

Paradise Post

News From Ojochal, Costa Rica
and Beyond

July 2011



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Updates from the Osa

Ojochal is beautiful as always and expanding. The international school, Escuela Verde, completed the construction of their new facility. They're now located along the Costanera near Playa Ballena. A new butcher "carniceria" shop is opening in Ojochal near the local grocery store. There's also a new police chief in the area that plans to work more closely with the community and address concerns. He's been holding regular meetings with residents.

The Costa Ballena Women's Group continues to be active, meeting on the 3rd Saturday of each month for lunch along with a guest speaker. This month they learned about permaculture and vertical gardening.

And Shelagh, proprietor of Royal Palm Interiors, has started offering custom window blinds and drapes as well as upholstery.

I'm also introducing a landscape designer in the area who has been impressing many residents with his vision and professionalism. We're hoping he'll be a regular contributor to the newsletter.

Pura Vida!

Kristina Welburn

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Costa Rica's cyclist Andrey Amador makes history.

24 year old Andrey Amador from San José, Costa Rica is the first rider from all of Central America to compete in the Tour de France. After a crash on the first day resulting in a sprained ankle Amador managed to finish despite the pain.

Running from July 2nd to July 24th the 98th Tour de France covered a distance of 3,430.5 kilometers (about 2131 miles).



Costa Rica Removed from OECD's "Black List"



Both Costa Rica and Panama have recently been removed from the OECD (Organization for Economic Cooperation and Development) tax haven black list. Costa Rica's Finance Minister, Fernando Herrera, said that this was a major step for the country and would put the country in a more favorable position to attract international investment.

In 2009, the OECD cited Costa Rica for not committing to internationally agreed upon tax standards. The country signed its 12th agreement earlier this month with Australia which removed it from the OECD's list of states not cooperating in the exchange of tax information. Additional countries which

have signed agreements with Costa Rica include: Finland, Sweden, Denmark, Norway, Iceland, Greenland, the Faroe Islands, and Mexico.

According to several recent news articles, Costa Ricans are less likely to migrate to the US than their Central American neighbors. The largest numbers of immigrants to the U.S. are currently coming from El Salvador.

San José Named a Top 5 Latin American “City of the Future”

fDi Intelligence www.fdiintelligence.com, a specialist division from the Financial Times Ltd, has identified San José, Costa Rica as one of the top 5 Latin American “Cities of the Future”.

The rankings were determined by analysis of economic potential, human resources, cost effectiveness, quality of life, infrastructure and business friendliness. fDi Intelligence also looked at details of each city’s promotion strategies.

According to Costa Rica’s Ministry of Foreign Trade Costa Rica attracted \$1.45 billion in foreign direct investment in 2010 which was 7% higher than the previous year exceeding the target by 12%. Costa Rica expects

to attract approximately \$1.85 billion in 2011. President Chinchilla has stated that the country aims to generate \$9 billion in FDI through 2014.

Alajuela, Heredia and Santa Ana of Costa Rica also scored the top 3 micro cities for cost effectiveness. Heredia and Santa Ana also placed in the top 10 for micro city’s economic potential.

The top 10 Latin American cities ranked by fDi are:

1. Santiago de Chile, Chile
2. Lima, Peru
3. Monterrey, Mexico
4. Bogotá, Columbia
5. San José, Costa Rica
6. Guadalajara, Mexico

7. Querétaro, Mexico
8. Barranquilla, Columbia
9. Hermosillo, Mexico
10. São Paulo, Brazil

fDi provides industry leading insight into globalization with a portfolio of world-class products, services and business tools that allow organizations such as investment promotion agencies, companies, services providers and academic institutions to make informed decisions regarding foreign direct investment and associated activities.



