider retiring."

We're beaten up on this cost-of-living question regularly.

We don't take it personally, because we understand the cause of the confusion. In fact, there are several. First, just as you aren't going to retire to Panama, say, or any country...neither can you consider the cost of living in Panama or any country. Cost of living is very localized. You know this to be the case in the United States, but you can forget it when considering options overseas. The cost of living is not the same in New York as it is in Iowa. Neither is the cost of living in Manhattan the same as the cost of living in Brooklyn. And the cost of living in Manhattan isn't the same if you call Central Park West home as it is if you live in Alphabet City (as my daughter did while in college).

You get the idea. Now transfer it to wherever you're considering retiring overseas.

Let's take Panama as an example. The cost of living in Panama City is no longer quote-unquote cheap, as the reader above who wrote in recently pointed out. I wouldn't recommend trying to retire to Panama City on less than US\$1,000 per month (though I know many people living very comfortably in the Panamanian capital on not a lot more than that). Nor to Boquete, which is the most established expat destination in Panama and, as a result, also one of the most expensive places to live in this country.

Limit your cost-of-living research to these two places and you might conclude, as the reader I reference concluded, that Panama is not cheap. But you'd be wrong to jump to that conclusion, because other parts of Panama (Santa Fe in the mountains, for example, or Pedasi or Veraguas on the coast) do deserve that description.

That's the first important thing to understand when trying to pin down the cost of living wherever you're considering retiring overseas—you've got to drill down to a truly localized budget. The second important thing is to recognize that you can't determine the cost of living of a place by showing up for a few days as a tourist. Yes, you can find US\$10 burgers in Panama City and maybe in Boquete, too. However, you can also find decent US\$5 burgers (one of our Panama City-based editors tells me he knows where to get a good US\$1.50 burger), if that is your food preference, in this city. If you go to the new Waldorf Astoria bar in Panama City, you can pay US\$14 for a mojito. You could go instead to a local pub in the city and pay US\$4 to US\$5 for the same drink (different atmosphere). Or you could go to a local bar and pay a buck for a local beer.



Languedoc, France

And the real point is that you're going to find this to be the case everywhere, including in Mexico (to return to the reader's e-mail I reference above). You could live in Puerto Vallarta for maybe as little as US\$1,200 to US\$1,500 a month, but you could also spend US\$5,000 a month or more living in this coastal town. The difference between the overseas destinations we highlight in our index and Los Angeles (for example) is that cutting your budget from US\$5,000 to US\$1,500 per month in LA would likely mean relocating to an undesirable neighborhood and living a less desirable life. In our top 21 retirement destinations overseas, our low-end budget amount still buys you a quality of life that we think you'll find enjoyable.

Which brings us to the third important thing to understand when trying to budget your new retirement overseas—it

depends entirely on how you want to live in retirement. Live like a tourist and your monthly budget anywhere, including in Los Angeles, will be much greater than it can (should) be after you've settle in and figured out how to live more like a local.

As an aside, I frequently see would-be retirees paying a lot of attention to the price of gasoline. Remember that, as a retiree, you won't be commuting. In fact, in many of the destinations we recommend, you could live without a car altogether. In other words, gasoline seldom ends up being a big budget factor. Even for those who take road trips now and then, it doesn't make much difference in overall budget over the long haul.

Again, this speaks to how you choose to live. Will you eat dinner out four nights a week...or never? Will you fly home to visit your grandchildren four times a year...or once? Will you keep a car? Will you shop at the expat-friendly grocery store (if one exists) or at the local farmer's market? Will you run your air conditioning around the clock or only at nights for comfortable sleep? Will you be living in a place where you won't need air conditioning at all? Etc. Before you try to figure the cost of living where you think you want to live, you've first got to answer the question: *How are you going to live?*

That said, here is the budget template we used to grade each destination in our index for cost of living:

- | | | |
|---|---------|------------------|
| • Rent for an unfurnished, mid-range, one-bedroom apartment | • Water | • Internet |
| • Basic groceries for a couple | • Gas | • Landline phone |
| • Electricity | • Cable | • Entertainment |

The final budget item, entertainment, includes: eating out two times per week, drinks out in a local watering hole two times per week, and two movie nights out per month.

This is a basic budget. You would have to build it out to include things like health insurance (depending whether you opt for international insurance, local insurance, or no insurance) and travel, especially international travel if you intend to return to from whence you came or to vacation regularly.

You can reference the final total budget figures for each destination in our index on pages 29 to 35. Meantime, if budget is a top concern, following are the destinations where you should be focusing your attention. You could live in each of these places on a budget of US\$1,250 per month or less. You could spend more, maybe much more, depending on all the factors I detailed above. But, if you're in the market for a simple but comfortable lifestyle on a modest budget, here's where I'd suggest you shop:

- | | |
|------------------------|---|
| • Cebu, Philippines | • Granada, Nicaragua |
| • Chiang Mai, Thailand | • Hoi An, Vietnam |
| • Cuenca, Ecuador | • Medellin, Colombia (outside El Poblado) |

This is a diverse list, meaning that, if your retirement budget is small, you still have good choices for different retirement lifestyles, from cosmopolitan with great weather (in Cuenca and Medellin) to more steamy and sultry in colonial America (Granada) or Asia.



Chiang Mai, Thailand

Real Estate

As a would-be retiree overseas, you may not need to care about the real estate market in the place where you're considering relocating at all. The cost of real estate and the complexities and potential restrictions associated with purchasing it as a foreigner are issues (to state the obvious) only if you're buying a piece of real estate. As a retiree, you may opt to rent instead. In fact, I recommend this for anyone moving overseas in retirement, at least for the first 6 to 12 months you're in residence in your adopted retirement home town. This gives you a chance to try it on for size.

That said, if you decide to use your move overseas in retirement also as a chance to diversify into foreign real estate (a very wise idea in today's world), these are the markets where you'll find the best global property values right now:

- Costa de Oro, Uruguay • Granada, Nicaragua • Medellin, Colombia
- Cuenca, Ecuador • La Serena, Chile

Note that cheap real estate isn't always the same thing as a good investment. Swapping our retiree's cap for that of an investor, among the countries on the list above, I'd highlight Medellin in particular. This market is not only under-valued on a global scale but also positioned to provide good current yields (from rental cash flow) and long-term appreciation (not a reasonable expectation in most markets today). Also note that the real estate grade we award each destination in our index reflects not only the cost of buying real estate in the market but also any complications and restrictions you'll face as a would-be foreign buyer. Foreigners cannot buy property in Vietnam, period; thus, we award one of the few failing grades of our index to Hoi An in this category.

Hua Hin and Chiang Mai receive "C's" in the real estate category; foreign ownership of property is restricted in Thailand.

Mendoza, likewise, gets a "C." Exchange controls and the black currency market in Argentina make buying property in this country a complicated endeavor as of this writing. I wouldn't let this scare me off investing in a vineyard in Mendoza, for example, but I'd want to understand the particulars of the process in full before proceeding with that purchase. Otherwise, we've awarded "C's" in this category, when we have, because of the relative cost of buying. The Languedoc, for example, is one of the most affordable places to live or invest in real estate in France, but, on a global scale, it couldn't be called cheap.

English Spoken

In Ireland and Belize, the people speak English. All of them.

For no other country on our list is the language question as cut and dried. Anywhere in the world you go these days, you're going to find folks who speak English. It's the global language. Every person I've met under the age of 25 on all my visits to Croatia, for example, speaks English. It's taught now in schools as a mandatory subject. Every businessperson you meet almost anywhere is going to speak English, too, at least a little.

But where in the world on our list (aside from Ireland and Belize) could you live as a retiree and not have to learn a new language? I'll preface my response by saying that I don't recommend retiring anywhere where the language is anything other than English without making some attempt to learn at least some of the local lingo. Twenty words can be enough—the appropriate greeting depending on the time of day, “good-bye,” “please,” “thank you,” etc. Even this small effort will be appreciated by your new neighbors. However, to penetrate beyond the surface of a place and to enjoy as rich an experience of life there as possible, you're going to need to learn more than 20 words of the local language. How much more is up to you.

