



ANDREW HALLAM'S

3 UNMISSABLE RETIREMENT DESTINATIONS

INTRODUCTION

I developed an early respect for money because I didn't have any, growing up.

One day, sitting with a cold drink on a friend's patio after finishing a bike race, it hit me. I wanted to travel, swim in tropical waters, ride my bike, meet fascinating people...and work as little as possible. That wasn't just my summer dream. That became my dream for life.

And when I was 19, I met a mechanic who happened to be a millionaire. He taught me that I didn't need a high paying job, in order to build wealth. If I could make money work hard for me, I wouldn't have to work so hard for money.

Before my 20th birthday, I started to invest. By the time I reached my late 30s, I had enough money to retire. Yet, I still tap danced to work each day. But I had options: to quit, travel, volunteer or work part-time.

My wife and I now couple our passion for travel with talks around the world. I also continue to write for several publications, including AssetBuilder, Swissquote and Canada's National newspaper, The Globe and Mail.

As you might have guessed, I no longer think about working "as little as possible." Sometimes, I work hard. Other months, I choose to hardly work. I love this variety. It gives me choices as to where and how I spend my time.

Money doesn't make us happier. Nor does early retirement. But how we spend our time and living 'richly' matters, so I'm sharing my first-hand experience of some incredible places I've visited, and why they might be the perfect retirement destinations.



Andrew Hallam

Best-selling author of [Millionaire Expat \(3rd edition\)](#), [Balance](#), and [Millionaire Teacher](#).

THAILAND



HOW TO RETIRE LIKE THE RICH, EVEN IF YOU AREN'T YET

Imagine a retirement like this.

You wander into the kitchen after climbing out of bed. It's February. But all your windows are open and a warm breeze comes into the home's open space. Coffee is in the pot. Your maid is cooking breakfast and there's a glass of freshly squeezed juice on the table.

You book a 5 star holiday after breakfast. You go to a different place every six weeks. This time, Bali sounds good. Your driver takes you to the country club. You close your eyes to soothing music. Then you play tennis with a friend before a pampering at the spa. I can hear what you might be thinking: "I couldn't afford to retire like that."

But with some out-of-the-box thinking, you could retire like the rich...even if you aren't. In fact, you could have a smaller retirement portfolio than your friends, retire earlier, and live far more luxuriously than almost everyone you know. The trick is to spend part of each year (or live full-time) in a lower-cost country.

Thailand could be one. Let's assume you're from Bristol, England. According to numbeo.com, rental prices are 248 percent higher in Bristol than they are, for example, in Chiang Mai, Thailand.

Located in northern Thailand, Chiang Mai is a popular spot for tourists, digital nomads and early retirees. Temperatures are slightly cooler than in most of the country (based on its elevation) and it has enough modern amenities to make life very comfortable.

Best of all, living in Chiang Mai would cost almost one-third of what the same standard of living would cost in, say, Bristol, England.

Chiang Mai costs less than half what it would cost for the same standard of living in Manchester. As noted by numbeo.com, even imported beer costs about 70 percent more in England compared to what it costs in Chiang Mai.

From a practical perspective, assume you calculated that you would require £1 million to retire in England.

If you decided to spend half the year in Thailand and half the year in England, you could cut your total living costs by at least 30 percent. If, instead, you decided to live full time in Thailand, you would require far less.

A £500,000 investment portfolio in Thailand would go further than a £1 million portfolio anywhere in the UK.

For example, you can check out home [rental prices in Chiang Mai, at the following link](#). A 240 square meter (2,583 square foot) four bedroom villa with a swimming pool, can currently be rented for £1,104 a month.

If that's too small for your team of domestic in-house help, you could rent an seven bedroom, seven bathroom villa with a private swimming pool for about £2,800 a month.

If you don't want to live like a Kardashian, you could rent a modern, two bedroom, two bathroom flat with a swimming pool and a gym for just £485 a month.



Chiang Mai is popular among expat retirees. And at 1000 feet above sea level, temperatures are bearable. They average between 69 and 89 degrees Fahrenheit (20-32 degrees Celsius). Humidity averages 70 percent. Home to 160,000 people, it has plenty of Thai and western-style restaurants. Starbucks coffee shops are common.

Thailand is also popular for its quality medical and dental facilities.