Costa Rica Ranked as One of the Most Peaceful Countries

According to the [Global Peace Index](http://www.globalpeaceindex.com), Costa Rica ranks 31st out of 153 countries analyzed this year placing it in the most peaceful category. The US ranked 82nd. Countries were ranked in numerous categories typically on a scale of 1-5 with 1 being low and 5 high, or 0-10, very low to very high. Results came from various sources including the EIU (Economist Intelligence Unit), Amnesty International, Transparency International, UNESCO, World Economic Forum, etc.... Some of the results are below:



	Costa Rica	U.S.
Number of external and internal conflicts fought	1 out of 5	2,5 out of 5
Est. number of deaths from organized conflict external	1 out of 5	3 out of 5
Relations with neighboring countries	3 out of 5	2 out of 5
Level of perceived criminality in society	3 out of 5	2 out of 5
Number of displaced people as a percentage of the population	1 out of 5	1 out of 5
Political instability	1 out of 5	1 out of 5
Level of disrespect for human rights	2 out of 5	3 out of 5
Potential for terrorist acts	1 out of 5	3 out of 5
Number of homicides per 100,000 people	3 out of 5	2 out of 5
Level of violent crime	2 out of 5	1 out of 5
Likelihood of violent demonstrations	2 out of 5	2 out of 5
Number of jailed population per 100,000 people	2 out of 5	5 out of 5
Number of internal security officers and police per 100,000	2 out of 5	2 out of 5
Military expenditure as a percentage of GDP	1 out of 5	2 out of 5
Number of armed services personnel per 100,000 people	1 out of 5	1 out of 5
Exports of major conventional weapons per 100,000 people	1 out of 5	2,5 out of 5
Imports of major conventional weapons per 100,000 people	1 out of 5	1 out of 5
Funding for UN peacekeeping missions	1 out of 5	1 out of 5
Aggregate weighted number of heavy weapons per 100,000 ppl	1 out of 5	2,5 out of 5
Ease of access to small arms and light weapons	4 out of 5	3 out of 5
Military capability/sophistication	1 out of 5	5 out of 5
Electoral process	9.58 out of 10	9.17 out of 10
Functioning of government	8.21 out of 10	7.86 out of 10
Political participation	6.11 out of 10	7.22 out of 10
Political culture	6.88 out of 10	8.13 out of 10
Civil Liberties	9.41 out of 10	8.53 out of 10
Corruption perceptions	5.3 out of 10	7.1 out of 10
Women in parliament	38.6%	16.9%
Political Democracy Index	8.04 out of 10	8.18 out of 10
Gender Inequality	.72%	.74%
Freedom of the press (lower score equals higher freedom)	8.08 out of 100	6.75 out of 100
Exports & Imports as a % of GDP	66.53%	21.62%
Foreign Direct Investment as a % of GDP	4.1%	1.2%
Number of visitors as a % of domestic population	41.94%	17.89%
Net Migration	1.94%	1.92%
Current education spending	6.32%	5.45%
Primary school enrolment ratio	90.42%	91.59%
Secondary school enrolment ratio	49.9%	88.45%
Higher education enrolment	25.34%	82.24%
Mean years of schooling	11.73	15.75
Adult literacy rate	96%	99%
Hostility to foreigners/private property	1 out of 4	1 out of 4
Willingness to fight	1 out of 5	2 out of 5
GDP per capita	7650	47560
Unemployment	7.3%	9.63%
Life expectancy	78.92	77.85
Infant mortality per 1000 live births	9.6	7

Welcome to the Neighborhood

Amy and Mike currently live in Bahrain in the Middle East, where Mike is Director of a power company. They met at a rugby tournament in Dubai, United Arab Emirates. At the time Amy, a chiropractor from Canada, was Deputy Director Allied Health for a large private hospital in Saudi Arabia and Mike, who is English, was responsible for the commissioning of a power and desalination plant in UAE.

Amy has been researching Costa Rica as an investment and as a potential retirement prospect for a while and first visited in 2010. After reading about the investment potential and seeing Amy's pictures of beautiful beaches, mountains and lush rainforest, Mike too was convinced that this jewel of a country is a paradise to spend vacations and eventually retire to. To retire doesn't mean to slow down and with their interests in climbing, boating, scuba diving, surfing, horse riding, hiking and travel; Costa Rica suits them and their 3 children perfectly.

They visited Costa Rica together in April 2011 and fell in love with a plot in Suenos Del Tropico in Ojochal. "It has stunning panoramic views of the ocean and the mountains. We want to build a home here that captures those views and all the beauty of the natural surroundings; somewhere we can live inside and out!"



