

The Great American Exodus

Why Americans are looking for a second residency outside the US

In this report, the Get Golden Visa research team discusses why Americans are moving out of the US and looking for a second residency. Leaving the US requires far more profound change than merely making an investment abroad. Americans are looking for better lifestyles and for a secure future, both for themselves and their families. Achieving this via residency by investment programs is an increasingly popular solution.

Published by
Get Golden Visa Research Team

Whitepaper

Q2 2022

Introduction

Why Americans are looking for a second residency outside the US

Things move swiftly, economies shift, and people become more familiar with residency programs that offer them new opportunities. The search for a second residency is becoming increasingly popular, with numerous advantages such as obtaining citizenship and access to good healthcare and education systems.

For the last few years, it has become the standard for Americans to get a “second residency” outside the US. We have reached out to our extensive database of Americans to explore why they’re motivated to look for a second residency outside the US. We’ve found that more and more are opting to leave the country for social and political reasons and, for some, having a Plan B is the main motivation.

1.

What is your main motivation in seeking a residency outside of the US?

2.

Which of the below destinations would be your first choice in moving out to?

3.

What were the main reasons that helped you identify the destination?

4.

Do you see yourself renouncing your US citizenship if you end up moving to another country?

Top 10 Reasons Why Americans are Seeking Residency Outside the US

1. Getting a Second Passport

The majority of the respondents have stated that their primary motivation is to get a second passport. They are well aware of the fact that having multiple citizenships from different countries offers new opportunities. Although they wouldn't want to move out of the US immediately, they are ready to commit themselves to a residency program and abide by its stay requirements. In most cases, they choose Portugal and its Golden Visa program.

2. Quest for Interesting History and Charm

In our research efforts, we've spoken to many Americans whose primary choice of relocation would be a European country. Modern and old-world charm in Europe attracts US citizens who are interested in a rich cultural heritage. They want to experience history, gastronomy, and culture. Since traveling within the European continent is rather easy, they can explore neighboring countries and their cultures, while fulfilling their travel dreams.

3. Social and Political Unrest

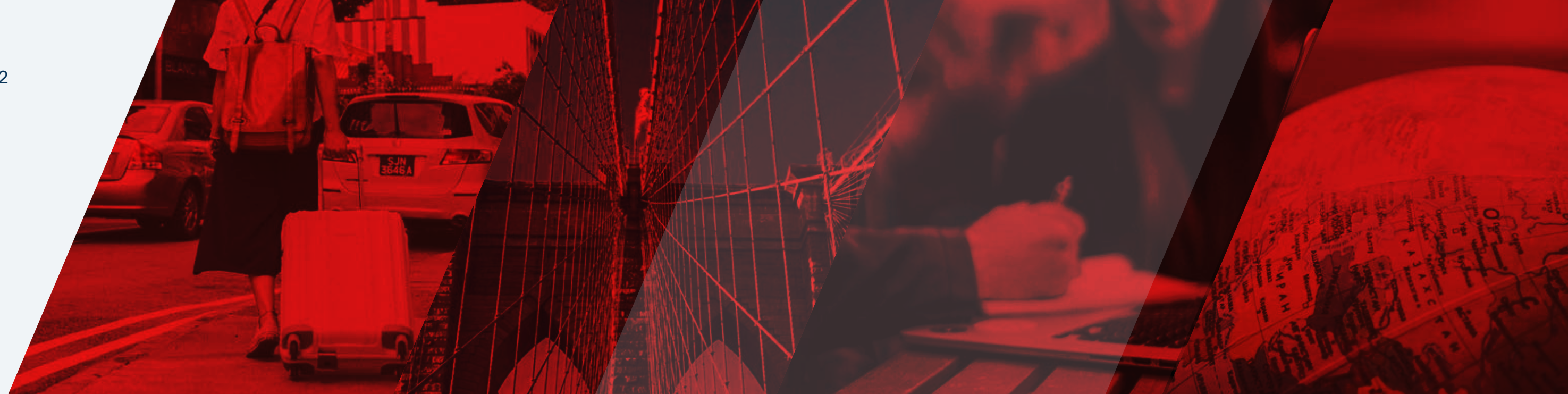
A significant number of the respondents stated their growing discomfort with the social and political unrest in the US. The current political system gives them no hope, and they don't expect any meaningful change in the near future. They think the US needs unity and social reform, but they don't think it will happen anytime soon as the country is already very divided and the society is very politicized.