That said, you could get by living in the Panama City Beaches area or Boquete, Panama; in Georgetown or Kuala Lumpur, Malaysia; or in Puerto Vallarta, Mexico, without speaking any of the local language. This is increasingly true in Cuenca, Ecuador, as well, as the expat community in this city continues to expand. These are all areas with diverse populations that rely on English as a common means of communication.

If you don't want to learn even a little of a new language as part of your retire overseas adventure (fair enough...not everyone is up for this), then take Medellin, Colombia; Costa de Oro, Uruguay; Mendoza, Argentina; and La Serena, Chile off your list. The amount of English spoken in these places is small. Also note that speaking English only can be a hindrance in the Languedoc, where the locals speak French, yes, but many also still speak an old dialect called Occitan. French in this part of the country view French as the one true language. To make friends with them, you're going to have to learn to speak at least a little of it.

Entertainment

This is another good example of how personal the process of choosing an overseas retirement haven is. Are the entertainment options available in Boquete, Panama, better than those on offer in the Languedoc region of France? As good as those in Chiang Mai, Thailand? More appealing than those you'll find in Mendoza, Argentina? You have to answer those questions for yourself. Here are some broad strokes to help guide your thinking.

The entertainment options in the following destinations would appeal to the outdoorsman (or –woman):

- Abruzzo, Italy (with access both to beaches for summer sun and mountains for skiing in winter)
- Boquete, Panama (mountain climbing, hiking, river rafting, horseback riding)
- Cayo, Belize (mountain climbing, hiking, river rafting, spelunking, kayaking)
- Mendoza, Argentina (horseback riding, hiking, golfing, sailing)
- Languedoc, France (hiking, biking, kayaking, horseback riding, rock climbing, windsurfing, sailing, golfing, canal boating)

These are top choices for beach-lovers:

- Ambergris Caye, Belize (home to a very established expat community and our pick for the best Caribbean retirement for your money)
- Cebu, Philippines
- Costa de Oro, Uruguay
- Hoi An, Vietnam
- Hua Hin, Thailand
- Puerto Vallarta, Mexico (the most turn-key and fully appointed beach lifestyle option on our list, with marinas, golf courses, fine dining, and yacht clubs to support all the usual beach distractions)
- Panama City Beaches (big plus is the easy access to Panama City for big-city diversions)

Here are our recommendations if you prefer the distractions and amenities of city life:

- Cuenca, Ecuador
- Kuala Lumpur, Malaysia
- Georgetown, Malaysia
- Medellin, Colombia

Mendoza, Argentina, and the Languedoc region of France, are notable for their vineyards, for wine-tasting and tours. In the Languedoc, you also have farmers' markets, historic festivals, plus nearby Montpellier for city excitement.

Environmental Conditions

For this category we grade each destination on the two environmental factors that are likely to have the greatest impact on the would-be retiree—air pollution and garbage.

Garbage is a fact of life in the developing world. If you are appalled by litter or, worse, piles of garbage along the side of the road, you should focus your attention on South America or Europe. In Central America and Asia, garbage is a part of the landscape. You aren't going to escape it, and you aren't going to change the locals' perspective on it.

Panama, for example, is working hard to educate Panamanians on the importance of putting litter in bins and of not dumping garbage alongside the highways. It will be a generation at least before this education has an effect.

Also note that not everywhere in South America and Europe is garbage-free. One of the toughest things for us living in Waterford, Ireland, when we did was the local Irish attitude toward litter. I came close several times to chastising grown-ups, including businessmen in suits, when I witnessed them dropping their cigarette wrappers or empty Coke cans on the ground as they walked.

The key to dealing with garbage if you decide to relocate to a place where garbage is an issue is to look beyond it. If you don't think you can do that, the following might be better places to focus your attention. Each is remarkably clean and tidy:

- Abruzzo, Italy
- Languedoc, France
- Medellin, Colombia
- Cuenca, Ecuador
- La Serena, Chile

In addition, Hoi An, Vietnam, is notable in this regard. The people of Hoi An take pride in how clean and tidy they keep their city. Hoi An experiences a flood season each year, when the lower-lying streets can flow with water. However, when the water clears, local residents and business-owners are out picking up any garbage or debris that the flooding has carried through. Trash is not left to linger.

The other environmental factor that will affect you as a retiree in residence is air pollution. Of the destinations on our list, Chiang Mai, Thailand, suffers most in this regard (or, I guess I should say that residents of Chiang Mai, Thailand, suffer most in this regard). One strategy employed by many expats who appreciate the other benefits of Chiang Mai (notably its welcoming community and very low cost of living) decamp seasonally when the farmers burn their fields and the quality of the air can become intolerable.

The city-centers of Cuenca, Ecuador, and Medellin, Colombia, can experience high pollution at the busiest times of day. In our experience, this dissipates quickly.

Finally, a note about the Languedoc, from our Euro-Correspondent Lucy Culpepper:

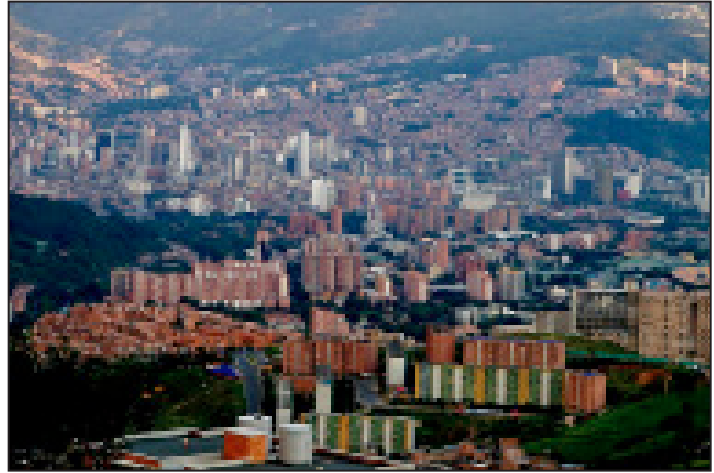
"I agree that the Languedoc is a garbage-free location," Lucy explains, "However, I'd add a warning about dog poop on the sidewalks in villages and towns. It is a real problem and a surprise to visitors."

Existing Expat Community

One of the first and most important questions you need to ask yourself as you consider the idea of retiring overseas is this:

Do you want to live among fellow expat retirees...or do you want to go local?

There is no right or wrong answer; neither choice is better than the other. However, these two paths lead to very different places, both in terms of your day-to-day lifestyle and your cost of living.



Medellin, Colombia

Retiring among fellow expats means retiring either to a place where they've congregated in number (Ambergris Caye, Boquete, or, increasingly, Cuenca, for example) or choosing to locate yourself in a gated development community (as this is where you typically find expats in non-expat destinations). Retired to an established expat community or to a gated development where your neighbors are mostly fellow expats means your new life overseas could be very similar to the one you left behind wherever you came from. You'll be living among folks with similar interests, similar backgrounds, similar priorities, and similar perspectives and who all speak English. This means you won't have to look far for like-minded company when you want it. It also means that your cost of living is going to be higher, perhaps substantially higher than if you were to go the local route.

Going local means living where the locals live, shopping where they shop, eating where and what they eat, and entertaining yourself the way they entertain themselves. It means a difference in the kind of place you call home. Local construction standards and finishes won't be what you're used to, and local apartment buildings, for example, will come without the amenities you can take for granted in buildings intended for the foreign market. These differences can be little or big.

A local building may not have a 24-hour doorman or a big swimming pool. Maybe you see those as little things. A local-style house in the country may not be plumbed for hot water. Maybe you see that as a big thing. It's all a matter of what's important to you and what you're comfortable with. If you have a very small budget, you may have no choice but to go local. In this case, focus where going local doesn't mean going completely without the services you may be used to.

Also note that it can be possible to go local with your social life but not your budget...and vice versa. As a retiree in your new home overseas, you could have all local friends and move in local circles, independent of any

expat community. Meantime, you could choose to shop for imported items at the U.S.-style grocery store, eat in the best international-standard restaurants, etc.

On the other hand, you could move exclusively in expat circles but do all of your shopping and occupy all of your time as a local.