Amy and Mike



Mary and Roberta

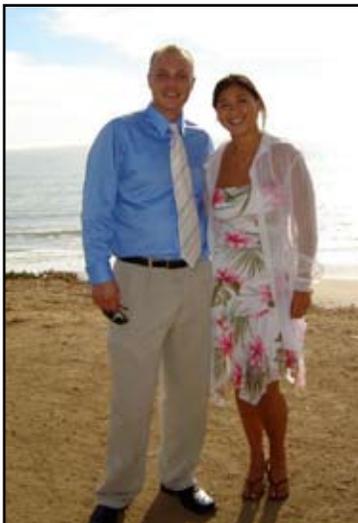
Mary and Roberta were looking for more sunshine after living in rainy Oregon. They picked Costa Rica for the slower pace of life, the government subsidized health care, no army and the high literacy rate. Roberta grew up in the tropics of Sydney, Australia and Mary in New York. Mary is a bodyworker and physical therapist as well as glass artist. She loves to hike and swim. Roberta longs to get back to loud, colorful birds, swimming in warm beaches and eating fresh tropical fruits. She enjoys the outdoors, music and speaks Italian. They have 5 cats between them that they hope will make the journey with them.

Sean, 49, is an Electric Systems Operations Supervisor for a large California utility company. Sandy, 45, teaches Nursing at the local community college after many years as an RN. They live in the town of Arroyo Grande on the Central California Coast with their daughter Samantha and a Yellow Lab named Rocky.

They said "We enjoyed our time at the guest house so much that we would do the tour again just to be down there. Everyone involved with Pacific Lots and VDP was great. Steve, Patrick and Marcel are all very pleasant and straight forward knowledgeable guys. I cant remember the Chef's name at the guest house but she does a fantastic job. The best food we had during our time in CR was in and around Ojochal. We fell in love with the area immediately, so we bought a nice "10" mtn view lot at Tropicos Verdes in Chontales that we plan to build on in about 5 or 6 years then retire / relocate to CR in 7 years. The no pressure tour, the one stop shopping for lot, design, construction services and even furniture, nice people and beautiful scenery make it a very special place. We are really looking forward to it!"



Sandy and Sean



Sorrel and Regina

Sorrel and Regina have been together for 10 years. They were married last November. Regina is an academic adviser at the Art Institute of Sacramento. Sorrel sells and develops real estate in California. They were both raised in South Lake Tahoe and have lived in the Sacramento area for the last 8 years. They enjoy traveling, have been to many countries, and visited Costa Rica many times. They feel Costa Rica is a wonderful country and look forward to building a dream home there in the years to come. Their plan is to use the home as a vacation house for friends and family and they hope to eventually move and live in the future.

Dow Jones Launches 4 Bond Indexes for Costa Rica

Dow Jones Indexes has launched 4 Bond Indexes for Costa Rica as part of the Dow Jones LATiix index family: <http://www.djindexes.com/latiix/>.

“As interest in Costa Rica’s growing economy increases, these indexes will offer investors an opportunity to measure the government’s bond market, both in local currency as well as in U.S. dollars,” said Michael A. Petronella, President, Dow Jones Indexes. “These are the first indexes in the series that measures Costa Rica, specifically.”

The new indexes are:

- the Dow Jones LATiix Costa Rica Government Colones Fixed Rate Index, which includes all standardized fixed long-term-rate debt instruments, issued in the local market by Costa Rican public financial institutions (Finance Ministry, Central Bank) in local currency, with a maturity term of more than 360 days;
- the Dow Jones LATiix Costa Rica Government Colones Variable Rate Index, which includes all standardized variable long-term-rate debt instruments, issued in the local market by Costa Rican public financial institutions (Finance Ministry, Central Bank) in local currency, with a maturity term of more than 360 days;
- the Dow Jones LATiix Costa Rica Government U.S. Dollar Fixed Rate Index, which includes all standardized fixed long-term-rate debt instruments, issued in the local market by Costa Rican public financial institutions (Finance Ministry, Central Bank) in U.S. dollars, with a maturity term of more than 360 days; and
- the Dow Jones LATiix Costa Rica Government U.S. Dollar Variable Rate Index, which includes all standardized variable long-term-rate debt instruments, issued in the local by Costa Rican public financial institutions (Finance Ministry, Central Bank) in U.S. dollars, with a maturity term of more than 360 days.

