
LIVING, RETIRING AND BUYING PROPERTY IN BELIZE

Even if you're a world traveler with a bazillion frequent-flier miles, chances are that you'll be fascinated by your first glimpses of Belize. Hundreds of travel-poster islands dot the turquoise sea along Belize's 200-mile coast, with Ambergris Caye being the largest and most developed. Just offshore is the longest barrier reef in the Northern and Western hemispheres, with an undersea

world of fantastic color and diversity. The diving and snorkeling are world-class, and the fishing is so good that it usually takes just a few minutes to catch a sea bass or spiny lobster for your lunch.

Inland are lightly populated savannas, limestone hills and lush rainforests, home to more than 500 species of birds, 800 kinds of butterflies and 4,000 varieties of trees and shrubs. Bananas and mangos grow like weeds. Exotic animals like the jaguar and tapir still roam free in "backabush" Belize. Hidden under cohune palms are thousands of mysterious Maya ruins. The small villages and towns of Belize are alive with a cultural gumbo of colors, races and backgrounds.

But Belize also appeals to those who want to linger longer than a week or two of vacation in paradise. It is getting the attention of prospective retirees and relocatees who

WHAT EXPATS IN BELIZE SAY THEY MISS

Here's a sampling of what Ambergris Caye residents say they miss from their previous life back in the U.S.:

"Live jazz and artichokes, BUT we got a flat of fresh artichokes for the first time last week. Now all we need is a personal visit by Tony Bennett."

"Actually, nothing."

"I enjoy prowling a big U.S. store or supermarket when I'm there, but don't miss it when I'm gone."

"*The New York Times* on Sunday."

"I envy very low-cost, unlimited Internet access."

"I miss Wal-Mart and Home Depot like you wouldn't believe."

"I can't find a good selection of quality women's lingerie for sale here."

"I would kill for an Arby's beef and cheddar right now. I was never a fast-food person, but now that I can't get it, I'm craving it!"

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want a laid-back lifestyle in a frost-free climate similar to South Florida, with a stable government and economy, and a familiar legal system based on English common law where all documents are written in English.

Retirees are attracted by relatively low real estate costs and an overall cost of living that stretches retirement pensions and Social Security checks farther than they would go in the United States. But most of all they like friendly Belizean neighbors who usually put out a subtropical welcome mat for Americans.

"This is the friendliest place I have ever been, and I have traveled a lot. Belizeans take people one at a time – foreign or local is not the issue. How you behave and how you are in your heart is what makes the difference," says Diane Campbell, a real estate developer on Ambergris Caye who moved to Belize from California. "If you are nice, kind and honest, you will be loved and respected here. When you get used to living here, you won't be able to imagine living elsewhere."

Belize's government has enacted a retiree incentive program that permits U.S., Canadian and United Kingdom citizens age 45 and over to establish official residency in Belize and to live there free of most Belize taxes. Under the new program retirees can't work in Belize, but income from outside Belize isn't taxed, and retirees can bring in household goods, a car, a boat and even an airplane without paying import duties.

The Belize Tourist Board, rather than the immigration department, handles applications. Applications are generally approved quickly, sometimes in three weeks or less.

For those who don't qualify for the new retirement program, residency in Belize is available through regular channels, most of which require more red tape and a residency period before you can apply for residency status or a work permit.

Many expatriates simply stay in Belize as perpetual tourists, renewing their 30-day entrance permits for US\$12.50 per month for up to six months, at which time they must physically leave the country for at least 48 hours.

The controversial Economic Citizenship or "buy-a-passport" program that allowed hundreds to purchase Belize citizenship for a fee of US\$50,000 or more was discontinued in early 2002.

Whether they come to Belize under the new program or not, retirees say they like living in a country with many of the conveniences of modern life, such as Internet connections, air-conditioning and North American-style houses, but without franchised fast-food restaurants and chain stores that have come to dominate America's frenetic consumer culture. Belize has no Wal-Marts or McDonald'ses.

Belize is not for everybody, however. "We've seen so many gringos give up and go home, and so many others still here who are burned out and bitter, that you sometimes feel there is really something insidious underlying the friendly

surface appearances," says Phyllis Dart, an ex-Coloradan who runs a jungle lodge, Ek Tun, in western Belize.

"You have to really like Belize for what it is. You must be prepared to adapt your lifestyle to fit Belize – Belize will not adapt to you," says Pamela Picon, co-owner of Mopan River Resort in Benque Viejo del Carmen.

