

## PONDERING THE PLUNGE IN COSTA RICA

### Charm, luxury and stability make this developing nation a wise ownership option

**BY BILL FINK**

“Vaya con dios,” said my guide. “Go with God.” He then pushed me off of a platform 50 feet above the ground in the midst of a Costa Rican jungle. Fortunately, I was attached to a cable with a pulley, and I safely zipped 100 yards across a clearing to another deck. I had the same sort of feeling when I was considering purchasing a vacation home in Costa Rica.

I was visiting the new Punta Dominical development on the Pacific shores of Costa Rica, a short flight – a long drive or – from the capital of San Jose. The village of Dominical is a funky town filled with surfers, yoga instructors, organic food markets, and eco-tourists. It is also the sight of a number of new luxury building projects, including Punta Dominical.

For my potential vacation home, I was searching for something a little off the beaten path, a place with character. And I was looking for something affordable, but not in a “Mosquito Coast” jungle shanty kind of way. My quest was for some reasonably priced, mid-to-high-end lodging in a low-profile location; someplace that had potential to become a future hot spot.

The Punta Dominical development appeared to be a good fit culturally, what with its slogan of “Dominical is not for everyone... And we like that.” (Plus, the unofficial Costa Rican slogan, “Pura Vida,” the pure life.) Something pristine, something quirky, something out of the way. It fit my profile to a tee.

Punta Domenical is composed of three separate developments, with three different real-estate investment options: Kiana Resorts, a beachside condo-hotel project; the Canto Del Mar Villas, two-bedroom furnished villas; and the Las Olas custom homes and homesites in the hills overlooking the Pacific.

Kiana Resorts is a condo-hotel concept, in which buyers are allowed to stay a maximum of three months and rent out the property the rest of the year. It is a full service resort, with four pools, a restaurant and extended staff all based on 1,000-feet of oceanfront property.

The 26 Kiana condo-hotel units are touted as “easy to own,” providing a luxury base camp for area activities. Owners make 60% of the revenue of visitors to their unit (net expenses) while paying 10% of the rack rate (\$250-\$300) per night to cover services during their own visits. The units run from \$400,000-\$525,000 to purchase. So to fully cover my mortgage, I’d need to have the rooms rented out for three to four months a year during the high season, which certainly seems like it would be possible.

However, the property is still under construction, with a couple of pretty cool display villas completed. I’m trying to stay ahead of the curve, because by the time all this is built, I probably won’t be able to afford it. Indeed, 19 out of the 27 units have already been sold. It’s tempting, but I still drive up into the hills to see the next option.

The Canto Del Mar Villas are perched subdivision-style, in jungled hills with a view of the ocean. These cozy 1,500-square-foot hideaways come fully furnished, some with small pools, all with an exclusive community feel to them. The 38 “suitcase ready” villas of Canto Del Mar ranged in price from \$350,000-\$460,000 in the current pre-build phase. The home gives me a bit of the

Joseph Conrad "Lord Jim" feel as I survey the thick green forest below me down to the choppy ocean breakers hitting the peninsula and, for added color, a squatters camp by the roadside. (I like the idea of an exclusive owners's clubhouse being built just a stone's throw away from a squatter's camp.)

And just to check out the most exclusive option, I tour the Las Olas development. The Las Olas homesites have more land and more space to build. The three-bedroom homes I visited have large infinity pools, spectacular views, and all the comforts of an Orange County home.

The Las Olas homesites start at \$275,000 for the site, with a completed home running about another \$450,000, which includes all furnishings down to the wine openers and the linens. The homes are truly top-notch, complete with an optional property management program as well.

Local financing options include Punta Dominical partners that charge 8.25-8.5% for 30 year mortgages, which would give me about a \$1,900 per month payment if I laid down \$100,000 on one of the Canto Del Mar models. Some U.S. banks that are familiar with working with Costa Rica offer similar mortgages at 3-4% above prime rate.

I pondered my options as I walked in the early morning mist through one of the roads the developments carved into the jungle. I saw chattering Capuchin monkeys leaping from branch to branch. Toucans flew in colorful flocks, their huge beaks amazingly not whacking tree branches.

At night, we visited nearby restaurants including a tilting houseboat featuring excellent French cuisine made by a native Montreal family. We dined on fresh local fish at a Punta Domenical-owned family restaurant on their land. Locals, backpackers, and surfers came out for late-night festivities at the Roca Verde with the pumping sounds of reggaeton music, finishing with carne asada at an ad-hoc grill in the parking lot at 3 a.m.

So the area is nice. The villas are nice. And I can enjoy myself in the community. But how often am I really going to use this place? The drive from the capital, San Jose, is a bumpy three hours on unpaved mountain roads. The flight is on an equally bumpy 12-person propeller plane, and I do wonder about the potential rental revenues if the place remains that tough to access.

It makes me feel better than an international airport is planned at Dominical in a "few years." Roads to San Jose are undergoing improvements. The local eco-tour park is expanding. New restaurants, sport fishing companies and a high-end spa are all in the works.

Costa Rica is one of the more stable countries in the region, so secure in its standing that it doesn't even have its own army, which is another reason why the country remains friendly with the U.S. International investment risks can also be considered potential benefits. Developing countries have the potential for dramatic economic growth, and of the immediate benefit of getting more bang for your buck on any visit: even at the nicest restaurant in Dominical, entrees run only \$10.

So do I buy in Costa Rica? Like my jump on the zip line, decision comes down to faith. I hold my breath and get ready to jump.

For more information, call (800) 503-5374 or visit [www.puntadominical.com](http://www.puntadominical.com).





