

# Paradise Post

News From Ojochal, Costa Rica  
and Beyond

April 2011



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The children of Escuela Verde participated in an origami project to help raise funds for the disaster victims of the recent earthquake and tsunami in Japan. For every origami crane the children made, the Bezos Family Foundation donated \$2 to those in need in Japan. The program collected 1 million cranes. For more information go to <http://studentsrebuild.org/japan/>



## Updates from the Osa

Traffic getting to the coast was a bit harried early this quarter with the Caldera regularly closing between Orotina and Atenas. It's since been reopened after the replacement of two Bailey bridges. How quickly we become accustomed to conveniences such as bridges and highways.

In local news Kim and Anja have opened a new clothing store in Mercado la Roca that I've heard is very cool, San Buenas has opened up the first nine holes of the golf course to the public and every Saturday the Asociación de Mujeres de Ojochal is holding Latin

dance lessons at the Salon Comunal in Ojochal. You can learn the Salsa, Merengue, Bachata and Bolero. For more information call 2786-5098 or 2786-5146.

The Escuela Verde fundraiser this February was a big success thanks to everyone involved.

Kristina Welburn

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## Costa Rica's New National Stadium “The Jewel of La Sabana” Opens



President Laura Chinchilla stated that the newly built National Stadium donated by China will be a permanent monument of friendship between the two nations. Former President Oscar Arias severed diplomatic ties with Taiwan in 2007 to officially establish Costa Rica's new partnership with China. As a token of appreciation, the Chinese government offered Costa Rica a new National Stadium as a gift.

The 35,000 seat stadium is the first modern arena to be built in Central America. The aerodynamic masterpiece is equipped with jumbo TV screens, 3 decks of seating, office buildings, a

sports museum, a hotel and banquet hall. It was built in just 2 years at a cost of \$100 million and was inaugurated by a soccer match between China and Costa Rica.

Costa Rica and China established diplomatic relations in 2007. A free trade agreement signed last year between the 2 countries will boost bilateral trade and investment. Chinchilla added, “China and Costa Rica are complementary economies. Costa Rica buys Chinese products it does not produce and China buys Costa Rican products it does not produce, so we will benefit from these trade relations.”

[www.PacificLots.com](http://www.PacificLots.com)

According to the World Economic Forum, Costa Rica has advanced 3 positions to number 46, in the list of countries to take better advantage of information and communication technologies to become more competitive. The only countries in Latin America with higher ratings are Chile at 39 and Uruguay at 45.

The World Economic Forum evaluates business environment (judicial independence, percentage of pirated software installed, per capita electricity production, etc...), human resource development (literacy rates, quality of business management schools, etc...) and use of technologies (number of houses with computers, number of patents, exports of high tech products, etc...) to determine the rankings.

Costa Rica ranked poorly in terms of the current competition that exists in internet and phone service providers (which is in the process of opening up), the number of cell lines per 100 inhabitants and the time and paperwork required to start a business.

For more information click here: [http://www3.weforum.org/docs/WEF\\_GITR\\_Report\\_2011.pdf](http://www3.weforum.org/docs/WEF_GITR_Report_2011.pdf)

## Fitch Ratings Upgrades Costa Rica's Ratings

Fitch Ratings, an international economic ratings service, has given Costa Rica increasingly positive ratings for its financial climate. The upgrade reflects the country's better than expected economic performance during the global credit crises and it's steadily improving macroeconomic stability. This has been aided by lower inflation, higher international liquidity and relatively modest external indebtedness.

Costa Rica is a leader among its peers while the country's economic policies are keeping the country healthy at a time when other nations, particularly in Central and South America, are doing poorly.

Fitch Ratings recently issued the following rating actions on Issuer Default Ratings (IDRs) and Country Ceiling for Costa Rica:

- Foreign currency IDR upgraded to BB+ from BB
- Country ceiling upgraded to BBB- from BB+
- Local currency IDR affirmed at BB+
- Short term IDR affirmed at B

The rating outlook is stable.

Dual-headquartered in New York and London with 50 offices worldwide, Fitch Ratings is a global rating agency dedicated to providing value beyond the rating through independent and prospective credit opinions, research and data.