For those who are willing to put up with the challenges – such as lack of high-tech medical care, a high crime rate in some areas, the high cost of imported items and the occasional hurricane – Belize can be a wonderful place to live.

COSTS OF LIVING

With a big SUV in the driveway and Belize gasoline at close to US\$3 a gallon, the Carrier turned to frigid and three fingers of Jack Black in the glass, living in Belize can cost more than back home. But if you live as a local – eating the same foods Belizeans do, using public transport and living in a Belizean-style home with ceiling fans and cooling breezes – you can get by on a few hundred dollars per month. In between, combining some elements of both lifestyles, you can live well for less than you would pay back home. Health care, the cost of renting or buying a home in most areas, personal and auto insurance, property taxes, household labor and most products produced in Belize are less expensive than what you're used to paying.

For some, living in Belize is cheaper than in the United States. "I need neither heating nor air-conditioning with their attendant bills, nor insulation in my house, nor much of a house, nor much in the way of shoes. One casual wardrobe serves all purposes except travel back to the USA," one expat says.

If you know where to look, prices for seafront or rural real estate in Belize will remind you of costs in the United States in the 1970s. In small towns in Belize, you can rent a pleasant seaside house for US\$250 a month. Land in larger tracts can sell for US\$200 an acre or less. Building lots on a remote cay might start at US\$5,000. Outside of high-cost tourist areas, you can build for US\$30-\$50 per square foot or buy an attractive, modern home for US\$50,000-\$100,000. Property taxes in Belize are low, rarely over \$100-\$200 annually even for a luxury home.

There is a municipal water and sewer system serving San Pedro and surrounding areas, but those living on North or far southern Ambergris have to make do with cisterns, shallow wells and septic systems. One resident says: "Our water is outrageous because of the process we have to go through to get it. My water bill has been between US\$48 and \$100 a month since I've been here. We only use it for baths and washing dishes and toilet flushing. There are three of us in the household. We drink rainwater or when it is dry, buy bottled water, which is another added expense."

Electricity, most of it supplied from Mexico, costs around US 20 to 21 cents per average kilowatt, the more you use the more you pay. Thus, power is about twice as expensive as in the U.S. Service generally is dependable although spot

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outages do occur.

Despite the relatively high cost of real estate, imported food and electricity, the overall cost of living on the island is lower than in the U.S., say many residents. In part, that's because you don't need all the things you do in the U.S. – no heating oil, no cars or auto insurance or parking fees, and no fancy wardrobe. Seafood and Belize-produced food are comparatively inexpensive. Medical care, cable television and basic telephone service, though not international long distance, are among the items which are cheaper than back home.

In one way, island residents can save a lot of money: There's little need for a car or high-priced gas. A number of native San Pedranos have brought cars to the island, too many for the limited infrastructure, spurring a moratorium on permits for cars, but few expat island residents have cars. Instead they usually depend on golf carts, which are available used on the island for around US\$2000.

DAILY LIFE

People choose Belize as a place to live, year-round or part-time, for a variety of reasons, most associated with the laidback lifestyle, warm subtropical climate and access to the outdoors and the Caribbean. Island life, however, presents its own special set of pleasures and problems. On Ambergris Caye, residents say island fever strikes from time to time. Most residents go into Belize City regularly to conduct business, shop for items not available on the island or to get



Katie Valk is a former New Yorker who left the music business for a new life in Belize

dental care. Many expats take vacations in the U.S., or long weekends in Cayo district or elsewhere in Belize.

If you aren't busy selling real estate or running a hotel, the island offers some volunteer opportunities. Some expats help out at the local library, or do church work (the island has one Catholic church and several Protestant denominations). The San Pedro chapter of the Lions Club is the island's most active civic organization. Its weekly barbecue on Saturday nights is delicious, cheap and a fund-raiser for the group's good works.

For those who can't find enough to occupy themselves, substance abuse is always a risk, more so in San Pedro's freewheeling resort atmosphere than in most other areas of Belize. "Booze is ubiquitous here, and bar-hanging quite the social custom. And, in San Pedro as much as in most U.S. cities, you can now add other chemicals. If you're vulnerable, unimaginative, not a self-starter, passive-dependent, maybe Peoria would be a better bet," says John Lankford, an ex-New Orleanian who lived on the island from 1994 to 2001.

In the past, expats used to say that their hospitals were TACA, American and Continental airlines. For top-flight medical care, Americans on the island may still fly to Miami or Houston, or at least pop over to Belize City, but there are now full-time physicians on the island, along with a medical clinic operated by the local Lions Club. The Lions Club also is raising money to build a small hospital on the island.