I spoke to an American retiree in Chiang Mai who lives on his American Social Security payments of about \$20,000 USD a year. But he says, "If I get something like Alzheimer's while living in Thailand, I can afford to hire a qualified nurse to move into my home and care for me."

Chiang Mai has a good hospital. But Bangkok's Bumrungrad hospital is the country's most famous. It's ultra-modern and spa-like, attracting patients from all over the world, including many of the wealthiest from the Middle East. But it's also cheap, by western standards. Instead of waiting months for elective surgery (like a hip replacement in the UK or Canada) plenty of people flock to Thailand to have surgery right away.

If, however, you're thinking of moving to a different country, kick the tires first. Find out the worst time of year, and pay a visit then. For Thailand, that would be March to June. Temperatures are high. If you enjoy it then, you'll think the rest of the year is great.



PANAMA

AN IDEAL CLIMATE AND GREAT BENEFITS -
COULD THIS BE THE PERFECT RETIREMENT HAVEN?



Most mornings, I jump on my bike and ride uphill.

This somewhat sadistic hobby isn't for everyone. But in Boquete, Panama, I love riding up the shoulder of Volcan Bahrú. The peak is the only place on Earth where you can see the Atlantic and Pacific Oceans, on a clear day.

Other mornings, I ride into mountains surrounded by coffee plantations. I parallel rivers of cold water, passing waterfalls as I go. Then I swoop down these quiet roads, carving through corners like a downhill skier. For me, it represents freedom.

I also believe this town has the best climate on the planet. That's one of the reasons so many digital nomads and retirees from different countries choose to move here.

Boquete is about 4,200 feet above sea level. Daily temperatures range from lows of 14 degrees Celsius at night to highs of 26 degrees during the day. It barely changes, month to month.

I wrote this while outside, at a spa and small hotel called The Haven. Tropical birds were chirping in the dense foliage behind me. I bought fresh fish from the local market every day. And every afternoon, I picked up fresh, locally grown fruits and vegetables.



In 2023, International Living magazine rated Panama the third best, low-cost retirement destination in the world, after Portugal and Mexico.

In 2022, they ranked Panama number one. he rankings are subjective, of course.

But the magazine, which has reported on low-cost locations for 44 years, ranks countries based on seven criteria: housing; ease of visas and benefits; cost of living; popularity based on surveys (they call this their affinity rating); development and governance; climate and healthcare.

Country	Housing	Visa/Benefits	Cost of living	Affinity Rating	Development/ Governance	Climate	Healthcare	Average
Portugal	74	90	85	89	94	88	92	87.43
Mexico	70	92	92	87	80	86	82	84.14
Panama	77	98	78	85	86	80	84	84
Ecuador	80	91	88	82	76	87	81	83.57
Cost Rica	60	94	68	84	78	80	91	79.28
Spain	56	76	79	84	92	72	88	78.14
Greece	70	76	84	80	78	68	82	76.86
France	64	70	56	84	88	82	84	75.43
Italy	62	64	88	75	76	70	80	73.57
Thailand	62	58	96	77	88	58	76	73.57
Colombia	59	66	97	68	54	87	83	73.43
Uruguay	72	68	70	70	78	58	80	70.86
Malta	56	56	75	82	84	63	75	70.14
Ireland	58	70	56	78	90	58	80	70
Roatan	56	80	73	70	58	58	49	63.42
Belize	56	66	77	61	56	58	45	59.86

Panama has a bit of everything.

Panama City, dubbed the Dubai of Central America, offers a bustling modern life. Panama also boasts the Caribbean beaches of Bocas del Toro and San Blas.

The Pacific beaches near the city of Coronado have their own marble-coloured charm, thanks to strips of volcanic sand layering with the white. And Panama has cool mountain towns, of which Boquete is the most popular.

Increasingly, Panama attracts plenty of remote workers through its [Digital Nomad Visa](#). To qualify, online workers need to prove they have an annual income of at least \$36,000 USD.

Retirees who move to Panama typically choose between the Friendly Nations Visa and the Pensionados Visa.

To qualify for the [Friendly Nations Visa](#), you need to either buy a property in Panama with a value of at least \$200,000 USD, or work for a Panamanian business, or make a fixed deposit into a Panamanian bank of \$200,000 USD. If you work online, the Panamanian government won't tax any of your foreign-earned income.