Netflix to Deliver to Central America



Are you afraid you’ll miss your TV shows and hot movies in Costa Rica? The video giant, Netflix, has announced plans to expand streaming services to Latin America and the Caribbean later this year. According to a press release from the company, users from Mexico, Central America, South America and the Caribbean will be able to choose from a variety of TV shows and movies through the web.

Customers will have access to the site in English, Spanish or Portuguese. Video can be streamed through internet connected TV’s, computers or mobile devices.

Netflix has recently announced a change in their monthly services and are no longer offering plans that include both physical DVDs and online streaming. Customers who want to continue receiving movies in both formats will have to pay at least \$15.98 per month. The decision, although controversial, has been made to offset the expenses that studios charge for streaming video. Netflix first introduced streaming plans in 2007. Since then, the service’s membership has climbed from 6 million to 23 million in the U.S.

Although subscribers may not be pleased with the company’s plan to increase prices, Netflix (NFLX) stock recently reached an all time high with JPMorgan raising its price target on the stock to \$340.



Tourism Grows in Costa Rica

Tourism figures have continued to climb in Costa Rica. The first quarter’s visitors increased by 7.8% over the first quarter of last year with US arrivals representing 54.2%. According to the World Tourism Organization the overall average worldwide was 5%.

Allan Flores, Costa Rica’s tourism minister, said that the country will continue to invest in infrastructure to bolster international tourism from its current level of 2.1 million annual visitors to 2.7 million over the next five years. They are aiming to increase the number of international visitors by 5% a year through 2016. Flores said Costa Rica will continue to emphasize sustainable eco, rural and adventure tourism, while promoting its growing medical tourism industry.

The Tourist Board has developed a program called Certification for Sustainable Tourism (CST) as a way to differentiate itself from other destinations. Currently, 154 hotels in Costa Rica hold the highly coveted CST designation.

Medical tourism was boosted after the formation of PROMED, a public-private effort that sets standards and certifies service providers. Costa Rica now welcomes more than 35,000 people annually seeking inexpensive, high quality medical treatment. Growth in this segment has been between 15% and 20% during the last 5 years.

An additional investment includes a new convention center near San José due to be completed in 2014 which will host 3,000 people.

10 New Orchid Species Discovered

Orchid collectors are a fascinating group. They can be a bit fanatical and obsessive but are always intelligent and very attractive.

Costa Rica is home to 7% of the world's orchid population with currently more than 1,300 species thriving in the country. In fact the country's national flower is the large, purple *guaria morada* (*Cattleya skinneri*) orchid.

Researchers at the University of Costa Rica's Lankester Botanical Garden have discovered 10 new species near the Costa Rica/Panama border in La Amistad Biological Reserve in Talamanca.

Franco Pupulin, a professor and researcher with the University of Costa

Rica said that the Talamanca region is one of the richest regions in the world in terms of plant diversity but lack of access has left it partially unexplored.

It's difficult to identify a new species due to the fact that findings need to be compared with more than 28,000 other species.



Costa Rica is Bringing the Internet to Everyone.



Using money received from the private phone carriers that have lined up to offer phone and cell service in Costa Rica, President Laura Chinchilla has called for an aggressive plan to expand fiber optic internet services throughout Costa Rica, with emphasis on less advantaged areas that might not otherwise enjoy such benefits. In a program she describes as a path to prosperity and development, she has called for the creation of 250 additional "Centro Comunitarios Inteligentes". There are currently 250 such centers, much like internet cafes, provided by government funding to provide internet services to all. The first 40 of the new centers will be built in low income areas. Laura is trying to battle the "digital divide" having identified that internet services continue to expand to the "haves" while the "have nots" are being passed over. This program was part of expansion of the concession for cell service and was stipulated that the fees paid by companies entering this new market would be earmarked for internet expansion for all and could not be combined in the general fund. These funds will be handled by the Fondo Nacional de Telecomunicaciones.



Lankester Botanical Garden

Lankester Botanical Garden in Cartago, south of San José, was originally a private collection of Charles E. Lankester, a British naturalist and orchid enthusiast. Lankester established the garden in 1917 and dedicated his life to creating one of the most comprehensive orchid gardens in Central America.

When Lankester died the gardens were acquired by the North American Orchid society and the English Stanley Smith Foundation who passed it on to the University of Costa Rica in

1973.