Most residents say they feel safe on the island. Burglary and petty thefts are relatively common, but violent crime is rare. Probably the worst crime in modern island history occurred in 1994, when, late at night, American expat Ann Reilly, a gardening writer with some 30 books to her credit, and her British husband, Alan Dines, were attacked and brutally beaten to death in a dark area of beachfront south of San Pedro. The attacker, a Belizean from Punta Gorda, was eventually caught, tried, convicted and sentenced to hang.

The main tax affecting expatriate residents is a national 8 percent sales tax on nearly all goods and services, with exclusions for some food and medical items. Import taxes are a primary source of government revenue. They vary but can range up to 80 percent of the value of imported goods. Official residents in Belize under the Retired Persons Incentive Act do not have to pay import duties on a car, boat, plane and up to US\$15,000 in household goods imported into the country. For those working for pay in Belize, the country has a progressive personal income tax with a top personal rate of 25 percent. Belize has no estate or capital gains tax. On real estate purchases, buyers who are not Belize citizens must pay a 10 percent transfer fee.

WORKING AND RUNNING A BUSINESS

Imagine you're living beside the blue Caribbean Sea. You spend your days snorkeling, diving, fishing. Now imagine you get paid to do this. You pay your way through paradise by working as a dive master, or guiding tourists, or tending

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bar in a little thatch hut.

EEOOGAH! EEOOGAH! Reality check! Reality check!

In reality, Belize has an unemployment rate in the double digits. The few good jobs that are available are mostly reserved for Belizeans. Many occupations, including tour guiding and waiting tables and barkeeping, are reserved for Belize citizens. Residents under the Qualified Retired Persons Incentive Act can't work for pay at all. Even if you were able to legally get a job, salaries in Belize are far below those in the U.S., Canada or Western Europe, and even physicians, college teachers and other professionals may earn under US\$15,000 a year.

We know quite a few expatriates who have carved out a comfortable niche for themselves in Belize, either working for an established Belizean company or running their own business. It is possible to do so, but it's not easy.

After all, it's the United States that is the mecca for jobseekers and entrepreneurs. Millions of people around the world vie to get a green card to let them live and work in the States. More than 100,000 Belizeans have left Belize to work and find their fortunes, legally or illegally, in the U.S.

So you're going to leave the U.S. with all its opportunity, capital and huge base of consumers and set up shop or find a job in poor little Belize, with its tiny population and economic resources of a small American town? What's wrong with this picture? Fact is, if you can't make it in the U.S., your chances of success in Belize are slim and none. There are good reasons why someone might decide to move to Belize and work or invest there, mostly having to do with quality of life, but economic rewards and an easy road to fortune are not among them.

Working in Belize

In theory, unless you are a Belize citizen or a permanent resident under the regular residency program (as a resident under the Qualified Retired Persons Incentive Act program you can't work for pay) you cannot work in Belize without a work permit from the government. In practice, we know of a few foreigners without work permits who have part-time jobs and take in-kind or cash payments. One foreign resident of Corozal told me: "I spent last semester teaching without a work permit, and nobody noticed – wink, wink, nudge, nudge. My next door neighbor is [a high-ranking official] in the Ministry of Labour and he said 'don't worry about it.'" Maybe there's no need to worry, but if you're caught working without a permit both you and your employer could be in trouble. Rules for work permits were tightened in 1999, due to concern about illegal aliens, from other countries in Central America, taking jobs from Belize citizens. Fines are imposed on employers found with illegal workers.

There are two types of work permits for employers. One is a permit that is obtained by an employer in Belize. The employer has to prove that he or she can't fill the job with a Belizean and has exhausted all avenues for finding a qualified Belizean applicant, including advertising the position for at least three weeks.

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Examples of jobs that may require a foreign applicant are hotel restaurant chef or a specialized computer software engineer. Application must be made to the Immigration Department with proof that the foreign employee is qualified, three passport photos, a valid passport and US\$5. A foreigner employed under this permit must have lived in Belize for at least six months before employment can begin.

Another type of work permit is the temporary self-employment certificate. This category applies to foreign investors and others seeking self employment or who are starting a business in Belize, where it is assumed that the venture will lead to the creation of jobs for Belizeans. The applicant has to show proof of adequate funds for the proposed venture – for example, a bank statement. Also, the applicant has to have a reference from the relevant government Ministry or other organization showing that the venture is reasonable. For example, if opening a tourist operation, a reference from the Ministry of Tourism or the local village or town council where the operation is to be located may be required. For the temporary self-employment certificate the six-month residency period is waived.