Going the former route, your cost of living would be higher than that of a local. Going the latter route, your cost of living would be lower than that of an expat.

The most expat-friendly destinations on our index list are:

- Ambergris Caye, Belize
- Boquete, Panama
- Cuenca, Ecuador
- Georgetown, Malaysia
- Hua Hin, Thailand
- Panama City Beaches

We award but two failing grades in our index, one in this category. Istria, Croatia, which has virtually no expat community at all. Retiring here you have no choice but to live like a Croat. I'd say that that lifestyle could be comfortable and rewarding (very appealing, in fact), but you'd have to decide for yourself.

Health Care

If you have an existing health concern that requires ongoing monitoring and potentially emergency treatment, this is a make-or-break issue. If that is the case, you should take Granada, Nicaragua, and both Ambergris Caye and Cayo, Belize, off your list.

That said, the Hospital Metropolitano Vivian Pallas in Managua provides globally competitive care. Managua is 45 to 60 minutes from Granada, probably near enough for you to be able to get to the capital in time for even emergency care. There's currently no facility that I would describe as "globally competitive" in Belize. Expats in Belize typically travel north to Chetumal, Mexico, when they need medical care they don't feel comfortable seeking out in Belize.

In other words, in every destination included on our list you'd be near enough to international-standard care, nearer if you stick with the metropolitan areas.

For this health care category, we take into account the availability of care of a standard foreigners will find acceptable in the localized destination being highlighted; insurance coverage options; cost (both of care and of local insurance); and the quality and number of hospitals and clinics. All these things considered, we award "A's" in this category to:

- Cebu, Philippines
- Chiang Mai, Thailand
- Cuenca, Ecuador
- Georgetown, Malaysia
- Kuala Lumpur, Malaysia
- Languedoc, France
- Medellin, Colombia
- Panama City Beaches

Note that I made the point above that, for these rankings, we are looking at the private care available in each destination. This is because retirees in these places are going to be more comfortable seeking private care, rather than care from the local public system.

In the Philippines, for example, the private health care sector is booming, fueling a fast-growing medical tourism industry here. This is what we'd recommend the resident retiree tap into. Public facilities in this country likely would not be of a standard you'd find acceptable.

Infrastructure

I've made the point that your choice as to where to retire overseas must be localized. You aren't going to retire to a country but to a specific spot within that country. Still, some factors are, indeed, country-relevant. Infrastructure is one of these. In fact, infrastructure is relevant both for any country you might consider and, as well, for any localized spot within that country. The infrastructure in Panama overall is of a high standard, higher than anywhere else in the region. However, the infrastructure in Panama City is considerably more developed than that in Mariato, a small town on the western coast of the Azuero Peninsula.

For this reason, we consider infrastructure twice in our index, first for the country in question and again for the thin-sliced spot we're highlighting. In the context of the country overall, we take into account access to North America and the number and standard of international airports; roads; availability of public transportation; telecommunications (cell phones and internet); and construction standards in general and specifically to do with the sewage systems. For each localized spot, we consider localized public transit; access to the rest of the country; localized telecommunications; and local construction standards. Generally, for this category, we try to answer the following question for each destination being highlighted: Do things work here?

We award the following countries top scores (that is, "A's") in this category:

- Argentina
- Colombia
- France
- Malaysia
- Uruguay

France probably requires no explanation, but you may be surprised by the others on this list. However, these are all countries where, as I suggested above, things work...where it's easy to get to the country and to get around inside it once you're there...where telecommunications are reliable and you can count on getting an internet connection and signal for your cell phone...where the garbage is collected reliably...the sewage systems do their thing...etc.

However, while France deserves an "A" for infrastructure overall, the Languedoc (thinking locally) gets a "B." In all France, you'll enjoy First World-standard services and support; however, the Languedoc is a relatively small region. This isn't Paris, and you can't expect all the infrastructure of, say, Paris. It does, though, have four airports connecting to the United Kingdom, Ireland, and continental Europe; high-speed trains to Bezier from Paris and on to Barcelona or Toulouse and Bordeaux; and good local bus service.

On the other hand, we give not only Colombia but also Medellin; not only Uruguay but also Costa de Oro; and not only Argentina but also Mendoza top scores for infrastructure.

Also note that, in four cases, we award "A's" to the specific destination we're highlighting in our index even though the country where that destination is found gets a lower infrastructure score. Specifically, we give the following spots top marks but their respective countries "B's," because, while, in the localized spot we're recommending,

the infrastructure is top-notch and reliable, that's not the case elsewhere in this country:

- Cuenca, Ecuador
- Hua Hin, Thailand
- Puerto Vallarta, Mexico

The big loser in the infrastructure category is Belize. We give the country an "F." We give both Ambergris Caye and Cayo failing grades, as well. Big picture or small, there's no two ways about it:

The infrastructure in Belize is limited. In most of the country, you might say it's non-existent.



Copper Coast, Ireland

On the face of it, that'd seem a good reason to take Belize off any top retirement havens list. Why, then, do we include it on ours? Because, in Belize, an utter lack of First World infrastructure is part of the charm... part of the appeal. For many, this is precisely the reason they seek Belize out.

I'm exaggerating a little. The infrastructure in Belize is not non-existent. There are roads in this country—three of them. There is an international airport, of course. Unfortunately, it sits in Belize City, one of the least appealing cities in the world. There are hospitals, but, as I've mentioned, you may prefer to go to Mexico or even Miami for care. There is internet but no Skype; the country's monopoly phone company won't allow it.

On the other hand—and perhaps at least in part because the country is as under-developed as it is—Belize is the best place I know to leave the rest of the world behind and embrace a back-to-basics lifestyle...what might be called the "resilient life." Retirees interested in self-sufficient living should put Belize at the top of their lists. Belize has all the infrastructure you need—including and especially an abundance of sunshine and fertile land.

The remaining three criteria considered in our index all have to do with the countries in question (not only the specific destinations being highlighted).

Residency Options

More than half (specifically, 11) of the 21 countries featured in our index receive "A's" in our Residency Options category. This is a "retire overseas" index. It makes sense that destinations it features would offer top opportunities for establishing full-time residency in retirement.

Typical in Latin America is what's called a *pensionado* visa; this is the most straightforward option for the would-be retiree interested in taking up full-time residency. For this, you need to prove a minimum amount of regular monthly income from some defined source. The minimum amount required varies country to country, from US\$600 (in Nicaragua) to US\$2,000 (in Belize) per month. Some countries (including Panama and Colombia, for example) stipulate that the income must be "pension" income (Social Security qualifies); others (such as Belize and Ecuador) are more flexible. You can qualify for Belize's version of a *pensionado* visa program (called the Qualified Retired Persons program) by showing reliable income of at least US\$2,000 per month from any source).

The following countries featured in our index all offer *pensionado* visa options, with the indicated minimum income requirements:

- Belize, US\$2,000
- Colombia, US\$966 (at current exchange rates)
- Ecuador, US\$800
- Nicaragua, US\$600 (plus US\$150 per dependent)
- Panama, US\$1,000 (plus US\$250 per dependent)
- Uruguay, US\$500 (this is the minimum according to the law; note that, in practice, you're going to have to show closer to US\$1,000 per month in income as a couple)

In addition, the Philippines, Malaysia, and Thailand all also offer *pensionado*-like visa programs. (See sidebar on [page 8](#).) Malaysia's program is called Malaysia My Second Home. To qualify under the age of 50, you must show liquid assets of at least 500,000 ringgits and an offshore (non-Malaysian) income of at least 10,000 ringgits per month. In addition, you must open a fixed-deposit account of at least 300,000 ringgits at a Malaysian bank. To qualify over the age of 50, you must show 350,000 ringgits in assets and an offshore income of at least 10,000 ringgits per month. You have your choice of opening either a fixed-deposit account of at least 150,000 ringgits.

The common benefits of being a *pensionado* retiree include exemptions from duty when importing personal belongings, household goods, and, usually, your car into the country with you. In addition, Panama, for example, offers *pensionados* discounts on almost everything they buy while in the country, from hotel rooms, restaurant meals, and in-country flights to doctor visits, prescription drugs, even closing costs when purchasing real estate.

