
Strategic Investors Seek Long-Term Wealth Preservation Through European Real Estate–Linked Investment Migration Programs

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Unprecedented and highly volatile global conditions triggered by the COVID-19 pandemic are driving high-net-worth individuals to reassess the concept of secure investment value and how best to safeguard their families and their wealth against future shocks.

The virus is devastating countries in rapid succession — from struggling developing nations to global giants, no nation is being spared. Against a background of significant projected instability, investors with foresight are already engaging in their post-pandemic planning and reassessing their wealth portfolios by opting to diversify via real estate–linked investment migration programs.

Leading international citizenship- and-residence-by-investment advisory firm [Henley & Partners](#) says before the World Health Organization announced the COVID-19 outbreak a pandemic, applications for Portugal’s popular [Golden Residence Permit Program](#) were on the rise. The first quarter of 2020 saw a 25% increase in interest in the program, with actual applications up by almost 50% compared to the same period in 2019. According to the latest Portuguese government data, 95% of Golden Residence Permit Program applicants have invested their funds in real estate as opposed to capital transfers or business, injecting approximately EUR 5 billion into the country’s economy over the past eight years.

Henley & Partners CEO [Dr. Juerg Steffen](#) says acquiring alternative residence or citizenship enables wealthy individuals to diversify their portfolios via a resilient investment solution, while at the same time contributing significantly to the economic wellbeing of the countries that offer programs. “Investment migration is a win–win solution for global investors and sovereign states alike. High-net-worth individuals favor European real estate–linked programs as they offer a unique hybrid investment opportunity that includes multiple yields from real estate, with all its traditional upside, as well as an alternative residence and/or citizenship with the option to relocate if they need too.”

In the recently published [Henley Passport Index Q2 Update](#), FutureMap founder [Dr. Parag Khanna](#) predicts that the pandemic will prompt many to reconsider their global mobility options. “The combined effect of the COVID-19 pandemic on public health, the global economy, and social behavior may augur deeper shifts in our human geography — and our distribution around the world. As the curtain lifts, people will seek to move from poorly governed and ill-prepared places to more proactive countries with greater resilience and better medical care.”

Real estate has traditionally been seen as an investment with staying power that demonstrates decades-long returns. Real estate–linked investment migration has the additional advantage of

enhancing one's options for relocation or retirement, or both. The potential gains from investment migration–linked real estate over the lifetime of the investment are trifold: the core value of the asset, rental yields, and global access as an ultimate hedge against market and political volatility.

Year-on-year applications for [Cyprus's](#) real estate–linked investment migration program reveal an even sharper trajectory than Portugal's, increasing by 250% in the first quarter of 2020 compared to the same period in 2019, generating substantial inflows of wealth and, more significantly, job creation across the socio-economic scale for the country.

Dr. Steffen foresees that once the COVID-19 crisis has been curbed and travel restrictions lifted, global mobility and international access will continue to be essential hedges against asset-value volatility and wider market challenges. “Real estate–linked investment migration is a long-term proposition that over and above the obvious benefit of providing a home in an alternative location of your choice, secures access to new markets, top educational institutions, more secure healthcare systems, and a suite of investment and personal opportunities for both present and future generations.”

Dr. Steffen concludes that real estate–linked investment migration programs, especially in Europe, are a reliable back-up plan for turbulent times, providing investors with unparalleled safety, security, stability, and opportunity, including access to major money markets. “At this time, when markets are being dealt heavy blows, it is vital to remain calm and make strategic long-term decisions. As a tried-and-tested hedge against volatility, securing alternative residence or citizenship through property purchase is one of the safest, smartest, most sustainable investments you can make right now.”

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Notes to Editors

Real–estate linked investment migration options

Portugal — A growing international hub for real estate investment

The minimum real estate investment requirement for the [Portugal Golden Residence Permit Program](#) is EUR 350,000, and the permit enables one to apply for full citizenship after five years. All real estate sectors have witnessed a significant growth through foreign investment across all markets, ranging from large institutional investors to high-net-worth individuals, including Golden Residence Permit applicants. According to Managing Partner of Henley & Partners Portugal, [Luis Infante](#), “Portugal will continue to be a hot spot for real estate investment.”

Cyprus — real estate investment creates a Mediterranean base

In terms of citizenship-by-investment, [Cyprus](#) offers one of the most sought-after programs in the EU, with an option to commit at least EUR 2 million to the purchase or construction of real estate. Along with most other EU member states, Cyprus also offers permanent residence-by-investment at a lower price point. The most affordable qualifying investment for the [Cyprus Permanent Residence Program](#) is the purchase of real estate with a total market value of at least EUR 300,000 plus VAT.

Turkey and Greece see a significant uplift

In the period leading up to the COVID-19 pandemic, the real estate markets in other parts of Europe were also attracting considerable foreign interest, with much attention concentrated on nations offering residence- and citizenship-backed property options. Last year, for instance, almost 46,000 foreign nationals invested in real estate in [Turkey](#) following a decision to reduce the minimum investment threshold of its citizenship-by-investment program from USD 1 million to USD 250,000 late in 2018. Early 2020 saw the trend for foreign real estate investment in the region continue, with almost 4,000 overseas buyers purchasing houses in Turkey in January alone. To date, approximately 5,000 investors have acquired Turkish citizenship via investment, making it one of the most popular programs in the world despite the relatively modest power of the Turkish passport, which gives its holders visa-free or visa-on-arrival access to 111 destinations, according to the latest [Henley Passport Index](#) rankings. In Greece, where [residence-by-investment](#) is available through the purchase of property priced at EUR 250,000 and upwards, demand has been equally significant.

About Henley & Partners

Henley & Partners is the global leader in residence and citizenship planning. Each year, hundreds of wealthy individuals and their advisors rely on our expertise and experience in this area. The firm's highly qualified professionals work together as one team in over 30 offices worldwide.

The concept of residence and citizenship planning was created by Henley & Partners in the 1990s. As globalization has expanded, residence and citizenship have become topics of significant interest among the increasing number of internationally mobile entrepreneurs and investors whom we proudly serve every day.

The firm also runs a leading government advisory practice that has raised more than USD 8 billion in foreign direct investment. Trusted by governments, the firm has been involved in strategic consulting and in the design, set-up, and operation of the world's most successful residence and citizenship programs.

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