Vacation cottage on Ambergris Caye

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The annual fee for either type of certificate is US\$750 for professional and technical work, a category that covers almost any kind of work a foreigner is likely to do. For general workers the fee is US\$100. Permits must be renewed annually. With rare exceptions, work permits are not granted for waiters, domestic workers, farm hands and anyone involved in retail or other types of sales. For information and application forms, contact the Immigration and Nationality Department, tel. 501-822-2611, or the Labour Department, tel. 501-822-2204.

If that sounds like a lot of red tape, it is. The Belize government is trying hard to discourage foreigners from working in jobs in Belize that Belizeans can perform. Tammy Martinez, who moved to Ambergris Caye from Florida, says, "It was very hard for me to find work. My husband found work as a bartender at Fido's the first week we were here, but he is Belizean, so he didn't have the problem of a work permit to deal with. I found that businesses are reluctant to hire you if you don't already have a permit in hand. The problem is, the price of work permits has gone up to US\$750 for professional permits which encompasses most jobs. None of the employers want to spend that amount of money when they don't know if you will stay or go. So basically, you could be the best qualified person for the job and not get it because you don't have the permit in hand." Martinez later left the island but returned in 2002.

Another American, Katie Valk, who was an executive in the music business in New York City before moving to Belize, recalls the frustrations of trying to get a work permit: "It was not at all difficult adjusting. Belize was a perfect fit for me. Finding work wasn't a problem for me, either. Getting a work permit was, however, and it took a tremendous amount of stick-to-it-ness, patience and energy. But I finally got that, then my residency and now I'm seconds away from being a citizen."

Starting and Running Your Own Business

With good-paying jobs few and far between, most foreigners who want to generate an income in Belize will be looking at operating a business. In theory, the Belize government welcomes investors who can contribute to the Belize economy and provide work for Belizeans, particularly in tourism, agriculture and manufacturing. But, theory in Belize is about as worthless as a Belize dollar outside Belize. It's rarely simple or easy to do business in Belize.

A time-worn saying in Belize is that if you want to make a small fortune in the country, better start with a big one. Belize's small domestic market, inefficient distribution and marketing systems, heavy-handed government red tape and other factors make it difficult for entrepreneurs to achieve great success in Belize.

Judy duPlooy and her husband Ken, who passed away in 2001, started one of the first lodges in Cayo, duPlooy's Lodge, and have continued to expand their operation. "Starting a business and actually making a profit is difficult," says

Judy duPlooy. “We are fortunate to have a good location and reputation so we do quite well. Always, your market is small due to limited numbers of tourists and limited local population,” she says.

One expat says: “As to ‘investing,’ first realize that when Belize’s government or general population speaks or thinks of foreigners ‘investing in Belize’ they mean bringing money and handing it over. They also contemplate a long-term, possibly permanent, commitment. They are not so solicitous of your expectations to realize a RETURN on your investment, and in some cases tend to think it craven of a ‘rich’ first-world person to try to make money off poor Belize. The approved motivation for investing in Belize is for the benefit of Belize. The investor’s benefit is gratification at helping Belize advance, and any other motivation may be seen as exploiting rather than investing. As a general rule, don’t even dream of investing in Belize unless you plan to be present with your eyes on your investment every day.”

Businesses that are most likely to succeed in Belize are those whose main markets are outside Belize. The Belize market itself is small and spread out, and with a per capita income of under US\$2,700 the average Belizean doesn’t have the income to buy much beyond the basic necessities of life. Opportunities include any kind of export-oriented business, from agriculture to manufacturing. Niche products such as specialty or organic agricultural products may have a future. They also include businesses that target international tourists to Belize, although this market is much smaller. There are probably opportunities to supply products to tourist businesses – for example, to sell specialty herbs, fruits and gourmet vegetables to larger resorts.

Besides the small size of the market and large doses of red tape, entrepreneurs in Belize face several problems related to the labor market. Unemployment in Belize is stubbornly high, yet many of the best-trained and ambitious Belizean workers have moved to the U.S. This brain drain means that it’s difficult to find skilled, motivated employees. In rural areas, many Belizeans have never held a regular job. Training must start with the basics like showing up on time and coming to work every day. Another problem is that the cost of labor in Belize, while low compared with the U.S., is relatively high compared with other third world countries.