Capital gains taxes on a portfolio of index funds are a flat 10 percent. This doesn't mean you pay 10 percent tax on each withdrawal from your account. Instead, you pay 10 percent tax on the portion of that money which represented a capital gain after your residency began.

What's more, you can maintain your residency by spending as few as two days every two years in the country.

The [Pensionados Visa](#) might be the most common residency plan. It requires proof that the applicant earns at least \$1,000 USD per month of pensionable income. If the applicant purchases a property worth at least \$100,000 USD, their minimum pensionable income requirement for the visa is \$750 a month.



If an applicant applies with a spouse, the couple will require proof of an additional \$250 of pensionable earnings per month.

Each year, when International Living ranks countries, Panama tops them all in the “benefits” category.

Women who are at least 55 years of age, and men who are at least 62, receive impressive discounts.

- 50% off on recreation and entertainment, such as movies, theatres, sports, etc.
- 50% off hotels Monday through Thursday (30% off on weekends)
- 50% off passport costs
- 30% off public transportation: buses, trains, and boats
- 25% off airfare
- 20% off restaurants (15% off fast food)
- 25% off electrical, telephone, and water service
- 20% off doctors’ and specialists’ fees
- 20% off prosthetics and other personal assistance devices
- 15% off hospital and private clinic costs
- 15% off dental and optometry services
- 10% off prescription medications
- tax-free importation of household goods, up to \$10,000
- tax-free importation of a vehicle, or tax-free purchase of a local vehicle

Panama is also the safest country in Central America. And unlike Mexico or Thailand, you can safely drink water out of the tap.

Culturally, people also tend to be friendlier than they are in Europe, Canada or the United States. That might sound like a generalisation. But even in Panama City's most cosmopolitan banking district, if you are riding an elevator, everyone who gets on or off will greet you or say good-bye. Every. Single. Time.

Warmth and hospitality are deeply rooted in Latin American culture.

So what's not to like?

No place is perfect. And while Latin Americans are famous for their warmth, they often operate on time schedules that might madden many.

If, for example, you schedule someone to arrive at your home at 10am to fix a fence, they might show up at noon...or at 3:00pm the following day. If that would drive you nuts, Panama might not be for you.

But if Panama sounds like a place you might be interested in, come for an extended stay before taking the plunge. You might love it. You might not.

But if you don't give it a try, you'll never really know.



MALAYSIA



HIDDEN PARADISE: THIS RETIREMENT LOCATION MAY BE THE WORLD'S BEST-KEPT SECRET

"If I ever disappear and go completely off the grid, you would find me on Pulau Tioman."

I told my wife that shortly after we met. Tioman is an idyllic island in the South China Sea. Jagged mountain peaks rise from the sand of the gorgeous tropical beaches.

Time magazine once rated Tioman one of the ten most beautiful islands in the world. But it's still a largely undiscovered gem with almost no road network. Most of the small villages are only accessible by boat or a hilly jungle path that circles the island.

Not everyone, however, wants to live like Robinson Crusoe. Those preferring a city vibe might prefer Malaysia's capital, Kuala Lumpur. You'll find world-class medical centres, spectacular spas, gyms and enough fine dining to keep your taste buds dancing daily.

Almost everyone speaks English, which helps make Malaysia one of the most popular places to retire in Southeast Asia.

What's more, as a resident of Malaysia, you wouldn't have to pay capital gains taxes on your stock and bond market portfolios. That's a massive perk.

Sixty-six year old Peter Bendheim and his 53-year old wife, Adele, moved to Penang to retire in 2019. Known as the "Pearl Of The Orient," it's popular among expats. The South African couple lives in Batu Ferringhi, about 12 kilometers from Georgetown. "Penang is an island with a rich and diverse culture," says Peter. "It's relatively laid back, compared to the busy city of Kuala Lumpur."

Peter and Adele are among more than 57,000 retired expats that acquired residency from the Malaysia My Second Home Programme. It offers a 10-year renewable visa.

When the programme was first launched in 2002, it attracted plenty of budget-conscious expats drawn to the country's low cost of living. But the Malaysian government temporarily froze the programme in 2020.

Now reinstated, it has different financial requirements, depending on where you choose to live.

