



ALAMY So pretty: blossoming jacaranda trees in historic Carmo Square

Top-notch holiday homes in the fascinating, buzzy Portuguese capital rent like a dream and there's no tax to pay on the income, says **Cathy Hawker**



ALAMY It's the way to go: Lisbon's famous trams rattle and screech through the city's cobbled, narrow streets

# A tax holiday in hotspot Lisbon



From £633,000: one- and two-bedroom flats at Edifício Leonel, a classic building in central Chiado. Through Cluttons



From £448,500: studios and apartments at Príncipe Real Residence, in the elegant "Mayfair of Lisbon" (cluttons.com)

**C**RANES swing over the Lisbon skyline as the Portuguese capital experiences a dramatic building boom. The world has discovered Lisbon, appreciating its mix of affordability, bespoke craftsmanship and blue skies – and pushing up property prices last year by 9.2 per cent.

It's a hugely decorative city. Light bounces off the River Tagus, reflecting on the glossy azulejo tiles of historic façades and patterned mosaic pavements. Alongside the beauty, there are solid financial reasons for buying homes there. "Lisbon's property boom started at the end of 2012 helped by the introduction of Portugal's Golden Visa which gave anyone spending over £444,000 on property the right to residency," says Diogo Lopes Alves of Cluttons.

Initially Chinese buyers were the main Golden Visa purchasers but they've been joined by Brazilian, South African and Turkish investors. A second scheme, the Non-Habitual Residency Scheme, allows EU residents, including Britons, who buy a home and spend 183 days or more in Portugal to pay no tax on pension or investment income for 10 years. Together these schemes have helped property prices in Lisbon double since 2013. "People are buying in Lisbon for both investment and lifestyle reasons," says Lopes Alves. "The market is on fire."

## PRIME LISBON

Property prices peak in elegant Príncipe Real and central Chiado. Cluttons is selling Edifício Leonel in Chiado, 10 flats in a classic building directly opposite Lisbon's famous Santa Justa lift. Originally renovated 10 years ago by Portuguese architect Álvaro Siza Vieira, the one- and two-bedroom flats start from £633,000 for 968sqft including a parking space.

Príncipe Real Residence is under refurbishment to create 22 studios, one- and two-bedroom flats, for completion this summer, with high-end finishes and good city views. Prices are £448,500 to £976,000 through Cluttons, with a rental guarantee of three per cent net over three years. In buzzing Bairro Alto,

popular for its nightlife, The Lumiares operates as a five-star hotel and spa with 53 flats in a restored 16th-century palace. The final two flats for sale start from £761,000 for a two-bedroom home of 1,410sqft with parking. Owners get four per cent gross rental return guaranteed for three years and six weeks' personal use. Through Cluttons.

Further west among the grand embassies in Lapa, a modernised two-bedroom duplex apartment of 1,001sqft, a potentially good rental property, is £310,000.

## NEW LISBON

When Lisbon hosted World Trade Fair Expo in 1998 it transformed a desolate waterfront area to the east. Today Parque das Nações has a similar feel to London's Docklands with modern high-rise blocks, international company HQs, outdoor restaurants and a maritime theme. There's a marina, an aquarium, a casino and a cable car that runs along the tree-filled riverside towards the magnificent Vasco da Gama Bridge.

"Parque das Nações is close to the airport and the main motorways north and south, has good cultural and shopping facilities, excellent transport links and is only 15 minutes from the city centre," says Chitra Stern of family-friendly hotel developer and operator Martinhal. Here, Martinhal is about to start building Martinhal Residences, with 160 flats in a 14-storey tower, operating as a family-focused hotel with branded residences.

Prices for the one- to five-bedroom homes, with balconies and sharing indoor and outdoor pools, restaurants and children's playrooms, start from £222,000 for a 409sqft studio and £533,000 for two bedrooms. Owners can take a rental guarantee of four per cent net for six years and have all furnishings, utilities and service charges paid by the developers. Martinhal is creating an international school nearby, due to open next year with 850 pupils. "We expect about two thirds of apartments to be bought by owner-occupiers and one third by investors," says Stern

● **Cluttons:** cluttons.com  
● **Martinhal:** martinhal.com



## 'BEACHES, NATURE AND WONDERFULLY FRESH FOOD'

HUSBAND-AND-WIFE restaurateurs Agnes and Alexis Bourrat worked in stellar London restaurants including Zuma, Chiltern Firehouse and at the Mandarin Oriental before moving to Lisbon in 2017.

A chance online search uncovered a restaurant for sale in Príncipe Real – the Mayfair of Lisbon. The couple fell in love with the building, bought it and in July this year opened their own restaurant, BouBou's.

"The Lisbon lifestyle is amazing with beaches and great nature nearby and wonder fresh food," says Agnes, 30.

"However, the boom of recent years has brought many new residents and property prices have gone through the roof."

BouBou's can cater for 64, with tables inside and also in the covered courtyard. It aims for casual fine dining with crispy squid, seared gambas, whole octopus, Galician steak and sea bass among typical dishes.

● **BouBou's:** Rua Monte Olivete 32A, Lisbon (boubous.com; +351 213470804). Allow £35 per person.

## WHERE TO STAY

IN AN ideal location beside the City Hall, steps from the Tagus river and an easy walk to Lisbon's most popular tourist sites and shops, the AlmaLusa Baixa/Chiado hotel opened its doors in March 2016.

The 28-room independent hotel is comfortable and quiet, and stands on the site of Lisbon's former arsenal. Original design features include wooden beams, large fireplaces and a well-worn stone floor in the entrance hall dating to the 16th century.

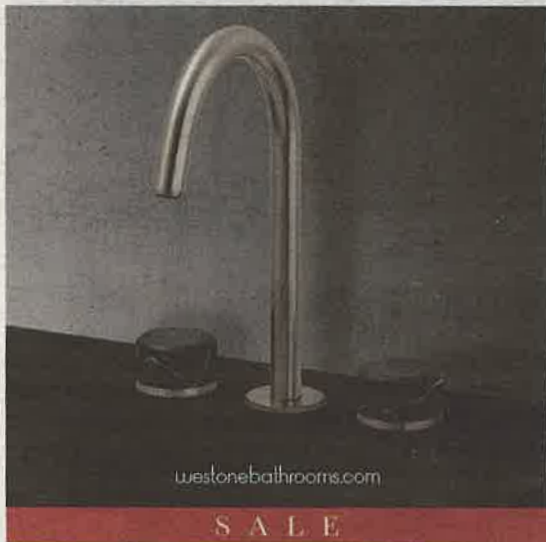
Rooms start from £173 a night including breakfast and in November there's a special B&B rate of £140.

● **AlmaLusa Baixa/Chiado:** almalusa-hotels.com/en/hotel

## Prime location:

the AlmaLusa Baixa/Chiado hotel is close to all the main tourist spots

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