TAX CONCESSIONS

Belize has several incentive schemes designed to encourage investment in the country, including the Fiscal Incentives Act, the International Business and Public Companies Act, Export Processing Zone Act and Commercial Free Zone Act. However, as a U.S. Commerce Department advisory notes, “many foreign investors have complained that these investment promotion tools are rarely as open and effective as they are portrayed.”

REAL ESTATE ON AMBERGRIS CAYE

Real estate prices on Ambergris Caye are among the highest in Belize. As elsewhere, prices vary tremendously depending on location and on the specific property. Houses and lots in predominantly Belizean areas, mostly on the back or lagoon/bay side of the island, tend to be much less expensive than seafront property preferred by foreign investors and residents.

Demand in recent years generally has been strong for beachfront lots and beachfront homes. Appreciation has run 10 to 20% per year, according to local real estate brokers, although this appreciation rate slowed in 2001-2002, with the economic slowdown in the United States, the repercussions of the terrorism attacks and concern about the stability of the Belize dollar. Agents point to beachfront property on North Ambergris which went for US\$450 a front foot in the late 1980s and that is selling for US\$1,250 a foot now. Prices in Belize are to a great extent dependent on economic conditions in the United States. When the U.S. sneezes, Belize catches cold.

Condo development continues on Ambergris Caye. A number of hotels are converting some or all of their units to “condotel” status. The idea is to sell now for immediate cash, then make 40 to 60% of revenues in management fees for running the hotel for absentee owners. Sales, however, have not always met expectations, as some investors are wary of condominium laws in Belize – condos are new to Belize and exist mainly in San Pedro – and some have been burned by disputes with developers. One-bedroom condos in particular have been in oversupply on the island for several years.

Many developers offer some type of financing, typically 20% down, with the balance payable over 10 years at around 12% interest. Usually, there’s a balloon payment at the end of the term.

Timeshares have not fared well on Ambergris Caye or anywhere in Belize. Buyers have been few, and most who did buy quickly became dissatisfied with their purchase. Basil Jones is the latest timeshare fiasco on the island.

Building lots: Caribbean seafront building lots range from around US\$800 to \$1,900 per beachfront foot. Less-expensive lots generally are on upper reaches of North Ambergris, which is accessible only by ferry or water taxi. Waterfront lots on the lagoon or Chetumal Bay (back side of the island) start at around US\$250 per waterfront foot, with back side lots in nicer areas south of San Pedro starting at around US\$500 a front foot. Building lots not on the water are much less, starting at around US\$12,000, with second-row back from water lots with electric service on North Ambergris running around US\$25,000, and around US\$30,000 south of San Pedro Town. In general, lots a row back from the sea are just 30% of those directly on the water. Buyers should be aware that some beachfront lots have mangroves, not sand, on the water side, and a permit is required to cut mangroves. Recent offerings include: a one-acre lot with almost 90 feet of beach frontage, about five miles north of San Pedro near Mata Chica, US\$185,000; a 100 x 200 foot lot on the third row back at Mexico Rocks,

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US\$25,000; a one-acre lot in a subdivision on the back side of the island, with 200 feet of bayfront footage, US\$55,000.

Homes: Two- or three-bedroom modern houses on the beach on North Ambergris Caye (access via water taxi or ferry) range from around US\$175,000 to \$350,000. Those south of San Pedro Town on the sea start at around US\$200,000. Homes not on the water but with sea views are available from around US\$100,000. Homes with “sunset views” – that is, on the west side or lagoon side of the island – start at around US\$75,000 for a simple house on stilts. At the top end, deluxe, recently built beachfront three and four bedroom homes may go for US\$300,000 to \$600,000 or more.

Condos: One-bedroom condos near the water but without sea views start at around US\$75,000, and those with sea views run about US\$115,000 to \$160,000. High-quality two-bedroom condos with sea views range from around US\$200,000 to \$275,000.

Home construction: Building costs on Ambergris are relatively high, due to the need to dig deep foundations and install pilings for stability in the sandy soil, and to build with hurricane protection in mind. Bringing building supplies in by barge also adds to the cost. Expect to pay US\$60-\$100 a square foot for quality reinforced concrete construction. As elsewhere in Belize, labor costs are lower than in the U.S., but most building materials are more expensive. An exception is native hardwood lumber, which is beautiful and cheap.