There's a national programme that became more financially selective, and a Sarawak regional visa that's more attractive to lower-income retirees.

For example, the national programme now requires new members to make a fixed deposit into a local bank of about \$215,000 USD (1 million RM). Approximately \$10,746 USD (50,000 RM) is required for each additional household member.



Members can deposit this money in a Malaysian bank and receive interest. After the first year, they can withdraw up to half this amount if they choose to spend it on a home, car or education.

Expat retirees also require proof that they have about \$322,400 USD (1.5 million RM) that could be converted to cash. This could be a portfolio of index funds or ETFs, for example.

Finally, applicants must now earn a minimum \$8,500 USD (40,000 RM) of monthly income. That could come from a salary, pension, dividends or property investments.

Ironically, anyone spending this kind of money in Malaysia could live like a king or queen.

Peter and Adele's seaside condominium cost about \$160,000 USD. The 1,100 square foot condo has three bedrooms, two bathrooms, a balcony and an ocean view. It includes a swimming pool, a gym and undercover parking.

Peter says they pay about \$1,066 USD in annual maintenance fees and about \$237 USD in annual property taxes.

When doing an online search for rental properties in Penang, I found 3-bedroom, 2-bathroom condominiums renting for about \$850 USD per month with an ocean view.

Of course, there's no limit to what you could pay if you're living like a sultan. But luxury living rarely comes at a cheaper price.

Peter and Adele's annual living costs, for example, are about \$28,000 USD. The couple's total health insurance costs are about \$1,800 USD per year.

On the right, I've listed cost of living comparisons for several major cities, compared to Kuala Lumpur.

For example, someone who spends \$100,000 a year in Dubai could enjoy the same standard of living in Kuala Lumpur for about \$43,000 USD, according to Numbeo.com. Kuala Lumpur is even cheaper than Bangkok, Thailand.

City	Approximate Annual Spending Equivalents (USD)
Kuala Lumpur, Malaysia	\$43,000
Dubai, UAE	\$100,000
London, England	\$135,000
Vancouver, Canada	\$111,000
Madrid, Spain	\$70,000
Panama City, Panama	\$64,000
Amsterdam, Netherlands	\$101,000
Bangkok, Thailand	\$57,000
Brussels, Belgium	\$90,000

Those choosing to live in eastern Malaysia could apply for Sarawak's Malaysia My Second Home resident visa. Its financial requirements are less strict compared to the country's national programme. Applicants over 50 years of age require a fixed deposit of about \$32,000 USD (150,000 RM) in a local bank or \$64,000 USD (300,000 RM) per couple. After two years, 40 percent of this could be withdrawn to buy a house, car, pay for medical expenses or pay for education. The rest must remain until the retiree chooses to leave Malaysia.

Applicants also require a minimum income of about \$1,500 USD (7000 RM) per month from a salary, pension, dividends or property investments. As with the national programme, residents need to spend a minimum of 90 consecutive days per year in Malaysia to maintain their residency status.

If you would like to retire in Malaysia, visit the country several times first. Other than the mountainous regions of the Cameron Highlands, the lower slopes of Mt. Kinabalu, or the Genting Highlands, temperatures tend to be hot and humid. They won't suit everyone.

But if you're looking for a piece of paradise, Malaysia gets my vote as one of the world's best countries. It's sunny. It's safe. It's cheap. It's beautiful and it's varied. You can drink water from the taps.

And with no capital gains taxes levied on investment portfolios, it might be one of the world's best-kept secrets.



RETIREMENT IS AS IMPORTANT A LIFE TRANSITION AS THERE IS.

It touches deep-seated issues like identity, relationships, and purpose. It's emotional in countless, complicated ways. Are you on track for a flourishing future for you and your family?

We ask just 3 questions of you to see if we are the right fit for each other:

1

Do you have over £500,000 in pensions or savings (£650,000 for pension transfers)?

2

Do you value personal service and an equal relationship between us both?

3

Do you want a 12-month, risk-free, money-back service guarantee, so you have peace of mind with your investments?

If yes, we'd love to help you along your financial journey. It's now just one small step away. Simply get in touch today.

CLICK HERE TO TALK
TO US TODAY

hello@aesinternational.com
www.aesinternational.com/wealth



Sam Instone
CEO & Founder, AES

