

# How to Retire in a Foreign Country

For many retirees, travel is a big part of the vision they have for their post-work lives. But the question is, how can you conveniently and comfortably travel without breaking your budget? The good news is, with the right strategy, you can enjoy plenty of adventures without emptying your wallet.

An Investopedia article, [Best Countries for Retirement Abroad](#), has some really great insight into why this might be a good option for some people and also describes some of the popular locations that Americans retire to.

Another great resource is the [International Living's Annual Global Retirement Index](#), a list of the best countries to retire to, and the 2020 list consists of six Spanish-speaking countries, including five in Central and South America, as well as Spain itself. So, if a foreign retirement is something that you might be interested in, it might be a good move to invest in some Spanish lessons.

International Living uses several different factors to craft their list. Those factors include:

- How easy it is to buy and own property as well as the value of property investments
- Cost of renting
- Benefits and discounts on things like healthcare and entertainment
- Visa and residency requirements
- The cost of living
- Fitting into the culture and how easy it is to make friends
- Entertainment options and amenities
- Healthy living
- Development and infrastructure
- The climate
- The stability of the country's political situation

The first country, Panama, is one that's been getting a lot of attention when it comes to hospitality for foreign retirees. Panama offers beautiful mountains and picture-perfect beaches. Importantly, Panamanians have a reputation for being welcoming and friendly to visitors. The country's cost-of-living is also very affordable.

Drilling down a bit deeper, nearly everything in Panama is less expensive when compared to the U.S. Groceries, restaurants, and rent are all about 46% cheaper, according to the article. And expats who secure a retirement visa will enjoy numerous benefits, including large discounts on entertainment, airfare, local transportation and hotel stays as well as a one-time duty-tax exemption for household goods up to a total of \$10,000 and a 100% duty exemption on the purchase or importation of a vehicle every two years.

And when it comes to warm sandy beaches and beautiful scenery, you have plenty of other great options, including Costa Rica, a country that has gained a reputation as an ecotourism haven.

Costa Rica is a terrific option for a retiree who enjoys an active and healthy lifestyle. Of the countries on the list, it earned the highest scores for healthcare, amenities and healthy living. Its cost of living also makes it affordable on even a small retirement budget. Consumer prices are 24% lower than the U.S. average and rent prices are about 54% lower. But if you prefer to buy, you can find homes for as low as \$50,000 with property taxes that are a fraction of what you'd pay in the U.S.

The next great option for retirees looking to move out of the country is our next-door neighbor to the south, Mexico, because it combines modern amenities with a rustic feel. And when it comes to the all-important climate, it's tough to beat Mexico's balmy weather. Mexico also earned the highest ratings on International Living's list for amenities as well as for the ease of establishing residency.

American retirees can get a temporary resident visa that's good for up to four years, by meeting minimum monthly income or asset requirements, or by owning property in Mexico. If you plan to stay for the long-term, you can apply for a permanent resident visa, which has higher income and asset requirements. Our listeners should be aware that five Mexican states have been designated by the U.S. State Department for travel warnings, so it's imperative to do your research before making a move to Mexico.

Finally, Mexico's proximity to the United States is also valuable because it can make visits from family and friends much easier and less expensive.

The next country on International Living's Annual Global Retirement Index's best places to retire list is Ecuador, a country that combines beaches, mountains, the countryside and the best of city living. Its climate features an average annual temperature of 67 degrees. Even better, housing is a bargain with rental prices coming in at about 70% lower than the U.S. Consumer prices, outside of rent, are around 40% lower. Much like Panama, Ecuador provides numerous money-saving benefits to expats, including discounts on electric and water bills, discounts on entertainment and public transportation and a reduction of certain taxes.

The next one on the list is Malaysia, one of only three countries on the list that aren't in Central or South America. In addition to its natural beauty, expats flock to Malaysia because of its relatively low cost of living and long-list of amenities. Consumer prices, including rent, are roughly 50% lower than in the U.S. In fact, the rent on a one-bedroom apartment is around \$400 a month. With hundreds of islands to visit and a wide variety of inexpensive restaurants, Malaysia is a great choice for people who love to explore the culinary side of life.

The rest of the top 10 features plenty of great weather and food. Those other five countries are: Colombia, Portugal, Peru, Thailand, and Spain.