Rentals : Demand is fairly tight for rentals on the island, and rental prices are similar to those in parts of the U.S. A “North American-style” two-bedroom unfurnished house rents for from US\$700 to \$1,500 a month, and a one-bedroom US\$400-\$800, depending on location and length of lease. Small apartments start at US\$250 a month, with modern one-bedroom furnished apartments going for about US\$400 to \$700. A furnished one-bedroom condo rents for US\$750 to \$1,600 a month, including utilities. Off-season rentals are cheaper than during high season.

SAN PEDRO REAL ESTATE AGENTS

Keep in mind that, in Belize, real estate agents require no special education or licensing. Anyone with a business card can become an agent.

Ambergris Seaside Real Estate and Rentals (Sue Wiesing and Charles Payne), P.O. Box 163, Barrier Reef Drive, San Pedro; tel. 501-226-4223; e-mail: seaside@btl.net; www.ambergris-seaside-realestate.com.

Coldwell Banker Triton Properties, Barrier Reef Drive, San Pedro, Ambergris Caye; tel. 501-226-3783, fax 226-2403; e-mail triton@btl.net; www.triton-properties.com.

Diane Campbell, San Pedro; tel. 501-226-4032; e-mail camp@btl.net.

Island Real Estate (Susan Boyd), San Pedro; e-mail islandrealtysab@hotmail.com.

Southwind Properties, San Pedro; tel. 501-226-2005, fax 226-2331; e-

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mail southwind@btl.net; www.AmbergrisCaye.com/southwind/.

Sunrise Realty , P.O. Box 80, Barrier Reef Drive., San Pedro; tel. 501-226-3737, fax 226-3379; e-mail sunrise@btl.net; www.sunrisebelize.com.

OTHER CHOICE PLACES TO LIVE

Ambergris Caye is the most popular place for retirees and other expats to live in Belize, but there are many other choices. For details on all these areas, see *Adapter Kit: Belize*, by Lan Sluder (Avalon, 2001, 268 pages, US\$17.95) the only comprehensive guide to living, retiring and buying property in Belize.

Corozal in Northern Belize

Most travelers to Belize either never get to Corozal or pass through quickly en route somewhere else. But Corozal Town and nearby Consejo village offer a lot for those staying awhile: low prices, friendly people, a generally low-crime environment, the beautiful blue water of Corozal Bay and the extra plus of having Mexico next door for shopping.

Corozal is one of the undiscovered jewels of Belize. There's not a lot to do, but it's a great place to do it. The Sugar Coast – sugarcane is the main agricultural crop here – is a place to slow down, relax and enjoy life. The climate is appealing, with less rain than almost anywhere else in Belize, and fishing is excellent. The sunny disposition of residents – Mestizos, Creoles, Maya, Chinese, East Indians and even North Americans – is infectious.

Real estate costs in Corozal are among the lowest in Belize. Modern North American-style homes with three or four bedrooms in Corozal Town or Consejo Shores go for US\$75,000-\$200,000, but Belizean-style homes start at less than US\$25,000. Waterfront lots are US\$35,000 or less, and big lots with water views are US\$10,000-\$15,000. Rentals are relatively inexpensive – US\$100-\$300 for a nice Belizean-style house or US\$300-\$700 for a modern American-style house.

Placencia on the Southern Coast

You'll love Placencia if you're looking for a little bit of the South Pacific in Central America. Placencia has the best beaches on the mainland, and it's an appealing seaside alternative to the bustle of Ambergris Caye. This peninsula in southern Belize has some 16 miles of beachfront along the Caribbean, a backside lagoon where manatees are frequently seen, two small villages, a few dozen hotels and restaurants and an increasing number of expatriates and foreign-owned homes.

In recent years, the Placencia peninsula has been undergoing a boom, a boom that was slowed only by Hurricane Iris in 2001. Building lots have been sold by the score to foreigners who think they'd someday like to live by the sea. Seafront real estate costs are higher in Placencia than anywhere else in Belize, except Ambergris Caye. Beachfront lots cost US\$800 to \$1,000 per front foot, making a seaside lot around US\$50,000 or more. Lots on the lagoon are less expensive. There is little North American-style housing available for sale or rent, and most expatriates are building their own homes, with building costs ranging

US\$35-\$75 or more per square foot, depending on type of construction.

Cayo District in Western Belize

Cayo has a lot going for it: wide open spaces, cheap land, few bugs and friendly people. This might be the place to buy a few acres and grow oranges. The major towns are San Ignacio/Santa Elena, with a population of about 13,000, about 10 miles from the Guatemala border, and Belmopan, the sleepy capital of Belize, with a population of around 8,000.