The garden spans 27 acres and hosts more than 3,000 plant species of which around 1,000 are native and exotic orchids. It's also home to a vast array of epiphytes, bromeliads, cacti and succulents, heliconia, palms and bamboo.

With so many plants and blossoms, Lankester Gardens is quite an attraction for birds and butterflies. It's also a welcome refuge for migratory birds.

The garden is located about 30 minutes from the capital, San José, along the road between Cartago and Paraiso. It's open daily from 8:30 to 4:30. The best time to visit is in March and April when most of the orchids are blooming.



Charles Lankester

Notice how handsome he is?

Inspiring Life by Creating Liveable Tropical Environments:

Christian Castro of Horizon Landscape Design Explains Tropical Landscaping



Christian Castro has lived most of his life in the Southern Zone of Costa Rica, so it only made sense that when he finished his degree in Agricultural Sciences & Engineering he focused his work in the place he knows best. In 2007 he founded Horizon Landscape Design.

Committed to customer satisfaction, Horizon Landscape Design is a vanguard company in the development of livable landscapes that combine art, science, technology and unprecedented deployment to create unique, detail-oriented, environmentally and socially responsible outdoor spaces.

Horizon is a design, build and grounds keeping company located in Ojochal (in the Dolphins Plaza next to the Ventana del Pacific offices), with clients from San Isidro to Golfito, Christian says "My passion is in the creativity of combining space, texture and colors. I love developing the concept and watching it become a reality." The tropics offer an especially rich pallet for Christian to work with – unique flowers and foliage, natural rocks, water and sunshine combine to create exceptional outdoor environments to complement homes and hotels alike.

In the past four years, Horizon Landscape Design has completed 50 projects, including 20 homes in Ojochal. "I love helping homeowners extend their living space," says Christian, "the design of the landscape is as important as hiring an architect for your house. This isn't simply about putting plants in the ground but ensuring the space outside is as comfortable, inviting and useful as the interiors."

Christian prides himself on making every project unique. "I meet with

the clients and discuss what they want to accomplish with the landscaping; how they want to use the outdoors; and what they like and dislike in terms of colors, textures and plants. The end result of the project needs to be a reflection of the owner's personality – part of their home," says Christian.

Christian believes he achieved this best on a recent project in Ojochal. Understanding the owner's modern tastes, Christian says, "I was able to integrate an amazing house into the surrounding landscape, including the jungle behind the house. We created 6 individual outdoor spaces that flow seamlessly into one another and have accomplished the clients' desire for 'barefoot living' – their ability to move anywhere on the lot without shoes." Christian's best reward



is knowing his clients are pleased in the end. "It is important that we exceed the client's expectations", he says.

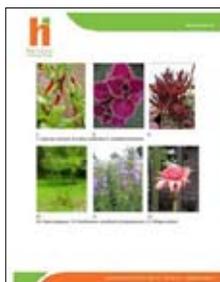
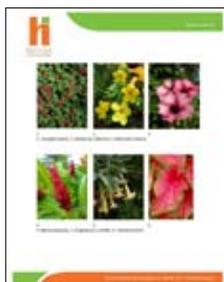
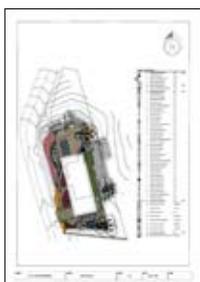
With a bonded and insured workforce Horizon Landscape Design is able to bring the most creative concept to reality. Construction services include water management, slope stabilization, hardscapes (stairways, sidewalks, patios, and driveways), irrigation systems and water features. The final stage of every project is the planting. "Masses of plants should look like having been created by nature, but reflecting artistic conception", says Christian.



Christian also notes how important it is to maintain the property once the project is completed. "Surfaces and plants all need to be maintained to keep everything looking fresh. That includes power washing the hard surfaces and fertilizing and pruning of plants. Horizon Landscape Design offers full maintenance and grounds keeping services. "My best advice to anyone starting a building project is to start planning the landscape early on", Christian says. "Thinking about the spaces outside the house can influence the grading of the lot, water management and even final placement of the house. Thinking about the outside at the same time you are designing the inside will help you achieve the best result and maximize the investment in your new home."

