

# POLICYHOLDER'S GUIDE

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# IN PORTUGAL

Lesson 3 :

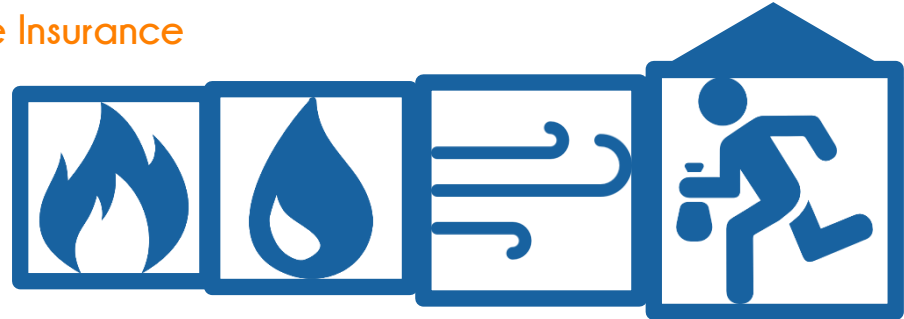
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Home  
Insurance





## Home Insurance



Fire, flooding, natural disasters and burglary ... Your place of living need an insurance.

The aim of Home insurance is to cover the premises, the contents and the civil liability of the occupants.

More than a simple protection, this insurance guarantee your well being inside your place of living.

# INOV INSURANCE BRINGS YOU THE ANSWERS TO ALL YOUR QUESTIONS ABOUT HOME INSURANCE IN PORTUGAL

1. What are the reasons to get a Home insurance ?
2. How to calculate the cost of your Home insurance ?
3. What is the differences between the home insurance contracts ?
4. How to get real estate property ?

# WHY DO YOU HAVE TO GET A HOME INSURANCE ?

HOME

Is this an obligation ?

No... As a tenant in Portugal, you have no obligation to take out home insurance. However, home owners are required to insure their assets against the risk of fire and the property manager must ensure the common areas are covered by insurance.

To which ends ?

For peace of mind and to guarantee peaceful relations with your neighbors and with your landlord!  
In fact, no one is completely safe from a burglary or a “minor everyday accident” (an overflowing bathtub, a leaking washing machine...) that may damage your home as well as your neighbors' homes. When that happens, who pays for the repairs and at what cost? Without home insurance, you may quickly find yourself in a conflictive situation and you still may not really be proficient in your host country's language! Insuring your home is all about investing in a guarantee of peace, especially when you're abroad.

For which guarantees ?

Home insurance is much more than just insuring your furniture ...  
In fact, home insurance is also known as home multi-risk. This means it covers all sorts of risks ranging from breaking and entering to fire, water damage and electrical damage following a big storm... And even Civil Liability (CL) for the insured and the people declared under the same roof.  
Civil Liability covers all bodily injuries and material and non-material damages caused to another person in one's private life.



Did you know ?

In Portugal, it is quite easy to find qualified domestic help at a much lower cost than in France: cleaners, childcare, gardeners, etc.

But, did you know that you are required to take out occupational accident insurance to cover your employees when working in your home as well as when they're traveling to and from work?

# HOW TO CALCULATE THE COST ?

## Owner or occupant ?

If you're the home owner... The premium is generally higher as the cover is broader: it even includes structural insurance, for example. If you're the home owner and occupant, insurance may also cover the furniture.

## Holiday home or principal residence ?

If it's a secondary residence which is only occupied a few weeks a year, the premium will be higher! In fact, the risk of a potential theft increases when your property has no surveillance or occupants for long periods of time and that is why the premium is higher. Other factors will also influence the cost of the premium: the surface area of the home, outbuildings, a swimming pool...

## The place of your home ?

Your place of residence has a significant impact on the cost of your premium. Insurance companies cover risks by calculating based on objective statistical data as far as the number of reported violations in the surrounding area. The premium should be less in a rural area in comparison to a home in an urban area.

## Your kind of home ?

The premium for your home insurance is calculated based on the number of rooms to be insured. For example, a studio flat in the Chiado district in Lisbon would be less expensive to insure than a family home with a swimming pool and an outbuilding in Cascais or Faro since the risk of damage is statistically lower... Insurance companies also take into account the value of the fixed assets (owner) and non-fixed assets (tenant) at the property to be insured.

# 3 TYPES OF HOME CONTRACTS

HOME

Home insurance  
guarantees in Portugal

  
PARTIAL

  
COMPLETE

  
TOTAL

## Your essential guarantees

Fire, burglary, flooding, ...