Vietnam receives a "C" in our residency options category. It is possible to live in this country as a retiree (see sidebar on [page 8](#)), but Vietnam does not offer a formal *pensionado*-like visa or any special benefits or discounts for retirees resident in the country. We give Croatia a "D" in this category. Not only does this country not offer any form of a retiree visa, but, further, it is not very retiree-friendly. You'll have trouble establishing full-time residency in Croatia; we recommend it (heartily) as a part-time option.

Safety

As I mentioned above, you can assume that every destination featured in our index is safe. We wouldn't suggest you think about retiring there if it weren't. Elsewhere in a particular country may be less safe, but, remember, we're talking about localized options. It wouldn't make sense for a foreigner to give up on his dream of retiring to the coast of Florida because of gang violence he reads about in South Central Los Angeles, would it? Likewise, it doesn't make sense for you to give up on your dream of coastal retirement in Mexico (at Puerto Vallarta, we would suggest) because of drug violence elsewhere in that country...or to give up on your dream of escaping to Belize's Cayo because you've read about gang troubles in certain neighborhoods of Belize City.

Taxes

I've spoken generally about taxes, as well. If your only income residing in one of these destinations will be "retirement" income (Social Security or pension income) and you do not intend to take a job, start a business, or buy a piece of real estate, then you don't have to pay too much attention to the country's approach to taxation. Your pension income should not be taxable in your new country of retirement residence.

If you're an American, you'll continue to pay taxes on your retirement incomes as you would were you retired in the United States. (I'm sorry...there's just no way for you to avoid this.) However, again, you should not incur any additional tax burden.

If you intend to take a job, start a business, or buy a home, then you could have new tax obligations. Of the countries featured in our index, the least tax-friendly are Argentina, Colombia, France, Italy, and Mexico. Each of these countries taxes you on your worldwide income. Earn money in the country, and you'll be taxed on it whether you live there or not. Set up an offshore business online, and, technically, you're liable for tax on that income in these countries if you're a resident. With corporate tax rates that can reach 34%, operating a business and earning income in these countries means with a hefty tax burden.

The winners in this category are Belize, Panama, Malaysia, and Uruguay. These countries operate on a jurisdictional tax basis, meaning you pay tax only on income earned in the country. And Panama even exempts interest income earned in the country. As a result of their approach to taxation, you can live and run a business in these countries without incurring any local tax liability.

How To Choose The Retirement Haven That's Right For You

Lucy Culpepper's children were ages 6 and 9 when she and her husband decided to take them on a yearlong scouting trip.

"We felt there was a window of opportunity before schooling became too restrictive," Lucy explains, "to take the children out of school and go exploring for a new place to live."

But where? From the research Lucy had done online, Mexico's Yucatan Peninsula looked like a good starting point. "It came across well on paper," Lucy says. "There are international schools, the coast looked fabulous in the photos we saw online, there was an expat community, and property prices were low."

In addition, the couple targeted Panama. "Again," Lucy explains, "lots to choose from in the way of international schooling, plus a climate that appealed to my husband. In addition, this country looked like a great place to start a new business, which my husband was planning to do."

"From Panama," Lucy continues, "we would wing it and make up a schedule as we went along."

In February 2008, the couple booked a flight to Cancun, Mexico, for the end of May. In the intervening months they sold just about everything they owned in a massive yard sale—furniture, toys, kitchenware, bikes, linens, clothing...everything but the family treasures (that is, anything with sentimental value).

"Certainly everything electrical went as we didn't want to ship electrical goods that might not work in our dreamt-of Latin America home. We packed the remaining boxes, all the things we couldn't bear to part with, put them in storage and bade farewell, not knowing when or where it would all reappear."

Then, in May, the family of four took their flight to the Yucatan. From Cancun, they traveled south to the coastal town of Progreso, 30 minutes from Merida.

Lucy explains, “Our plan was to spend a month in Progreso. It had taken us a lot of searching to find a month-long rental near the coast that looked moderately appealing.

The house we finally found in Progreso looked good online, was owned by an American, and was close to the beach.

“We arrived in Progreso at the end of a fiesta so the town looked pretty beaten up. But I’ve experienced lots of Latin American fiestas. I know that a town can look trashed one day and tidy the next. So we headed to the rental. There were the usual tweaks and changes to be made when you set up temporary home, especially when you have two children in tow who are feeling a bit bamboozled by the time change and the new environment.”

The trouble was, as Lucy and her family discovered, Progreso didn’t really shape up post-fiesta.

“We had not planned to live in Progreso,” explains Lucy, “but to use it as a base to explore Merida and Campeche. Merida was the most likely place for us because of the international schools. We rented a car and drove everywhere; searching, looking, hoping, I’m not exactly sure for what. I suppose it was a feeling of ‘home.’ I’d glance at my husband as we drove along thinking, when do I tell him that this is absolutely not where I want to live? As it turned out, he was thinking the same thing.”

“Of course we knew the Yucatan would be very hot...and it was. But that wasn’t the main problem. There just wasn’t any character to this region, nothing that we felt drawn to. Not a problem. We were a mobile family, we told ourselves. Where next on the list?”

Panama. The family needed a break from the relentless heat of the Yucatan so they scoured the Internet for somewhere above sea level and found El Valle de Anton, in the mountains outside Panama City.

“It really felt like heaven-on-Earth when we drove down into the lush green volcano and El Valle town,” reminisces Lucy. “Again we rented a house from an American couple. It was cool and fresh; there was a pool and a yard big enough for playing ball. Being here felt like I was lying down in a spa with a cool compress on my head.”

Although it was a magical place, Lucy knew that El Valle could only be a base for their travels, not their ultimate destination. For that, they realized they needed to focus on Panama City, both for the children’s education and for the business Lucy’s husband planned to launch.

“We weren’t necessarily looking for an international school. Both our children had been educated in public schools to this point, and we were open to local education. The problem was that local schooling in El Valle was a bit too basic for the kids. We recognized that their education really would have to take place in Panama City, which meant that’s where we’d have to live. And that became a stumbling block for me. I am a country girl at heart and miserable in cities. And what a city Panama was... and still is.”

The family spent eight weeks in El Valle, traveling back and forth from this mountain town to the big city. The more time they spent in Panama City, the more they were certain this was not the place for them. The construction frenzy, the humidity, the crazy traffic... Lucy remembers being overcome with the sensation of: “Get me out of here!”

Where next?

Costa Rica seemed a logical next country to consider. It borders Panama and is perhaps the most recognized choice for expats in this part of the world.

“We decided to make the trip from Panama to Costa Rica overland, and what a great decision that was,” says Lucy. “Hair-raising at times, yes, and now a funny memory. In fact, that 17-hour journey, through some magnificent countryside, is one of the highlights of the entire eight-month adventure for both our children. Nearly five years down the road and they can still remember every detail.”

As an aside, if you’re contemplating a similar journey but have children and are wondering what to do about their education, Lucy explains here her teaching plan and how it worked out:

“When we set out, I had no idea how long it would be before our two children would be back in formal education and I had no idea which curriculum they would be following—British, American, French, Panamanian, it could have been any of them. So I decided I would only do math and English grammar with my 9-year-old son; the rest would be a kind of world education—learning from the experiences and places we visited. A day at the snake sanctuary in El Valle provided more opportunity to learn biology than any workbook could offer. My only objective for my almost-7-year-old daughter was to teach her to read fluently in English. This was pre-Kindle so we carried quite a few books in our baggage.

“On their return to a classroom, learning principally in English, my son was moved up a grade for his age and my daughter was top of her class despite being the youngest. I am quite sure the experiences they had far outweighed the eight months of formal education that they missed.”

Lucy and her family headed to Costa Rica’s Central Valley, renting a bungalow in a small, gated vacation park. “It sounds like an odd set up, and it was a bit,” says Lucy, “but the Costa Rican owners were really helpful and kind, there was a lot of space, two swimming pools, and, apart from one American expat, we were the only people there.”

“We enrolled the children in a small, bilingual school to give us some space and time without them to figure out if we could live in Costa Rica. We rented a car, toured around looking at property, rented a cell phone (the waiting list for a new one back in 2008 was three years), shopped, cooked, worked out, went to the coast, hiked mountains, worked a little, met other expats, and got to know the owners of the ‘vacation camp’ where we were staying. It seemed to be going well.