"We have very good working relationships with Ventana del Pacifico and other local contractors to create an integrated solution for our clients", Christian says, adding, "We can also help to enhance existing properties to create new usable spaces and a great new look."

Horizon Landscape Design can be reached at:
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Landscape plans are customized for each unique site

We are halfway through summer and momentum continues to increase interest in our developments as more and more baby boomers are looking outside the US. It has been a great year for Costa Rica, tourism numbers are way up and international investment continues to book with IBM recently committing 300 million dollars to a new information technology service center in Costa Rica while adding 1000 new jobs. We're also very excited about the upcoming conference being held by International Living August 30 through September 1st. We are sponsoring the opening cocktail reception and I'll be presenting to the group on the main stage. We have three tours scheduled to coincide with the event, one before on August 26-29, one immediately after Sept 2-5 and a third Sept 3-6. We've also put together a mini seminar of our own on August 25th proceeding the tour August 26-29 for those not attending the International Living event. I only wish International Living had not chosen to host this event in the rainy season. Last year we had some rain on the tours around the event, ocean views are often more impressive in the dry season but summer is still a great time to visit Costa Rica, what are you waiting for?



Stephen Linder

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We will be adding an overview of one country per newsletter, comparing a number of facets of concern to expats, things like cost of living, cost of travel, average price per square meter for housing, etc. Here is the first in that series, a look at Costa Rica to establish a base of comparison to the countries we will be reviewing in the future.

"Pure life" is the rough English translation of "pura vida," the national phrase of Costa Rica, which is used as a greeting, as a way of saying thank you, as a way of expressing anything from great satisfaction to mild indifference. It means enjoying everything life has to offer, and life in Costa Rica offers quite a lot. As part of the land bridge between North and South America, it's one of the most bio-diverse countries in the world, with an estimated 6% of the world's species of flora and fauna contained within its relatively small borders. Costa Ricans doesn't take this abundance of nature for granted, either -- an entire quarter of the country has been set aside as parks and nature preserves. It's no wonder that this is one of the top eco-tourism destinations, or that it's ranked as the "greenest" country in the world. As a result, the largest source of income to Costa Rica is tourism.

The tropical forests aren't the only thing that stands out about this place. Its healthcare system ranks above that of the United States, and its literacy rate

is among the highest in the world. This is partly because Costa Rica has no military, which means more public funding can go to education and healthcare. Don't let these positive figures fool you, though -- Costa Rica is still a developing country, and you shouldn't expect all the comforts of Westernized nations, but if you are willing to adjust your expectations you'll find that it has everything you need to live the life of pura vida. Costa Rica is currently one of the most popular places for North Americans and Europeans to retire, due to its tropical climate, friendly people and low cost of living.

Property values are not the dirt-cheap bargains they were ten years or even five years ago, but condos in Costa Rica are still considerably cheaper than in Miami. Many expats report of being able to rent decent-sized houses for US\$500 a month, and couples can live on US\$1000 a month while in Costa Rica. That's a good thing, because foreigners aren't allowed to work, although they can own businesses. Becoming a citizen is a possibility, but that takes years, however gaining permanent residency is quite easy. If you're just looking for a place to settle down and relax, Costa Rica has a lot to recommend about it.

Country Overview

Costa Rica lies on the Central American isthmus between the Caribbean Sea and the Pacific Ocean, bordering Nicaragua

to the north and Panama to the South. It is made up of costal plains separated by mountain ranges in the center, or "spine" of the country, which is the origin of many river systems. The climate is tropical year round, with a rainy season from May to November and a dry season from December to April.

Facts and Figures

Costa Rica's population was 4,495,914 in 2010 and is estimated to be 4,983,000 by 2015. Most people speak Spanish, which is the official language. In terms of crime, the rate of intentional homicides is 11 per 100,000 people. Quality of Life ranking (out of ten): 6.624

Economics

In terms of currency, one US dollar is roughly equal to 511.3 colons. Price of a round-trip flight to San Jose: From New York: \$493 (Expedia), NA (American Airlines) From Los Angeles: \$490 (Expedia), \$667 (American Airlines) From Miami: \$443 (Expedia), \$488 (American Airlines) Price to rent an economy car for 10 days in San Jose: \$201.50 Median price for an apartment in San Jose's city centre: \$1,654 per square meter