## Main Airport to Double in Size

The main airport in San Jose, Juan Santamaría International airport will undergo yet another expansion. With construction beginning in 2013 the airport will include a new passenger terminal, nine more lounges and additional commercial space. After the expansion the airport should be able to service more than 7 million passengers each year.

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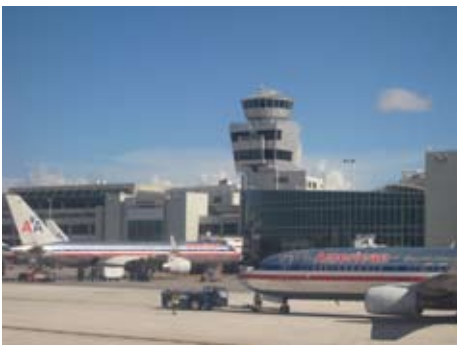
## Juan Santamaría International Airport Wins Service Quality Award: Named as 3rd Best Airport in Latin America

Airports Council International (ACI) recently announced the recipients of their annual Airport Service Quality awards for 2010 which recognizes airports worldwide for performance excellence.

Costa Rica's Juan Santamaría International Airport (SJO) in San Jose was named as the 3<sup>rd</sup> best airport in Latin America. The country also received one of the top 5 best improvement awards.

Worldwide, the best 5 airports in order are Seoul, Singapore, Hong Kong, Beijing, and Shanghai. In North America the top 5 are Indianapolis, Ottawa, Austin, Halifax and Vancouver. What... no Miami? I'm shocked! (just kidding)

The 5 best Latin American airports are Cancun in Mexico, followed by Guayaquil in Ecuador, San Jose in Costa Rica, Montego Bay in Jamaica and Mexico City in Mexico.



# Welcome to the Neighborhood



**A**nita and Warren are from Calgary, AB, Canada and both work as pharmacists in a clinical pharmacy that they opened about 6 years ago. They read an article describing the investment potential in the southern pacific coast of Costa Rica. It sounded almost too good to be true so decided to take a “chill weekend” to find out for themselves. They’ve travelled to many places but never Costa Rica and were pleasantly surprised at how wonderful a place it turned out to be! They say, “From the moment we arrived, the Pacific Lots and Ventana del Pacifico team made us feel welcome and comfortable. We purchased a stunning ocean view property in Chontales and couldn’t be happier. Although we were initially looking for property for investment purposes, we have decided to build a vacation home next year and eventually retire there. Now we just need to win the lottery so we can retire as soon as it’s built!”

**G**ary and Sabra currently live on California’s central coast where Gary is an Air Traffic Controller and Sabra is a Business Owner. Gary has spent the last 32 years working in the aviation industry. He has been a Flight Engineer, Aircraft Mechanic, and for the last 23 years, an Air Traffic Controller.

Sabra currently owns and operates a successful e-commerce quilting fabric store retailing fabric to all parts of the world. She has worked in the insurance industry, at a nuclear power plant, and for a surgeon marketing surgical aids world-wide.

Gary and Sabra also own several investment properties within the U.S. They first considered Costa Rica for its investment potential; however, when they visited, they decided this would be the perfect place to retire. They fell in love with the slower pace of life, tropical environment, animal and plant life, friendly people, and beautiful views, and are looking forward to embracing a new culture and way of life.

They have three beautiful daughters, and when the youngest graduates high school in 6 more years, they plan to relocate to their new lot in phase 9 in Ojochal. Until then, they plan to visit at least once a year for rest and relaxation. Pura Vida!



**G**ail and Mike live in Sodus Point, NY (near Rochester and on Lake Ontario) most of the year and have a winter home on Pine Island in Florida. They both lost spouses to cancer several years ago, met in 2007 and married in July of 2008. Between them, they have 5 children and 11 grandchildren. They live in NY, NC and MD, so travel a lot. They’re both water oriented, with power boating and sailing as major interests.

Mike is a retired Eastman Kodak manager, with a career focused largely on R&D and manufacturing. He has been Mayor of the Village of Sodus Point for 9 years, which prevents retirement boredom. Hobbies are grandchildren, gardening, reading and boating.

Gail has two businesses. She designs and makes one-of-a-kind pins/pendants and necklaces from antique and costume jewelry. Her company is Jewelry by GEM and can be found on the internet.

