



Articles

Owning a Piece of Paradise

by Auriana Koutnik

The property experts agree: Real estate in Costa Rica is a good investment, and the market is heating up. "Where else in the world can foreigners come to a country with no soldiers, a government that caters to investors and fee-simple real estate with no restrictions and where foreigners are entitled to the same ownership rights as Costa Rican citizens," points out Chaud Oskar Byers, a licensed realtor in Costa Rica for the past 31 years.

According to Robert F. Davey, Century 21 Marina Trading Post owner with offices in Flamingo Beach, Tamarindo, Jacó Beach and San José, "Costa Rica has proven attractive to investors for its relatively open investment and trade policies, as well as for being the most politically stable country in Latin America." This peaceful little country, sandwiched between the Pacific and Caribbean coasts, offers potential buyers a wide range of choices: Developed and undeveloped mountain and coastal properties, forests and ranches, hotels and eco-lodges, city apartments and country cabins, beachfront condominiums and farms producing vanilla, pepper, coffee, orchids and lumber...even European-style castles are available to those with the means. "Real estate prices have been flat for several years now, making it a great opportunity to take advantage of the investment potential of Costa Rica," Davey said, adding the country is currently recovering from a three-year recession in the wake of a tourism and development boom in the early 1990s.

Davey, a veteran 10-year realtor in Costa Rica, said signs of the market turnaround began in early 1998, and continue on the upswing. "Pre-bookings for hotels and rental properties are in the upper 80-percent range for all of 2000. The aggressive marketing plan of the former tourism minister is showing strong results, and the new international airport at Liberia on the Gold Coast region of Northern Guanacaste is busy with commercial and charter aircraft traffic," he said. "Many North Americans and Europeans have relocated to and or invested in Costa Rica, and the sign of a strong reemergence of investors is here now," Davey added.

What's Available

"The biggest change in the real estate market during the past decade," said Chaud Byers, "is that prices dramatically increased as Costa Rica became more and more an international community...prices have doubled, or tripled, from 10 years ago." Property prices range considerably. A 1/4-acre beachfront home-site ranges from \$40,000 to upwards of \$200,000. Beachfront homes range from \$165,000 to more than \$3 million, and seaside condominiums range from \$54,000 to \$250,000 or more, depending on size and location. "Just inland, maybe a 10-minute walk to the beach, two-bedroom, two-bath homes start at \$35,000 and single-family lots start at \$6,500," Davey said. "View lots start at \$25,000 and view homes at \$85,000." But the inexpensive land deals Costa Rica was once known for are a thing of the past, although particularly good deals on property may still be found at the public land auctions announced in the official publication of the Costa Rica government, "La Gaceta," Byers said. Other inexpensive deals can be found in more remote areas, such as the northern Osa Peninsula in Costa Rica's southern region. Alexander Del Sol, who owns property and has been living in the southern zone for more than five years, says: "Down here, some areas have already seen property values go up by 300 percent! Not in the northern Osa Peninsula, however. The pressures are building, fincas are going up—and selling—but you can still get a fabulous piece of property with public electricity, year-round spring water, ocean views and sometimes even a house for less than it would cost you for a one-bedroom condo in California," he points out. "For example," says Del Sol, "Fifty acres of rainforest/open-field mix, entrance on the main road with electricity, two streams, level building sites on a bluff and on the beach, panoramic gulf views, etc. How much? \$120,000 but the seller is hungry..."