4. Discouraged by the American Mindset

The typical American mindset dictates more work, more debt, and thus more stress. We've found out that many are discouraged by this 'work hard, borrow hard' mentality and don't want their children to experience this high-stress environment. They seek a more relaxed atmosphere, where their children will grow up and enjoy life to the fullest. Southern Europe provides a great setting for such a mindset and it's the primary destination for many of these families.

5. High Living Expenses

During our research process, we've found out that the cost of living is another reason why many Americans are looking for an alternative residency outside the US. Most respondents who have already moved out of the US have stated that what they enjoy the most is having access to fresh food at more affordable prices than in the US. Accessing healthcare at lower prices is another incentive that makes Americans look for a second residency in another country.



6. Investment Purposes

For a particular cluster of investors, the primary objective is to make a profitable investment. They desire to branch out of the US market and want to diversify their portfolio, either through real estate or fund investments. Investment immigration programs allow them to pursue this diversification while also providing them with residency permits along the way. This cluster's primary choice is usually Europe and mainly Portugal, thanks to the different investment methods offered under the Golden Visa scheme.

7. Vacation Home

Some respondents have highlighted that the reason for their search for a second residency is directly linked with their quest to get a vacation home in a Mediterranean country. The European residency permit that is granted along with their real estate investment is a bonus. They want to spend as much time as they wish without worrying about a travel visa. Golden Visa programs offer them the opportunity. For these investors, Portugal, Greece, and Spain are the primary destinations.

8. Retirement Plan

We also included insight from retirees in our research. Most retirees have advised that their search for a second residency started long before they actually retired. They visited various countries, made thorough searches, and spoke to many experts before deciding upon a single destination. The primary search typically entailed finding a cheaper country than the US where they could rely on their pension without stress. Apart from the residency by investment schemes, there is a group that went through the passive visa route offered by several EU countries.

9. Work & Life Balance

Some of our respondents are digital nomads and professional nomads - 'promads' - who are working location-independently. As they're not tied to a specific place, they want to live in a country where they can enjoy life more and in better balance, avoiding stress. They want to live in a city where they can head to the beach once they're done with their video meetings. Most of these investors stated that their ideal locations were Lisbon, Barcelona, and Berlin, three major digital nomad hubs in Europe.

10. Tax Benefits

The growing crypto community in the US is another group that looks for a second residency outside the US. These are investors who want to secure their crypto earnings through a tangible asset, which is usually real estate. There is yet another group that is financially savvy and has an appetite to make fund investments. Portugal, thanks to its crypto-friendly environment, creates a great opportunity for them while providing residency through investment. These investors are usually ready to leave the US as soon as they get their residence permit.

Expert Opinion

Dr. Raffaello Antonino on the economical and societal reasons behind the Great US Exodus

The United States of America, basically since its inception, was a country of immigrants, a place where people wanted to go to build their dreams. This is why it's somewhat unusual to see more and more native US citizens wanting to move out of the country.

There are two main groups of factors causing this trend:

- Economic
- Societal

The great American dream was very real during the 20th century, but in recent years and especially since the financial crisis of 2007 and 2008, more and more Americans have become disillusioned about the great American dream.

Debt is of course the major economic factor. It is practically impossible to live a normal life in the US without accumulating astronomical amounts of debt. Student loans, mortgages, and credit cards are perhaps making lives easier to millions of Americans, but are also increasing overall levels of stress and anxiety, which are high anyways due to societal issues. Due to debt, Americans are very anxious about losing their jobs, which today is easier than ever. And once again due to debt, they are choosing to continue working even if they would rather find another job, which, you can probably guess, only further increases the amounts of stress experienced by an average American.

It seems that American society is now more divided than ever. The two leading parties have succeeded in building trenches while burning all the bridges of reconciliation. There is a chronic societal tension in the US, which has only gotten worse since Trump's 2016 election campaign and ultimate inauguration.

I believe that many young Americans are finding this kind of situation worrisome and impossible to manage. Getting out of the US, thus, can seem like a very good solution - indeed, a lot of Americans find countries with somewhat lower standards of living but with drastically lower costs of living, and with more coherent and harmonious societies.

I don't think this trend can change in the near future -at least not if societal and economic pressures remain the same. However, I don't think this will cause a downfall of America either - there are still tens, maybe even hundreds of millions of people around the world who would give up everything just to have a chance to live in the US.



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Research Participant Views

Respondents share their perspectives and reasons on why they're looking for second residency outside the US

"The political climate in the US is becoming increasingly volatile. Our nation is now more divided than ever. It's very difficult to see two decades ahead and I want to secure my children's future. This is why I started searching for residency through investment programs...Also, I've always wanted to live in Europe, and having residency in a European country fit the bill."

Nathan B.