Electric damages

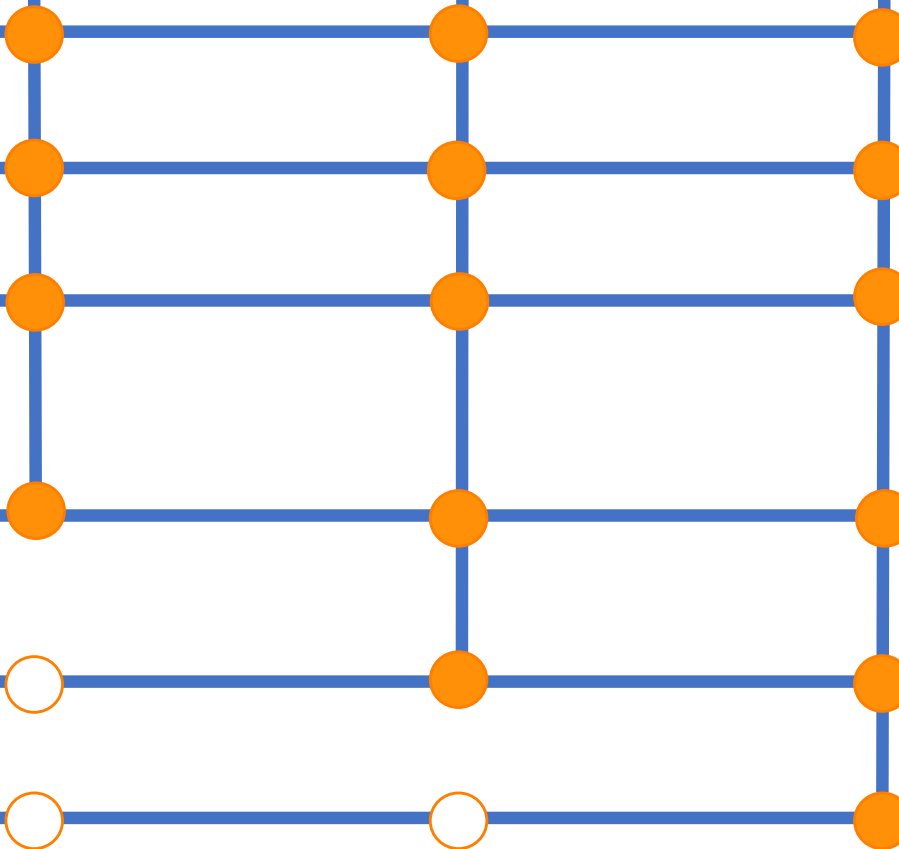
Assistance 24/7 all year long

## Dammage and protection

Civil liability  
& legal protection

Robbery and street  
aggression

Rent losses



# HOW TO GET A REAL ESTATE PROPERTY IN PORTUGAL ?

HOME

## WHICH ELEMENTS ?

There are various steps :

**Get assistance from a professional :** Finding a local representative is essential given the various steps that must be taken if you wish to buy and even more so if you aren't proficient in Portuguese.



**Conservatoria do registo Predial :** Once you've found your dream home, the land registry (Conservatoria do registo Predial) must be checked to ensure the ownership status is correct without any burdens or mortgages that may get in the way of the sale.



**Get a Taxpayer's Number (Finanças) :** This is a card that shows your taxpayer's number. This document is essential to pay your annual property taxes but also for certain everyday tasks like opening an account with a Portuguese bank.



**Cadastre (Carderneta Predial) :** It is important to check with the local cadastre to ensure all the information registered corresponds with the information you've been given - number of rooms, surface area of the property, surface area of the garden, etc.



**Promise to Sell (Contracto de Compra e Venda) :** At this point, you'll probably need to pay the seller (via their attorney) a deposit of 10% of the purchase price. The corresponding contract may be signed before a notary or an attorney.



**Transfer duties = IMT (formerly known as SISA) & Property taxes (IMI) :** IMT is the Portuguese property transfer duty and it must be paid before signing the bill of sale. The sum varies based on the property value. Careful! Before signing any actual bill of sale, you must have your attorney or representative verify the seller is current on property taxes (for the last 5 years).

Finally, the land patent is issued along with the definitive bill of transfer which is signed at a notary's office. The transfer of ownership must be registered with the local land registry so your name is listed as the new owner.

Please, click here to get your



**BENJAMIN RETALI**

Executive Manager Portugal



[benjamin@inovexpat.com](mailto:benjamin@inovexpat.com)

YOUR CONTACT