“To this day, I’m not sure exactly when or why the doubts about Costa Rica as a home started to creep in. Maybe it was the gunshots we heard at night, maybe it was the armed guards at stores and on school gates, or it could have been the story of a new friend’s mugging in the capital San Jose. Costa Rica has a crime problem that made us uncomfortable.

“However, perhaps what really started to bother us was the feeling again, as we’d had in the Yucatan, that this just wasn’t ‘home.’”

Whatever the explanation, when Lucy and her husband got a call from family in the United States asking for help during a health crisis, it gave them the impetus they needed to pack up and head north. They did not return to Costa Rica.

"We had six cushy weeks in the United States," remembers Lucy. "I had forgotten how straightforward life in the States is. Compared to the places where we'd been spending time, everything was clean and easy. We almost started to look for property in North Carolina, near my husband's family. It was a close call!

"But I knew enough to recognize that that wasn't really what we wanted. At the same time, we'd also shown ourselves that we didn't want Central America either.

"My parents and one sister lived in France. My husband and I had traveled enough in that country to think of it fondly...very fondly. So, after the family health crisis in North Carolina passed and we were ready to resume our search for where to base our own little family, I suggested we focus on France."

Specifically, Lucy and her husband targeted the Languedoc-Roussillon region of France, what might be called the "other" South of France. This is a safe, stable, and interesting region, just over the Pyrenees from Spain, bordering the Mediterranean. The family rented a three-story, 1800s home in Cessenon-sur-Orb, a typical Languedoc village, to use as a base to explore.

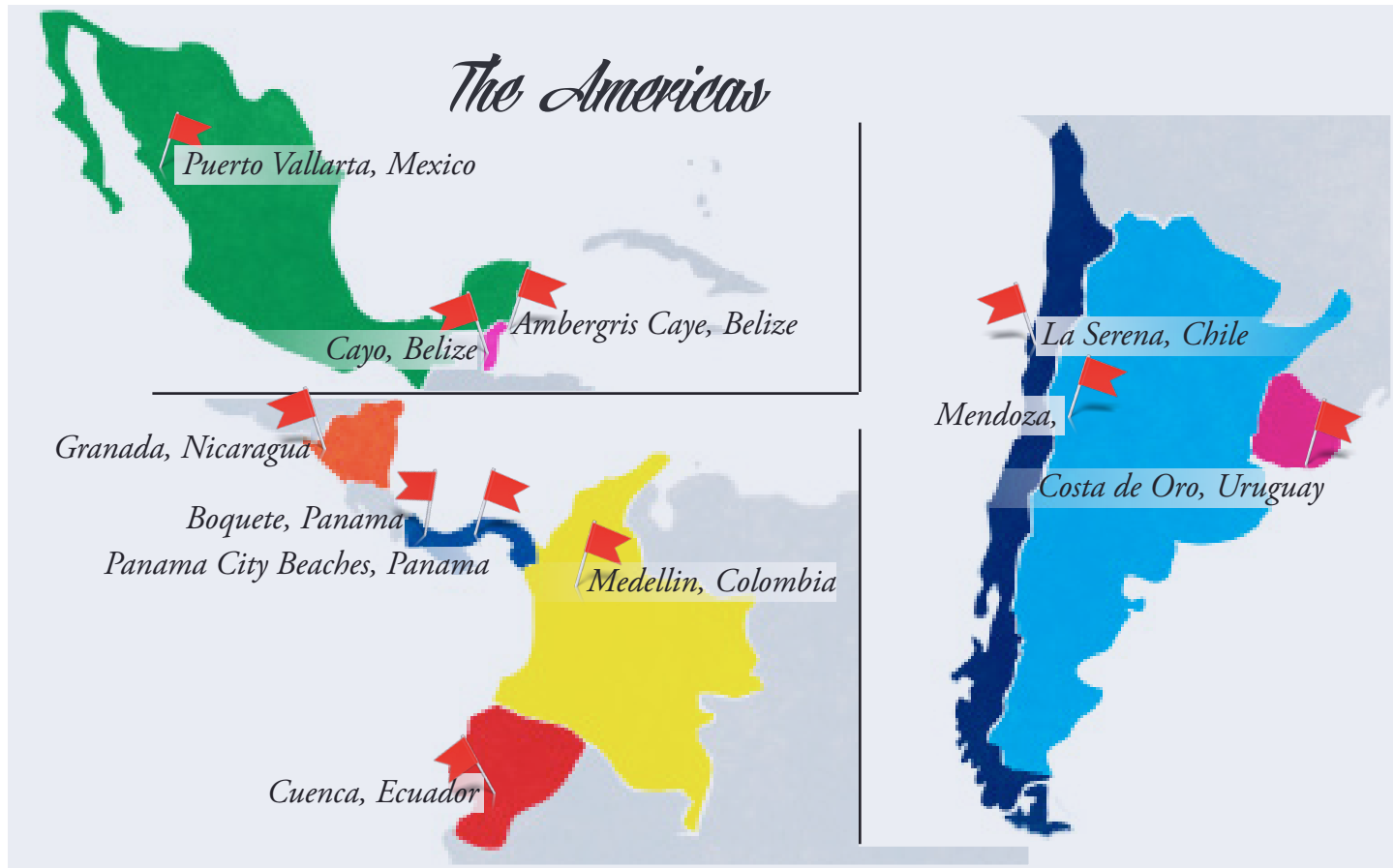
"The contrast between Latin America and France is like comparing black and white," Lucy says. "While Latin America is animated and easygoing, France is calm and controlled. It took some time to adopt the politeness and formality required to get anything done in France."

By this time, the family had a well-developed wish list. They'd tried enough different lifestyles on for size to know what they wanted. Exploring the southwest of France, they were attracted to the Béarn.

"It's just an hour from the Atlantic Coast and an hour from the Pyrenees," Lucy explains, "and it's known to just a small number of expats. This part of France is green and verdant. Summers are hot and sunny and winters are cold with enough snow for skiing. There are fabulous markets and plenty of Old World culture. Finally, and important, there is a bilingual school where we felt our children would excel."

Lucy and her family took their time about it, but, finally, they found their home. As Lucy puts it, "This is where my soul is."

Top Retirement Choices In The Americas



Panama City Beaches

Local Criteria

Local Infrastructure	B
Local Safety	B
Climate	B
Cost of Living	C
English Spoken	A
Entertainment Options	B
Existing Expat Community	A
Local Environmental Conditions	A

Country Criteria

Residency Options	A
Healthcare	A
Country Infrastructure	B
Real Estate	B
Taxes	A

Monthly Budget US\$1,800

OVERALL GRADE A

Cuenca, Ecuador

Local Criteria

Local Infrastructure	A
Local Safety	A
Climate	A
Cost of Living	A
English Spoken	C
Entertainment Options	A
Existing Expat Community	A
Local Environmental Conditions	A

Country Criteria

Residency Options	A
Healthcare	A
Country Infrastructure	B
Real Estate	A
Taxes	B

Monthly Budget US\$1,200

OVERALL GRADE A

Top Retirement Choices In The Americas

Medellin, Colombia

Local Criteria

Local Infrastructure	A
Local Safety	A
Climate	A
Cost of Living	A
English Spoken	D
Entertainment Options	A
Existing Expat Community	B
Local Environmental Conditions	B

Country Criteria

Residency Options	A
Healthcare	A
Country Infrastructure	A
Real Estate	B
Taxes	C

Monthly Budget US\$1,255

OVERALL GRADE A

Costa De Oro, Uruguay

Local Criteria

Local Infrastructure	A
Local Safety	A
Climate	B
Cost of Living	C
English Spoken	D
Entertainment Options	C
Existing Expat Community	C
Local Environmental Conditions	A

Country Criteria

Residency Options	A
Healthcare	B
Country Infrastructure	A
Real Estate	A
Taxes	A

Monthly Budget US\$1,800

OVERALL GRADE B

Boquete, Panama

Local Criteria

Local Infrastructure	C
Local Safety	B
Climate	B
Cost of Living	C
English Spoken	A
Entertainment Options	C
Existing Expat Community	A
Local Environmental Conditions	A