Agriculture, ranching and, increasingly, tourism are the major industries here. About 20 years ago, the first small jungle lodges began operation around San Ignacio. Now there is a flourishing mix of hotels, cottages and jungle lodges near San Ignacio and in the Mountain Pine Ridge, along with a lot of natural attractions and outdoor activities – canoeing, caving, hiking, horseback riding, to name a few. The country's most accessible Maya ruins are here, as well as Caracol, in its heyday a larger city-state than Tikal.

Between Belize City and San Ignacio, Belmopan is the downsized capital of Belize, but the attractions are in the surrounding countryside. The Belize Zoo is here, as are several excellent jungle lodges. Along the scenic Hummingbird Highway are barely explored caves, wild rivers and national park areas. Small farms are available for US\$10,000-\$50,000.

Punta Gorda in Southern Belize

Rainy, beautiful and remote, Punta Gorda in far southern Belize is the jumping-off point for unspoiled Maya villages and for onward travel to Guatemala and Honduras. Over the next few years as paving of the Southern Highway to Punta Gorda is completed and the road is extended into Guatemala, this area is expected to take off, both in terms of tourism and as a place for expatriate living. "PG," as it's known, is Toledo District's only population center, with about 4,500 people, mostly Garifuna, Maya and immigrants from Guatemala. Maya villages, hardly changed for centuries, are located around PG. Cayes and the south end of the barrier reef offer good snorkeling and fishing. Lumbering and fishing are about the only industries.

Undeveloped land is inexpensive, with acreage beginning at a couple of hundred dollars an acre. Few North American-style homes are for sale. Quality rentals are expensive due to demand from missionaries and lack of supply.

Hopkins, a Garifuna Village on the Southern Coast

On the southern coast of Belize in Stann Creek District between Dangriga and Placencia, Hopkins today is what Placencia was like just a decade or so ago. Expatriates are moving to Hopkins, a friendly Garifuna village that got telephones only in the mid-1990s, and to real estate developments nearby. New small seaside hotels are going up in Hopkins and Sittee Point. Although at times the sand flies can eat you alive here, you can get in some excellent fishing and beach time, with day trips to the nearby Cockscomb jaguar reserve and boat trips to the reef. You'll love Hopkins if Placencia is too developed for you.

Caye Caulker

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Residents here have managed to maintain close ownership of land on the island. Lots and homes for public sale are only occasionally available. A few apartments are for rent, starting at around US\$100 a week.

Private Islands

The days of buying your own private island for a song are long gone, but if you have money to burn and the willingness to rebuild after the next hurricane, one of Belize's remote islands could be yours, beginning at about US\$100,000. Developers also are selling lots, starting at US\$5,000, on Long Caye and a few other small cayes.

MAINLAND REAL ESTATE AGENTS:

Belize Land Consultants, Corozal Town and Placencia, tel. 501-423-1005, fax 423-1006; e-mail blzland@btl.net; www.belizelandconsultants.com.

Emerald Futures Real Estate, Belize City, tel. 501-223-6559, fax 223-6087; e-mail realgem@btl.net; www.emeraldfutures.com.

Regent Realty, Ltd., Belize City, tel. 501-227-3744, fax 227-2022; e-mail regent@btl.net; www.regentrealtybelize.com.

BELIZE'S RETIRED PERSONS INCENTIVE ACT

The Qualified Retired Persons Incentive Act passed by the Belize legislature in 1999 is now in force and being implemented by the Belize Tourism Board. The program, which resembles the formerly popular but now defunct pensionado program in Costa Rica, is designed to attract more retirees to Belize. Several hundred people so far have been approved. Interest in the program is high, the BTB's Gina Escalante says, with thousands of people visiting the program's Web site monthly and hundreds of them calling or e-mailing for information.

For those who can show the required monthly income from investments or pensions, this program offers benefits of official residency and tax-free entry of the retiree's household goods and a car, boat and even an airplane. This program eliminates some of the bureaucratic delays built into other programs. The BTB guarantees action on an application in no more than three months, but we have heard of qualified retirees getting approval for this program in only two to three weeks. Key features of the Act include:

- Open to anyone age 45 or older who is a citizen of the U.S., the United Kingdom of Great Britain and Northern Ireland, Canada, the European Union or Belize; a person who qualifies can include his or her dependents in the program, including children under 18 (up to age 23 if enrolled in college).

- Applications for the program must be made to the Belize Tourism Board and include the following:

- Copy of birth certificate for applicant and each dependent.
- Marriage certificate (if applicant is also applying for a spouse).