She is also a distributor for Shaklee Products, which is California based. Her hobbies include sailing, home decorating, web surfing, and especially, spending time with grandchildren.

They say “Our intent is to build two homes on adjacent lots, to accommodate both families, in Suenos Del Tropicico as soon as we can get the process started. These will replace our FL home, and we would expect to spend approximately 6 months each year in Costa Rica as Mike relinquishes his Mayoral duties in 2013. We are trying to learn Spanish, but that is not easy at our age. Both of us really look forward to this new adventure.”



## Costa Rica Creates a New Marine Protection Zone

After 5 years of negotiations, Costa Rica has created a new massive marine protection area called "Seamounts Marine Management Area" or "Area Marina de Manejo Montes Submarinos". This area covers close to 2.5 million acres around the Cocos Islands extending the existing National Park (a current UNESCO World Heritage Site). The new sea park is actually larger than Yellowstone National Park in the U.S and the second largest marine protection area in the Eastern Pacific Ocean.

The area is home to 30 forms of marine life found only in the waters off Costa Rica and supports one of the largest concentrations of big sharks found anywhere in the world (just don't go snorkeling there with fresh bait in your trunks).

A Seamount is an underwater mountain that doesn't breach the surface, typically formed by an extinct volcano. Seamounts host



endemic species because the deep water that upwells along their sides brings nutrients to support rich feeding grounds. They also serve as stepping stones for long distance, migratory species including sharks, turtles, whales and tuna. Some seamount species are unique to a particular cluster of seamounts, having evolved in isolation over millions of years. Unfortunately many of these ecosystems have been severely damaged by ocean trawling, a fishing practice that involves scraping the ocean floor to catch bottom-dwelling fish. Fishing

trawls break, bury, and otherwise damage corals and other life forms that live on seamounts, devastating marine habitats that will take centuries to recover. Luckily seamounts near Cocos Island have never been trawled so far, and the new protected area

should help keep them safe for the future.

Although you can fish in the park you can only do so on a small scale and in a sustainable manner.



Conservationists hope this will offer endangered marine species such as hammerhead sharks and leatherback turtles a place of respite to recover from increasing pressures from humans.

Cocos Island lies 342 miles off the coast of Costa Rica in the Pacific Ocean. It's just 12 miles around and among other species white tipped reef sharks, whale sharks and scalloped hammerhead sharks frequent the area.



## The Whale's Tail in Uvita has Virtually Disappeared

A well known attraction in the Southern Zone of Costa Rica, the Tómbolo de Punta Uvita, or what is commonly called The Whale's Tail has disappeared following the earthquake in Japan last month.

The stretch of sandy beach located in the Marino Ballena National Park was a popular place to walk during low tide. You could venture out almost 1 kilometer into the sea. Currently the only way to reach the "tail" is by swimming out to it.

Georg Kiechle, Ultralight pilot from Bahia Ballena, Punta Uvita, explained what happened on 12th March 2011, the day after the Tsunami in Japan: "The first waves pushed up the water levels by about 20 cm and then a very strong current from northeast to southwest built up, parallel to the coast

line. The current forced its way through the rock of La Viuda (the widow) and the northern tip of the "Whale's Tail". In less than two hours it had formed a burly whirlpool that at high tide covered the isthmus. The marine jet encountered another vortex along the southeast sandbank and the strong suction between them washed away a lot of the sedimentation that had created the isthmus." This led to a wide and deep trench which makes it impossible to cross to the end of the isthmus known as "the Moses Pass". It is advised not to venture towards the Whale's Tail, as the currents are dangerous.



Sandbanks are formed by a natural process in places where erosion is very intense, for example in bays or river mouths. An isthmus is a bar that forms between an island or a big rock, as in the case of the Whale's Tail which is a coral reef. It will take a few years to reform this incredible natural phenomenon.

# Telecommunications Market Slow to Open Up to Competition

After more than 2 years since breaking the state run telecommunications monopoly through the establishment of CAFTA (the Central American Free Trade Agreement) competition has yet to open up. The market is expected to finally open up in 2012. Currently just over 100 companies are authorized by Sutel (the telecommunications licensing agency) to participate in the business and 7 are currently being processed and waiting for endorsement. Soon the Spanish firm Telefonica (Moviestar) and Mexican

firm American Movil (Claro) will be operational.

