



# **BUYING IN PORTUGAL WITHOUT AN MLS**

**LIO CONFERENCE  
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**PROPERTY FINDER PORTUGAL**



# ***SEARCHING FOR A PROPERTY: MLS APPROACH IN NORTH AMERICA***

**PROPERTY FINDER PORTUGAL**

Find and choose a  
realtor

Share criteria

Realtor produces  
long list via MLS  
(MLS.com or  
MLS.ca/Realtor.ca)

Review long list and  
agree short list

Any changes  
managed by realtor

Visits



# ***SEARCHING FOR A PROPERTY: TRADITIONAL APPROACH IN PORTUGAL***

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Google

List of property  
portals, properties  
and listing agents

Make contact with  
different agents or  
owners

Some agents  
respond, others late,  
some not at all

You forget who you  
contacted, mix up  
agents/properties

You have to compile  
a master list and  
manage agents

Over time, prices  
different, properties  
not available

Ask agent in town 1  
if they cover town 2

Agent starts  
scrambling: APB to  
partners!

Agents no longer  
responding, esp. low  
budget/too long

Managing the lists  
now a full time job

Book trip or viewing  
(even if remote),  
options reduced

Viewing days: same  
property shown by 2  
agents, favorite sold

Cannot remember  
who has your next  
best listing

Try to pull together  
an emergency set of  
options

DECISION: act  
quickly or restart  
process



# TRANSACTION TIMES

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Meses de permanência de uma casa à venda no mercado

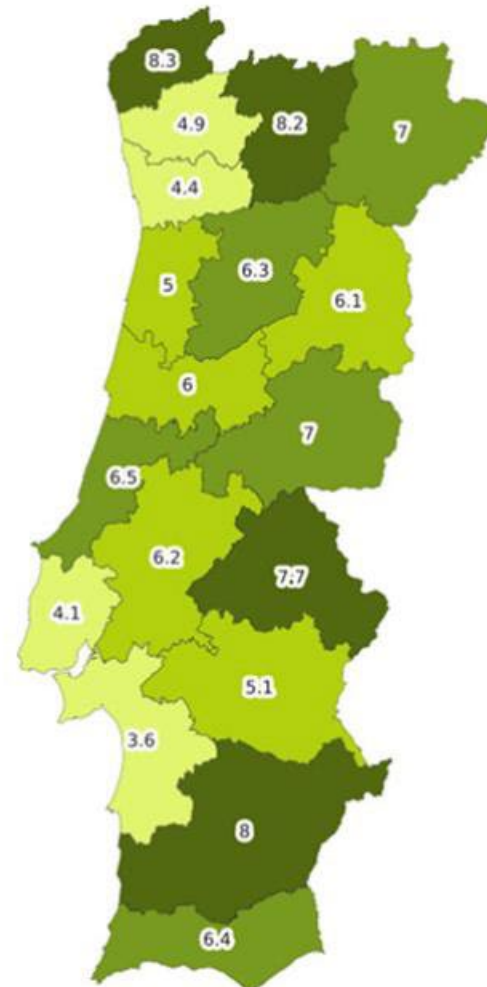
DADOS POR CAPITAIS DE DISTRITO 3T 2020

3.6 meses

8.3 meses



Fonte: idealista/data





# ***TOP MISTAKES MADE BY POTENTIAL BUYERS IN PORTUGAL***

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## **1. #1 MISTAKE: NOT UNDERSTANDING THAT THERE IS NO MLS!:**

- Sending an enquiry, registering your name, etc, will mean that listing agent “owns” you (and the listing agent contractually represents the seller), and will show you their listings first
- Agent will not share with anyone else, so a finder/buyer agent approach will be limited
- You will go down the route of having to manage multiple contacts/listing agencies

## **2. STARTING TO SEARCH FOR PROPERTIES BEFORE KNOWING WHERE YOU WISH TO BE:**

- Where before what; or location, location, location; is crucial
- Get general info on where to settle (LIO, FB groups, info sites, forums)
- Ask for help with defining best locations (ask us for the 17 qualifying questions)

## **3. THE PROTOCOLS OF CONTACTING AGENTS:**

- An enquiry today is irrelevant 6 months out. Look/research but do not engage!
- Forgetting who you have contacted
- Trying to engage a finder agent after having contacted a number of listing agents

## **4. NOT UNDERSTANDING THE TIMING/THINKING LOCAL AGENTS ARE AVAILABLE 24/7:**

- Planning visits in the summer; saying “I am here now, can I visit house X tomorrow 13:00?”
- Asking for visits with no intention to buy; in seasonal regions, trying to visit in summer



# ***TOP MISTAKES MADE BY POTENTIAL BUYERS IN PORTUGAL***

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## **5. POORLY PLANNED/UNNECESSARY PROPERTY INSPECTION VISITS:**

- Wrong timing: late contact with experts on the ground
- Spending time and money on rental visits when not necessary, and virtual visits possible

## **6. EXPECTATIONS MISMATCHES AND FEAR OF THE UNKNOWN:**

- Think real estate in popular Portugal areas is cheaper than it is – 2023 is not 2016, or 2018
- Working only with expats that have moved, often frightened by language/cultural barriers

## **7. POOR RENT-BEFORE-BUY PROCESS MANAGEMENT:**

- Not looking at big picture e.g. focus on what (lovely modern interior) with little consideration to where (no hills, close to schools, etc)
- Not considering rental and buying parameters simultaneously (and 99% of agents will not strategically do both)
- Not considering all requirements (pets, timing, un/furnished)

