

The New York Times

This copy is for your personal, noncommercial use only. You can order presentation-ready copies for distribution to your colleagues, clients or customers here or use the "Reprints" tool that appears next to any article. Visit www.nytreprints.com for samples and additional information. Order a reprint of this article now.

PRINTER-FRIENDLY FORMAT
SPONSORED BY

MICKEY
ROURKE

December 31, 2008

INTERNATIONAL REAL ESTATE

For Sale in ... Lisbon

By LISA KEYS

A THREE-BEDROOM 18TH-CENTURY APARTMENT IN THE PRINCIPE REAL NEIGHBORHOOD

790,000 EUROS (\$1,113,000)

This second-story apartment is in a Pombaline-style building — an architecture style named for an 18th-century nobleman and developed in the wake of Lisbon's 1755 earthquake.

The 275-square-meter (2,960-square-foot) home has two living rooms, each with a fireplace, as well as original wood doors and artistic ceilings. The apartment was refurbished in 2002 with a security system, central heating, wireless Internet and a sound system. Two of the bedrooms have en-suite bathrooms.

All furnishings and decorations, including an 18th-century Brazilian dining table, are included in the price.

The apartment building, situated on a hill, has views of the city from all its windows.

Principe Real, the heart of Lisbon's gay community, is an upscale central neighborhood with many antique shops, galleries and cafes. Lisbon's airport is 20 minutes away.

MARKET OVERVIEW

Over the past decade, Lisbon has been revitalized with improvements to its infrastructure and the addition of more cultural attractions. "It's become more fashionable to move back into the city," said Paul Houston, a managing partner at Lucas Fox Portugal, a real estate company.

Prices have climbed 3 to 5 percent a year for the past 10 years, according to Mr. Houston. In the same period developers have bought and refurbished historic buildings. Though

prices have stabilized more recently, there has not been a significant downturn. "We haven't had the huge increases or decreases" of other cities in Europe.

Mr. Houston estimates that the average home in the city sells for around 2,200 euros a square meter (\$288 a square foot). In Lisbon's more popular neighborhoods, like Principe Real, prices are closer to 3,000 euros a square meter (\$393 a square foot), he said.

WHO BUYS IN LISBON

Foreign buyers typically invest in properties on the coast, said Mr. Houston.

Vicky Rodrigues, a partner at Neville de Rougemont & Associados, a law firm, said the market for international buyers was growing. Though the city has long been popular with the English and Irish, she said the market is expanding to include Russians and Germans, as well as buyers from the Netherlands and Scandinavia.

Despite the global economic crisis, she said there had recently been increased interest in the upper reaches of Lisbon's market among international buyers.

BUYING BASICS

There are no restrictions facing foreigners who wish to buy property in Lisbon.

An additional 7 percent for purchase-side costs should be factored into the overall transaction budget. This includes a transfer tax, which is 6 percent for properties more than 543,900 euros (\$766,000), and a 0.8 percent stamp tax, as well as registration and administration fees, said Ms. Rodrigues.

Foreign buyers must obtain a Portuguese tax number. The cost is 16 euros (\$23), Ms. Rodrigues said; she recommends that foreign buyers hire a lawyer to translate documents and act as a guide through the purchase process. Fees range from 1 to 1.5 percent of the purchase price, she said.

USEFUL WEB SITES

City guide: www.golisbon.com/

Official site of Investments, Trade and Tourism of Portugal:
www.portugal.org/index.shtml

LANGUAGES AND CURRENCY

Portuguese; Euro (1 Euro = \$1.41)

TAXES AND FEES

Annual council taxes in Lisbon, or IMI (Imposto Municipal de Imoveis), are typically 0.5 percent of a property's tax value. This property, in a restored historic building, is exempt from this tax until 2011.

CONTACT

Hugo Neves, Sotheby's International Realty Portugal, 011-351-913-824-778

[Copyright 2009 The New York Times Company](#)

[Privacy Policy](#) | [Search](#) | [Corrections](#) | [XML](#) | [Help](#) | [Contact Us](#) | [Work for Us](#) | [Site Map](#)