Country Criteria

Residency Options	A
Healthcare	C
Country Infrastructure	B
Real Estate	B
Taxes	A

Monthly Budget US\$1,793

OVERALL GRADE B

Mendoza, Argentina

Local Criteria

Local Infrastructure	A
Local Safety	A
Climate	A
Cost of Living	B
English Spoken	D
Entertainment Options	B
Existing Expat Community	B
Local Environmental Conditions	B

Country Criteria

Residency Options	B
Healthcare	B
Country Infrastructure	A
Real Estate	C
Taxes	C

Monthly Budget US\$1,500

OVERALL GRADE B

Top Retirement Choices In The Americas

Puerto Vallarta, Mexico

Local Criteria

Local Infrastructure	A
Local Safety	B
Climate	B
Cost of Living	C
English Spoken	A
Entertainment Options	A
Existing Expat Community	B
Local Environmental Conditions	B

Country Criteria

Residency Options	B
Healthcare	B
Country Infrastructure	B
Real Estate	B
Taxes	C

Monthly Budget US\$2,280

OVERALL GRADE C

La Serena, Chile

Local Criteria

Local Infrastructure	B
Local Safety	A
Climate	B
Cost of Living	C
English Spoken	D
Entertainment Options	C
Existing Expat Community	C
Local Environmental Conditions	A

Country Criteria

Residency Options	A
Healthcare	B
Country Infrastructure	B
Real Estate	A
Taxes	B

Monthly Budget US\$1,950

OVERALL GRADE C

Granada, Nicaragua

Local Criteria

Local Infrastructure	B
Local Safety	B
Climate	C
Cost of Living	A
English Spoken	C
Entertainment Options	C
Existing Expat Community	B
Local Environmental Conditions	B

Country Criteria

Residency Options	A
Healthcare	C
Country Infrastructure	D
Real Estate	A
Taxes	B

Monthly Budget US\$752

OVERALL GRADE C

Top Retirement Choices In The Americas

Ambergris Caye, Belize

Local Criteria

Local Infrastructure	F
Local Safety	B
Climate	B
Cost of Living	C
English Spoken	A
Entertainment Options	B
Existing Expat Community	A
Local Environmental Conditions	A

Country Criteria

Residency Options	A
Healthcare	D
Country Infrastructure	F
Real Estate	C
Taxes	A

Monthly Budget US\$2,035

OVERALL GRADE C

Cayo, Belize

Local Criteria

Local Infrastructure	F
Local Safety	B
Climate	B
Cost of Living	B
English Spoken	A
Entertainment Options	C
Existing Expat Community	C
Local Environmental Conditions	B

Country Criteria

Residency Options	A
Healthcare	D
Country Infrastructure	F
Real Estate	B
Taxes	A

Monthly Budget US\$1,300

OVERALL GRADE C

Top Retirement Choices In Europe

Languedoc, France

Local Criteria

Local Infrastructure	B
Local Safety	A
Climate	B
Cost Of Living	C
English Spoken	C
Entertainment Options	C
Existing Expat Community	B
Local Environmental Conditions	A

Country Criteria

Residency Options	B
Healthcare	A
Country Infrastructure	A
Real Estate	C
Taxes	B

Monthly Budget US\$2,030

OVERALL GRADE B

Abruzzo, Italy

Local Criteria

Local Infrastructure	B
Local Safety	A
Climate	B
Cost Of Living	C
English Spoken	C
Entertainment Options	A
Existing Expat Community	C
Local Environmental Conditions	A

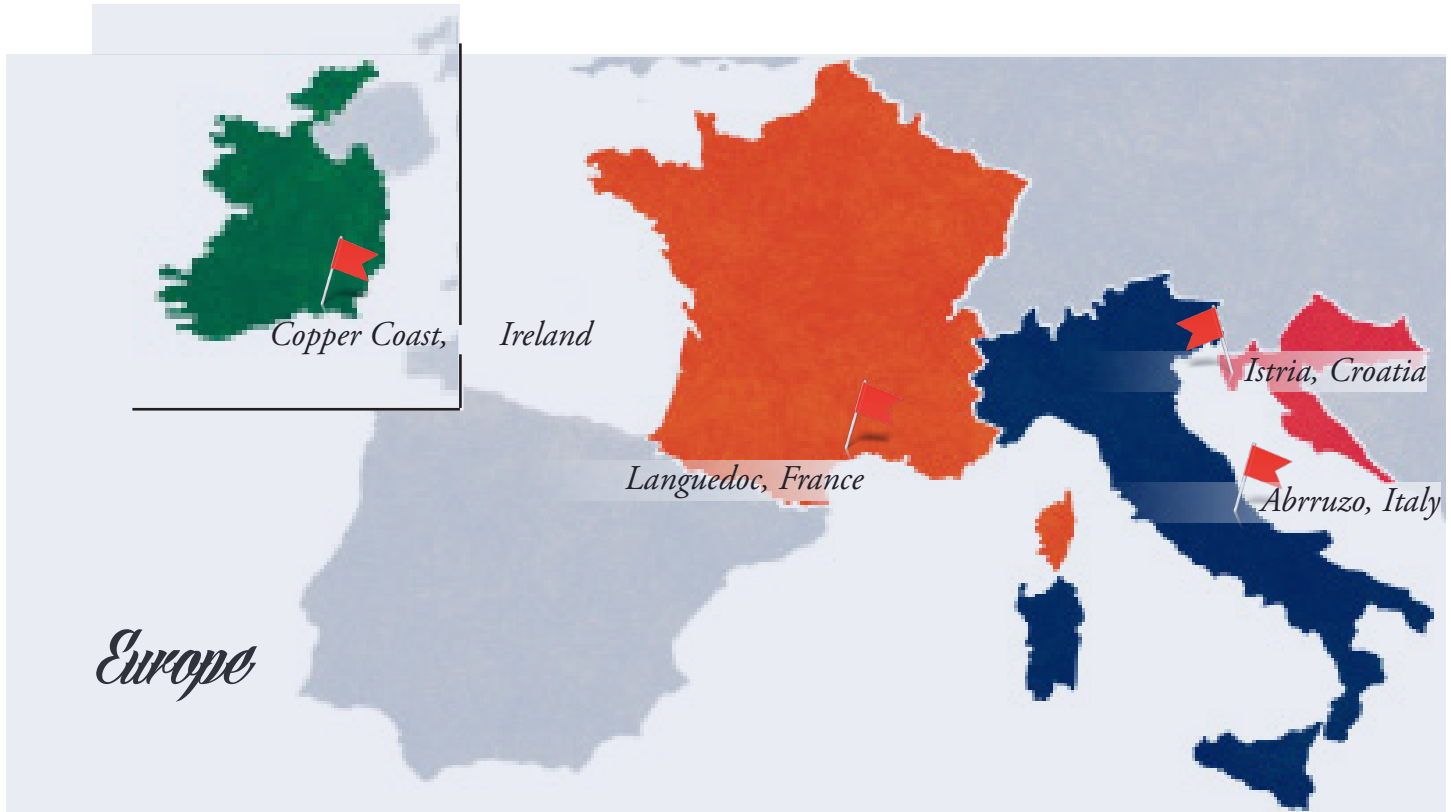
Country Criteria

Residency Options	B
Healthcare	B
Country Infrastructure	B
Real Estate	C
Taxes	C

Monthly Budget US\$1,815

OVERALL GRADE C

Top Retirement Choices In Europe



Copper Coast, Ireland

Local Criteria

Local Infrastructure	B
Local Safety	A
Climate	C
Cost Of Living	C
English Spoken	A
Entertainment Options	A
Existing Expat Community	D
Local Environmental Conditions	B

Country Criteria

Residency Options	B
Healthcare	B
Country Infrastructure	C
Real Estate	C
Taxes	A

Monthly Budget US\$2,133

OVERALL GRADE C

Istria, Croatia

Local Criteria

Local Infrastructure	B
Local Safety	A
Climate	C
Cost Of Living	C
English Spoken	C
Entertainment Options	B
Existing Expat Community	F
Local Environmental Conditions	A