## **8. UNDERESTIMATING THE MOVE/WRONG FOCUS:**

- Visa process e.g. D7 is quite simple, takes a few months, yet applicants often pay many thousands for “assistance”. An error may cost a few hundred Euros
- Buying is complex, yet people often tackle on their own or rely on third parties representing sellers. An error may cost tens of thousands of Euros

# FINDER/BUYER AGENT MODELS EXPLAINED

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FINDER/BUYER AGENT TYPE	PROS	CONS
<b>Fixed fee</b>	<ul style="list-style-type: none"> <li>Cost known and fixed</li> <li>Personalized approach good for very high value transactions where additional cost is not a consideration</li> <li>Allows for a very personalized process, because agent is guaranteed payment for their time</li> <li>Multiple iterations and even interruptions possible</li> <li>Joint best for total independence</li> </ul>	<ul style="list-style-type: none"> <li>Total transaction cost highest, ALWAYS higher than buying direct</li> <li>Additional cost borne by buyer</li> <li>Easy for less experienced buyer agents to enter the market, without contacts or detailed knowledge</li> <li>Requires (near-)exclusivity and single point of contact</li> <li>Client pays for independence</li> </ul>
<b>Commission/variable fee</b>	<ul style="list-style-type: none"> <li>A lower fixed cost and some part of fee linked to success</li> <li>Greater motivation for agent to perform</li> </ul>	<ul style="list-style-type: none"> <li>Final cost not known</li> <li>Sunk cost if search unsuccessful</li> <li>Buyer agent may give up halfway if search becomes too difficult, or client too “picky”</li> <li>Least good for independence as agent may depend on commission share</li> </ul>
<b>Results-based (transaction cost capped at listing price AND intermediary only earns on success)</b>	<ul style="list-style-type: none"> <li>Intermediaries only earn if successful</li> <li>Lowest total transaction cost</li> <li>Best for total transaction cost certainty</li> <li>Total/maximum cost known</li> <li>Best mirrors the MLS approach</li> <li>Best for highly experienced and knowledgeable agents</li> <li>Joint best for total independence but with the advantage of client not paying for it</li> </ul>	<ul style="list-style-type: none"> <li>Requires (near-)exclusivity and single point of contact</li> <li>Does not work if client has already contacted multiple listing agents</li> <li>Agents bears total risk so will only want highly qualified clients, no tyre-kickers</li> <li>Does not work well with very low value transactions where more work required</li> </ul>
<b>Applicable to all finder types</b>	<ul style="list-style-type: none"> <li>Excellent for collaboration between client and agent</li> <li>Client has representation, and conflict of interest is largely eliminated</li> <li>Not limited to inventory of any single listing agent</li> <li>Time-sensitive or urgent searches</li> </ul>	<ul style="list-style-type: none"> <li>A listing agent or agent from a listing company that markets themselves as a “finder” is still a listing agent</li> <li>Some properties may still be inaccessible even to finders where no commission sharing is required</li> </ul>



# ***FREE INITIAL SCOPING ANALYSIS***

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**TAILOR-MADE FOR CLIENTS AT ANY STAGE OF THE PROCESS  
(THE EARLIER THE BETTER)**

**VALID FOR CLIENTS LOOKING TO BUY, TO RENT  
OR RENT BEFORE BUYING CLIENTS**

**BENEFITS INCLUDE:**

- ✓ **17 EASY QUESTIONS TO ANSWER**
- ✓ **QUICK CONFIRMATION OF BEST OPTIONS**
- ✓ **IMPORTANTLY, ELIMINATION OF OPTIONS THAT ARE NOT A FIT**
- ✓ **EASY IDENTIFICATION OF NEXT STEPS, MORE EFFICIENT PLANNING  
OF VISITS/TRAVEL AND LOWERING OF RISK**



# LOCATION ANALYSIS

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TOWN	City with fewer tourists	2-bedroom rental w/ max. budget €1250	Availability of modern apartments (this will change if contemporary)	Walk to amenities	Car not required	Direct beach access (ie walk or drive vs boat/train)	Sea/river view within budget	Un-furnished
VRSA	Good fit	Reasonably easy	Low	Good fit	Good fit	Good fit	Medium	Low availability
Tavira	Medium fit	Difficult	Medium (low inventory)	Medium	Medium	Poor/medium fit	Near-impossible	Low availability
Faro / Olhão	Good fit	Medium	Medium (low inventory)	Good fit	Good fit	Poor fit	Medium	Low availability
Quarteira	Good fit	Easiest	Good	Good fit	Good fit	Good fit	Medium	Low availability
Albufeira	Poor fit	Easiest	Medium	Good fit	Good fit	Good fit	Medium	Low availability
Portimão / Alvor	Poor fit	Medium	Good	Good fit	Good fit	Good fit	Good	Low availability
Lagos / Luz	Medium fit	Difficult	Medium (low inventory)	Good fit	Good fit	Good fit	Difficult	Low availability



# *FOR MORE INFORMATION*

PROPERTY FINDER PORTUGAL

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PROPERTY FINDER / BUYER AGENT: [www.propertyfinderportugal.com](http://www.propertyfinderportugal.com)

RETIREMENT AND RESIDENCY: [www.algarveseniorliving.com](http://www.algarveseniorliving.com)

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