- Notarized copy of complete passport of applicant and all dependents.
- Copy of police record from last place of residence (completed within one month of application). You should request this from the police department where you last lived. Sometimes there is a small processing charge of US\$10 or so.
- Copy of medical exam including AIDS testing.
- Four front and four side-view photos of applicant and each dependent.
- An official statement from a bank or financial institution certifying that the applicant is the recipient of a pension or annuity (including U.S. Social Security) of a minimum of US\$1,000 per month or that the applicant's investments will generate a minimum of US\$2,000 per month. The two types of income can be combined – for example US\$500 from a pension and US\$1000 from investments, but all income must be in the same applicant's name. A husband and wife each with a US\$500 pension cannot combine that to qualify as having a US\$1,000 monthly pension income. Within a month of approval of residency status, the first deposit of at least US\$1,000, if qualifying on the basis of pension, or US\$2,000, if qualifying on the basis of investments, must be made. It can be deposited in any bank operating in Belize, either annually in a lump sum or monthly. There is no restriction as to type of account, savings or checking, but it must be a Belize dollar, not U.S. dollar, account. The funds are available for living expenses of the retiree. A number of retirees have told us that the BTB is fairly flexible in applying the rules for qualifying income and has been lenient in approving marginal cases. Several retirees say that while they qualified with more than US\$2,000 a month in investment income, they only have been required to deposit US\$1,000 a month in Belize banks.
 - Funds from pension or investments must be deposited monthly in a bank in Belize.
 - Persons applying for residency are subject to a background check by the Belize Ministry of National Security.
 - Persons residing in Belize under the program cannot work for pay in Belize.
 - Persons retiring in Belize under the program are exempt from the payment of all Belize taxes on all income or receipts from a source outside of Belize whether that income is generated from work performed or from an investment.
 - Persons retiring in Belize under the program qualify for duty and tax exemptions not exceeding US\$15,000 on new and used personal and household effects. A list of all items with corresponding values that will be imported must be submitted with the application. In addition, a personal vehicle, which must not be more than three years old, a boat used for recreational purposes and a light aircraft – any of these or all three – can be imported duty free under the law or can be purchased in Belize. Duty-free import of these items can be done in stages but must be completed within one year of moving to Belize.
 - Fees for the program total US\$705 per application (individual, couple or family.) These consist of a nonrefundable application fee of US\$100 payable to

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the Belize Tourism Board submitted with the application; a program fee of US\$500 payable to the Belize Tourism Board upon acceptance into the program; on first entering the country after approval, a fee of US\$100 must be paid to the Immigration Department; a BZE\$10 stamp must be attached to each application that is submitted to the Belize Tourism Board for processing.

For information on the program, contact:

Belize Tourist Board, Attn: Gina Escalante

Central Bank Building, Level 2, Gabourel Lane

P.O. Box 325

Belize City, Belize

Tel: 501-223-1913 or 800-624-0686, Fax 501-223-1943

E-mail: gina@travelbelize.org

The BTB has a Web site covering the program at www.belizeretirement.org. An application form for this program is available on-line at www.belizeretirement.org/applicationform.htm.

REGULAR RESIDENCY IN BELIZE

Requirements and benefits are similar to those of the Retired Persons Incentive Act. For example, as a regular permanent resident you can import household goods and a personal vehicle duty-free. The application process and supporting documents needed are virtually the same as for retired residency. Here are the main differences:

- As a regular permanent resident, you do not have to deposit any particular sum in a bank in Belize. However, you do have to show financial resources sufficient to obtain residency status.
- You can work for pay in Belize.
- You must live in Belize for one full year before you can apply for regular permanent residency. During this period, you cannot leave the country for more than 14 consecutive days.
- It is more expensive to apply for regular permanent residency than for retired permanent residency. Application fees vary according to your country of origin, ranging from US\$125 (citizens of Mexico and Guatemala) to US\$1,500 (citizens of Mainland China). Citizens of the U.S. pay US\$625 per person, and Commonwealth country residents pay US\$500. Once residency is granted, you pay a fee of US\$62.50 for a residency card.

- After five years as a resident, you can apply for Belizean citizenship.
- You apply to the Belize Immigration Department rather than through the Belize Tourist Board. For information and application form, contact:

Immigration and Nationality Service

Ministry of National Security and Immigration

Belmopan, Belize, C.A.

Tel. 501-822-2423, Fax 501-822-2662