

REAL ESTATE

Portugal: Real Estate Investment Destination

By **Ana Pedro Castro**

In Portugal, the real estate 'boom' appears to be here to stay. With a rate of increase of almost 70% in the last three years, it is expected that the Portuguese real estate market will continue to grow over the next two years and maintain an important role in the economic development of the country, along with the tourism. Tra-

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ditionally seen as a European market for the second residences of UK and French citizens, Portugal is becoming the real estate investment destination and residence country of the Chinese, followed by Brazilian and South African citizens. Although the latter often occur through the Golden Residence Permit Program (GRPP), it is important to note that it represents a total amount of investment of almost EUR 3 trillion.

Moreover, the Government recently announced the intention to create a legal and regulatory framework for the so called Real Estate Investment Trust – REIT. This initiative has been long awaited by the market and will allow for the transformation of a real estate investment into a financial investment, being an alternative to savings, as investors will be able to combine a property and financial investment with a tax benefit. The afore-mentioned topics will certainly dominate the Por-



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tuguese real estate market agenda in the near future.

1) According to statistical data published by the Portuguese Immigration and Borders Service. This amount represents the investment made in real estate under the GRPP, between October 2012 and July 2017.