"I got many European assignments throughout my career and I've always wanted to permanently live in a European country. I searched for a residency program as I didn't want to depend on work sponsors. I chose Portugal because the people there make me feel comfortable. They took the public health issues and their responsibilities seriously during the pandemic. People are tremendous there."

Lee Philips

"There are many reasons why I started to look for a second residency outside the US, the first being the political divide that exists in the US. Politics is now a major issue and inevitable in everyday life. The nation has become extremely divided, and both political parties are failing their people. Secondly, the cost of living doesn't justify the lifestyle we get in the US...It's becoming a very expensive country. Third, the violence in the US is only getting worse and worse with mass shootings occurring on a regular basis. And last, but not least is global warming. Portugal has various climates as opposed to the scorching summers where I live... Portugal offers peace of mind in all three aspects, so it was an easy choice."

Anonymous

"Society in the US has changed a lot over the years. It's getting unpredictable and I knew that a Plan B in Europe would be good to have, just in case. The European lifestyle isn't foreign to me and I love it. I chose Portugal because its stay requirement for citizenship is more manageable than other countries that offer similar programs. It also has a very central location which makes it easier to access Europe, Asia, and Africa which is important for me."

Mike T.

"We had a number of reasons for seeking a Portugal Golden Visa. One reason was as a hedge against the political and social situation in the United States. It's been somewhat crazy and unpredictable in the last few years and it may get more so. A second reason is to allow us to stay in Europe without worrying about the limitation of 90 days for those entering on a U.S. passport. We're also impressed by the investment options this program offers. It has allowed us to add some diversity to our portfolio."

Jim & Ann

"My wife, son, and I had visited other parts of the EU on business travel and vacation and enjoyed the diversity, varied peoples, and countries. However, Portugal had been a country not yet been visited. We addressed this in making our first visit to Portugal with our son more than a decade ago, then again several years later with my parents. Both trips were into Lisbon then returning from Porto so we had good opportunities to see the northern part of the country. We all enjoyed it and over the years I have retained a desire to explore living in the EU and Portugal specifically. So, the interest in a Portuguese life is not a hurried choice per se, but the timing of pursuing it when we did was impacted by several factors including the US political environment, our family planning for retirement, our interest in creating opportunities and options for our son, and 2022 changes to the program requirements. We are excited about the possibilities."

A and J

Engagement Statistics

Part of our analysis across our space was to understand the way of thinking of Americans before they made their decision to get a second residency.

Our questionnaire allowed us to gain an insight into their decision-making process. Here are the percentages for the motivators behind getting a second residency:

- **42%** social and political unrest in the US
- **29%** rising living costs in the US
- **10%** getting a second passport from an EU country
- **8%** making a profitable investment
- **6%** making a life change
- **5%** retirement plan

55%

relied on the internet search to vet the advisory firms

47%

of the respondents stated that the quality of life was the main reason that helped them identify their destination

For **90%**

of the respondents, getting a residency in Europe was the first choice

Only **10%**

of the respondents would consider renouncing their citizenship of birth if they moved to another country full time

For **52%**

of the respondents, it took over one year to make a second residency acquisition decision

For only **5%**

of the respondents, widespread use of the English language was a reason that helped them choose their destination

Conclusion

The world is becoming more and more interconnected. The improvements in communication, transportation, and financial technology make it simpler to search for options that will lead to better lives. This includes, but is not limited to, the younger generations.

Americans have different motivations and reasons to look for a second residency outside the US. Although the profile is diverse, our general feeling is that the trend will continue and more Americans will search for ways to get a second residency, whether they're planning an immediate relocation or not.



Methodology

Period

February - March 2022

Interviews (118)

Participants were addressed with questions and topics regarding their motive to look for a second residency outside the US.

Age Group

25-34: 2.5%
35-44: 22.5%
45-54: 25%
55-64: 30%
65+: 20%

Questionnaire (320)

Participants were presented with multiple-choice questions to understand their tendency and behaviors during their search.

All our research activities took place remotely through online platforms.

About Get Golden Visa

Get Golden Visa is a bespoke investment advisory firm that was founded in 2014. We help people get an additional residency and citizenship by making a qualifying investment in Europe, the Americas, the Caribbean and the rest of the world. Depending on the program of choice, we offer professional advisory services for property acquisition, fund subscription, or other investment vehicles. Our teams of local experts mark Get Golden Visa apart from its competitors because it offers independent advisory service and accompanies the investors throughout the whole journey. With local offices in Lisbon, Athens, Istanbul, and London and various international associations, Get Golden Visa offers transparent guidance with a tailor-made and flexible approach.

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