Country Criteria

Residency Options	D
Healthcare	B
Country Infrastructure	B
Real Estate	B
Taxes	B

Monthly Budget US\$2,100

OVERALL GRADE C

Top Retirement Choices In Asia



Georgetown, Malaysia

Local Criteria

Local Infrastructure	A
Local Safety	B
Climate	B
Cost Of Living	C
English Spoken	A
Entertainment Options	A
Existing Expat Community	A
Local Environmental Conditions	B

Country Criteria

Residency	B
Healthcare	A
Country Infrastructure	A
Real Estate	B
Taxes	A

Monthly Budget	US\$1,300
OVERALL GRADE	A

Kuala Lumpur, Malaysia

Local Criteria

Local Infrastructure	A
Local Safety	B
Climate	C
Cost Of Living	B
English Spoken	A
Entertainment Options	B
Existing Expat Community	B
Local Environmental Conditions	B

Country Criteria

Residency	A
Healthcare	A
Country Infrastructure	A
Real Estate	B
Taxes	A

Monthly Budget	US\$1,500
OVERALL GRADE	B

Top Retirement Choices In Asia

Chiang Mai, Thailand

Local Criteria

Local Infrastructure	B
Local Safety	A
Climate	B
Cost Of Living	A
English Spoken	C
Entertainment Options	B
Existing Expat Community	B
Local Environmental Conditions	C

Country Criteria

Residency	A
Healthcare	A
Country Infrastructure	B
Real Estate	C
Taxes	A

Monthly Budget US\$1,000

OVERALL GRADE B

Hoi An, Vietnam

Local Criteria

Local Infrastructure	C
Local Safety	A
Climate	B
Cost Of Living	A
English Spoken	B
Entertainment Options	A
Existing Expat Community	C
Local Environmental Conditions	A

Country Criteria

Residency	C
Healthcare	B
Country Infrastructure	B
Real Estate	F
Taxes	B

Monthly Budget US\$1,075

OVERALL GRADE B

Hua Hin, Thailand

Local Criteria

Local Infrastructure	A
Local Safety	A
Climate	B
Cost Of Living	B
English Spoken	C
Entertainment Options	C
Existing Expat Community	A
Local Environmental Conditions	B

Country Criteria

Residency	A
Healthcare	B
Country Infrastructure	B
Real Estate	C
Taxes	B

Monthly Budget US\$1,300

OVERALL GRADE B

Cebu, Philippines

Local Criteria

Local Infrastructure	C
Local Safety	B
Climate	C
Cost Of Living	A
English Spoken	B
Entertainment Options	B
Existing Expat Community	B
Local Environmental Conditions	C

Country Criteria

Residency	A
Healthcare	A
Country Infrastructure	C
Real Estate	C
Taxes	B

Monthly Budget US\$1,030

OVERALL GRADE B

What Does It Cost To Live In The Americas?

Ambergris Caye, Belize

Rent	US\$1,000
Basic groceries for a couple	US\$400
Electricity	US\$100
Water	included
Gas	all electric
Cable	US\$20
Internet	US\$65
Landline phone	US\$50
Entertainment	US\$400
Total	US\$2,035

Boquete, Panama

Rent	US\$800
Basic groceries for a couple	US\$375
Electricity	US\$40
Water	US\$3
Gas	US\$15
Cable	US\$20
Internet	US\$20
Landline phone	US\$20
Entertainment	US\$500
Total	US\$1,793

Cayo, Belize

Rent	US\$550
Basic groceries for a couple	US\$215
Electricity	US\$85
Water	US\$55
Gas	US\$20
Cable	US\$25
Internet	US\$75
Landline phone	US\$75
Entertainment	US\$200
Total	US\$1,300



What Does It Cost To Live In The Americas?

Costa De Oro, Uruguay

Rent	US\$700
Basic groceries for a couple	US\$400
Electricity	US\$160
Water	US\$17
Gas	US\$30
Cable	US\$36
Internet	US\$34
Landline phone	US\$13
Entertainment	US\$410
Total	US\$1,800

Cuenca, Ecuador

Rent	US\$450
Basic groceries for a couple	US\$300
Electricity	US\$40
Water	Included w/ electric
Gas	US\$5
Cable	US\$30
Internet	US\$35
Landline phone	US\$20
Entertainment	US\$320
Total	US\$1,200

Granada, Nicaragua

Rent	US\$300
Basic groceries for a couple	US\$175
Electricity	US\$40
Water	US\$7
Gas	US\$15
Cable	US\$20
Internet	US\$45
Landline phone	Included w/ Internet
Entertainment	US\$150
Total	US\$752



What Does It Cost To Live In The Americas?

La Serena, Chile

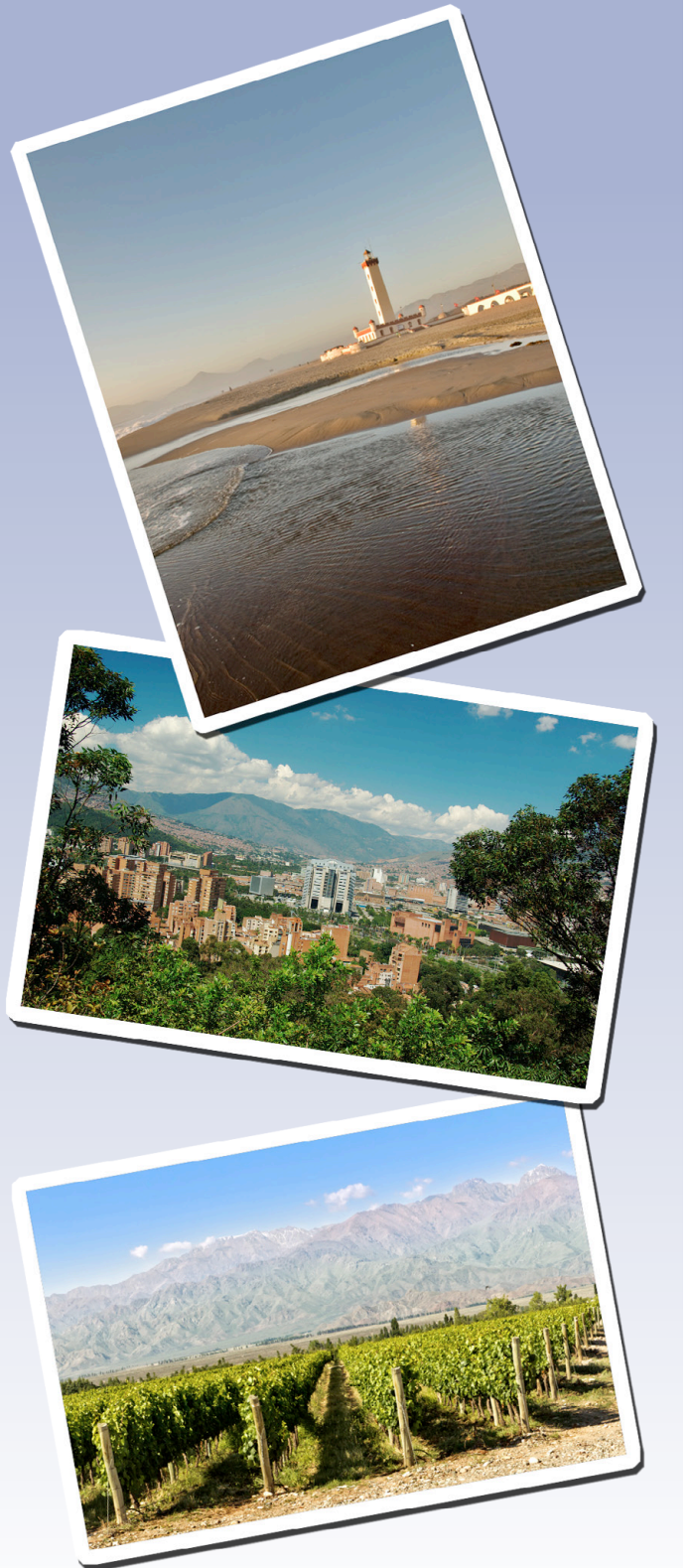
Rent	US\$700
Basic groceries for a couple	US\$575
Electricity	US\$145
Water	included w/ electric
Gas	included w/ electric
Cable	US\$130
Internet	included w/cable
Landline phone	included w/cable
Entertainment	US\$400
Total	US\$1,950

Medellin, Colombia

Rent	US\$550
Basic groceries for a couple	US\$250
Electricity	US\$90
Water	included w/electric
Gas	included w/electric
Cable	US\$20
Internet	US\$45
Landline phone	included w/ internet
Entertainment	US\$300
Total	US\$1,255

Mendoza, Argentina

Rent	US\$550
Basic groceries for a couple	US\$400
Electricity	US\$65
Water	included w/ electric
Gas	included w/ electric
Cable	US\$65
Internet	included w/ cable
Landline phone	US\$20
Entertainment	US\$400
Total	US\$1,500



What Does It Cost To Live In The Americas?

