

## Acquisitions of real estate by non-residents 2019

---

### Non-residents stood for 13.3% of real estate acquisitions in 2019

In 2019, 8.5% of real estate sales in Portugal were made to non-residents<sup>1</sup>, corresponding to 13.3% of the total sales value (8.2% and 13.0%, respectively, in 2018). After the significant increases both in number and in value in previous years (+14.5% and +19.2% in number and +22.2% and +22.6% in value, respectively in 2018 and 2017), in 2019 the number of real estates acquisitions by non-residentes decreased by 2.0%, having increased by only 1.0% in value.

In 2019, the average value of real estate sold to non-residents was EUR 176,429 (+3.1% vis-à-vis 2018). This value is 57% higher than the average value of total transactions, a relative difference similar to the one recorded in 2018.

As in the previous year, residents in France (18.1% of the total value), followed by residents in the United Kingdom (17.3%) were the main foreign buyers of real estate in Portugal. Among the main countries of residence of non-resident buyers, it is worth mentioning China, whose average value of real estate purchased by residents in this country (EUR 373,071) was more than double the total average value of real estate sold to residents abroad.

The average value of real estate acquired by non-residents for a price equal to or greater than EUR 500,000 reached EUR 923,016, increasing by 3.2% compared to 2018.

The Algarve has overtaken the Área Metropolitana de Lisboa, having represented 37.7% of the total value of acquisitions by non-residents (35.8% in the Área Metropolitana de Lisboa), as a result of the respective variations of +6.1% and -8.5%, compared to 2018.

---

In this press release Statistics Portugal disseminates indicators on real estate acquisitions by non-resident allowing a broader understanding of the real estate transactions market in Portugal.

Data is exclusively based on administrative sources, namely from registers and notary files collected by the Directorate-General of the Policy of Justice of the Ministry of Justice.

Statistics Portugal already disseminates data on real estate transactions within the context of the Housing Price Index. This data is based on the settlement declarations of the Municipal Tax on Real Estate Transfer (IMT). However, the values made available refer exclusively to transactions of family dwellings, thus being restricted to housing. The information now released for the period 2012-2019 has a broader scope, including real estate other than housing.

---

<sup>1</sup> The classification of non-resident is based on the country of residence, which may not correspond to the country of nationality.  
Acquisitions of real estate by non-residents 2019

## Methodological note:

**Transactions of real estate:** the data used is collected by the Directorate-General of the Policy of Justice of the Ministry of Justice, and originates in registers and notary files registered with the respective Land Registry Office (according to Decree-Law 263-A/2007 of July 23 and article 24 from Decree-Law 116/2008 of July 4).

The information now released is based on purchase and sale contracts, but the values correspond to the total number of real estate included in each contract, with a breakdown in urban (total and in split property regime), rural and mixed estate, regardless of their use (housing, commerce, services, industry, etc.) and the nature of the intervener (natural or legal persons).

The purchase and sale acts include complete buildings and fractions, sold in whole or in part. Information concerning inheritance and division of inheritances are not included, given that those acts do not lead to a purchase and sale contract.

The geographical breakdown of this data (available at the level of municipality) is based on the location of the real estate, and information concerning the country of the buyer is based on the country of residence. Information is available on an annual basis and since 1994 for the total real estate transactions in Portugal. However, data for acquisitions of real estate by non-residents is only available for the period 2012-2019.

## Comparison with other sources:

Statistics Portugal already disseminates data on number and value of housing real estate transactions, within the context of the Housing Price Index. This data is based on the settlement declarations of the Municipal Tax on Real Estate Transfer (IMT), over the paid transfer of the right of ownership of real estate (via the "acquisition of the ownership right" or "exchange or barter contracts"). This tax is paid to the Portuguese Customs and Taxes Authority via a tax return submitted by the taxable person, and mandatory for the purchase and sale contract signature. The information now released has a broader scope, including real estate other than housing, so, as consequence, comparisons between both data sources need to take those differences into account. Data concerning purchase and sale contracts of real estate include urban, rural and mixed real estate and, for the urban estate, other uses in addition to housing are included (namely commerce, services, industry and land for construction).

## Concepts:

**real estate** - this is said of rural or urban estates and of values that, although they are not immovable, are declared by law to be so, as the fruits of properties, rights inherent in properties and consolidated funds (jurisprudence).

**mixed estate** - whenever a estate has a rural part and an urban part it is classified as a whole according to the main part. If neither part can be classified as the main part, it is considered mixed.

**rural estate** - land situated outside an urban agglomeration that is not classified as buildable land, provided that: a) it is allocated, or if not officially allocated, its normal use is to generate agricultural income as considered for personal income tax purposes (IRS); b) if it is not allocated as described in a), it is not built up and only has accessory buildings or constructions with no economic autonomy and of low value.

**urban estate** - buildings and constructions licensed or to be used for housing, commercial, industrial or services purposes; land that is recognized as suitable for urbanization and building, including urbanized ground plots or ground plots for which urbanization has been planned or considered like that in the purchase deed, except in the cases that the licensing process is not allowed due to the localisation in green zones, protected areas or, according to the municipal territorial plans, are intended for public spaces, infrastructures and equipments.