Panama City Beaches

Rent	US\$650
Basic groceries for a couple	US\$425
Electricity	US\$150
Water	included w/ electric
Gas	US\$15
Cable	US\$85
Internet	included w/cable
Landline phone	Included w/cable
Entertainment	US\$475
Total	US\$1,800

Puerto Vallarta, Mexico

Rent	US\$1,200
Basic groceries for a couple	US\$400
Electricity	US\$150
Water	Included w/electric
Gas	US\$10
Cable	US\$50
Internet	US\$70
Landline phone	Included w/ internet
Entertainment	US\$400
Total	US\$2,280



What Does It Cost To Live In Europe?

Abruzzo, Italy

Rent	US\$800
Basic groceries for a couple	US\$450
Electricity	US\$120
Water	US\$20
Gas	US\$33
Cable	US\$37
Internet	US\$34
Landline phone	US\$21
Entertainment	US\$300
Total	US\$1,815



What Does It Cost To Live In Europe?

Copper Coast, Ireland

Rent	US\$1000
Basic groceries for a couple	US\$600
Electricity	US\$100
Water	US\$20
Gas	US\$30
Cable	US\$43
Internet	US\$40
Landline phone	Included w/ internet
Entertainment	US\$300
Total	US\$2,133

Istria, Croatia

Rent	US\$1,000
Basic groceries for a couple	US\$425
Electricity	US\$40
Water	US\$20
Gas	US\$15
Cable	US\$40
Internet	US\$45
Landline phone	US\$15
Entertainment	US\$500
Total	US\$2,100

Languedoc, France

Rent	US\$900
Basic groceries for a couple	US\$500
Electricity	US\$100
Water	US\$20
Gas	US\$20
Cable	US\$40
Internet	US\$500
Landline phone	Included w/ internet
Entertainment	US\$400
Total	US\$2,030



What Does It Cost To Live In Asia?

Cebu, Phillippines

Rent	US\$450
Basic groceries for a couple	US\$200
Electricity	US\$30
Water	US\$10
Gas	US\$10
Cable	US\$30
Internet	US\$40
Landline phone	US\$10
Entertainment	US\$250
Total	US\$1,030

Chiang Mai, Thailand

Rent	US\$400
Basic groceries for a couple	US\$250
Electricity	US\$35
Water	US\$5
Gas	US\$5
Cable	US\$20
Internet	US\$20
Landline phone	US\$10
Entertainment	US\$255
Total	US\$1,000

Georgetown, Malaysia

Rent	US\$600
Basic groceries for a couple	US\$275
Electricity	US\$100
Water	US\$10
Gas	US\$10
Cable	US\$30
Internet	US\$30
Landline phone	US\$20
Entertainment	US\$225
Total	US\$1,300



What Does It Cost To Live In Asia?

Kuala Lumpur, Malaysia

Rent	US\$700
Basic groceries for a couple	US\$280
Electricity	US\$100
Water	US\$10
Gas	US\$10
Cable	US\$40
Internet	US\$35
Landline phone	US\$25
Entertainment	US\$300
Total	US\$1,500

Hoi An, Vietnam

Rent	US\$550
Basic groceries for a couple	US\$150
Electricity	US\$50
Water	US\$20
Gas	US\$5
Cable	US\$30
Internet	US\$15
Landline phone	US\$5
Entertainment	US\$250
Total	US\$1,075

Hua Hin, Thailand

Rent	US\$525
Basic groceries for a couple	US\$325
Electricity	US\$35
Water	US\$10
Gas	US\$10
Cable	US\$25
Internet	Free with Hua Hin Citywide
Landline phone	US\$20
Entertainment	US\$350
Total	US\$1,300





The World's Top Retirement Havens

Dear Overseas Retirement Report Buyer,

I hope you enjoyed the Annual Overseas Retirement Index.

I'd like to let you in on something: this index is but a single element of the greatest resource available today on the world's top overseas retirement havens. You see, every year, we publish this index in a unique service called the ***Overseas Retirement Letter***.

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

These are the locations that should be on your radar, either for your immediate retirement or as places to invest today as part of a longer term plan. Each of these comprehensive reports addresses not only the pros, but also the cons of each destination featured. This is critical if you want to make a smart, informed choice.

The ***Overseas Retirement Letter*** has correspondents all over the world who are living the life you've been dreaming about, right now! And, over the two-and-a-half decades I've been covering this beat, I've known literally many thousands of people just like you who've taken the leap. **Retirees who have built the lives of their dreams, and yours, overseas...and who are right now enjoying a retirement lifestyle that goes far beyond what you might believe is possible.**

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

Where to look to find the kind of **life that suits you**--at the beach, in the mountains, among the vines, in the big city...

- **Insights** into what the community is like, who your neighbors would be (locals, expats, or both), and how they live...
- What it would cost you to live there, including **detailed monthly budgets...**
- Whether it's **better to rent or to buy**, given the local market right now...
- What to take with you, what to ship, and what to leave behind...
- Which **visa options** would make most sense for you and how you qualify...
- Who to contact for **legal help, health insurance, banking, shipping, residency, taxes...**

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

In short, I'm offering you a bridge to the retirement of your dreams...and a chance to try it out for a special discounted price...

We'll knock off the price you paid for this Index from our already discounted price of US\$63 (reg. US\$152) for a two-year, 24-issue subscription, bringing your Overseas Retirement Letter subscription down to only **US\$43.05**.

We'll do the same for a one-year description, meaning, as an Overseas Retirement Index buyer, you'll pay only **US\$16.05** for 12 issues sent right to your mailbox. The normal discount price is US\$36, but the regular price is US\$76. This is our best offer ever.

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

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

You'll subscription will include next year's edition of the Overseas Retirement Index. We publish it for Overseas Retirement Letter subscribers first.

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

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

What are you waiting for? Take me up on this special subscription price, [here now](#).

Six FREE Reports To Get You On Your Own Way Right Away

As soon as become a subscriber of the Overseas Retirement Letter, you'll have immediate access to:

SPECIAL REPORTS #1, #2, #3, #4, AND #5: Five fully detailed Country Retirement Reports on the five most affordable places in the world to live well in retirement right now (retail price: \$49.75). All five reports are yours free immediately.

SPECIAL REPORT #6: Join the Retirement Revolution: 101 Tips for Retiring Happy and Living Well Overseas (retail price: \$29). Also yours free today. This special report is packed full of tips to help prepare you for life in a new country.



Plus, sign on today for 24 monthly issues of the ***Overseas Retirement Letter***-- that's two years' worth of this invaluable money-saving, moneymaking, and lifestyle-enhancing intelligence service -- and you'll receive a seventh special report, again with our compliments...

*** Two-year Member SPECIAL REPORT # 4: No Experience Necessary: Six Lucrative (and Easy) Careers to Help Fund Your Life Overseas (retail price US\$29).**

If you're ready to join the new Retirement Revolution and ensure that you never have to worry about outliving your retirement nest egg...subscribe now to the Overseas Retirement Letter.

[Go here now to claim your deep discount and free Special Reports.](#)

Sincerely,

A handwritten signature in black ink, appearing to read 'Kathleen Peddicord'.

Kathleen Peddicord
Publisher, Live and Invest Overseas

Annual Retire Overseas Index

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