The Instituto Costarricense de Electricidad (ICE), the solitary telecommunications provider, has taken most of the blame for the delay. They are currently at odds with Sutel after having saturated the market with 159,000 more lines than network capacity could handle. A recent poll taken on behalf of the leading paper "La Nacion" revealed that ICE may lose 1/2 of their customer base when competitors launch competing cell services.

Inflation in Costa Rica shrunk for the first quarter to 1.37% compared to 2.57% in the first quarter of 2010.

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## A Quick Guide to Skype, Vonage, Magic Jack, and SIM Cards

One of the most important things for expats to investigate



are communications options when living abroad. Being able to get in touch with friends and family back home is imperative for living a happy life abroad. Thankfully, there are a number of great applications which can facilitate this high level of communication. Unlike in times past where one was tied to a land line or cell phone which often had high rates or bad or no signal (in the case of cell phones), today's communications network is sophisticated and inexpensive. The leading devices and companies in this industry are as follows; Skype, Vonage, Magic Jack and SIM cards

Skype is a superb piece of software which offers free calls between people who have Skype and all you need is an internet connection and either a headset or a built in microphone and speaker. If your computer has a camera, better yet you can add a video feed as well. Skype is free to download from the Skype website and you can add funds as you use them and make calls around the world. If one needs to make a call to the mobile phone or a landline, he or she can do so for a low rate via the dial pad on the Skype application. At

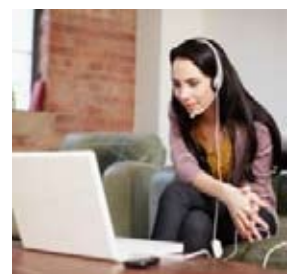
this time, normal rates to developed countries are around US\$0.02 per minute. Skype offers an excellent monthly plan for under US\$15 for those who make hours of calls each month. With this plan, one can make unlimited calls to Skype users, mobile phones, and landlines. Skype is now available on all of the smartphones including iPhone, Blackberry, and Android phones. This means that anytime one is within the signal of a wireless connection, he or she may make a free call using the Skype application on the phone.

Vonage is a competing software and hardware combination that allows users to call the US and Canada over a broadband internet connection. Vonage typically has a monthly fee of around US\$25 which is charged for those users who want to make unlimited calls to anywhere in the United States and Canada. With Vonage, you have a phone that connects to your computer instead of a phone line. More recently, Vonage came out with an application designed to work with Facebook that works only with mobile devices. Currently there is support for the following devices; - iPhone, iPod Touch, iPad and Android smart phones.

Magic Jack is a similar device that plugs into a computer and with the aid of an internet connection, can make long distance calls all over the world. The voice quality of the connection has been criticized by some, but the device

continues to be popular, due to the heavy advertising campaign initiated by the company. We recently swapped from Magic Jack to Vonage at our guest house in Costa Rica due to the issues we were having with the Magic Jack signal quality.

SIM cards are somewhat foreign to mobile phone users in the United States, but they are the common method of possessing a phone number and making calls in many countries of the world. With the advance in technology with SIM cards, many expats living abroad can dial directly from their SIM carded phones to international destinations with rates as low as US\$0.03 per minute. Although most cell phones in the US are "locked" to the SIM card provided by your carrier, in many other countries, all you need is to insert a SIM card from the local carrier into your unlocked phone to make calls on that local network. The SIM card comes with a local number and you simply add minutes of service to the SIM card through the local carrier's agents, in any amount.



Well, another year is flying by. When I was 5, a year was a fifth of my life. Now that I am 50 (something) a year is a 50<sup>th</sup> of my life. Fortunately things have been getting better, too. Changes in the economy and political arena in North America have had a huge affect on sales at Pacific Lots. This past March we sold more home sites than the entire year of 2008. Maybe it's the new highway. Maybe it's the massive printing of dollars scaring us or just the baby boomers starting to retire. Whatever it is, we are seeing many more North Americans looking to relocate or retire outside the US.

In the past 3 months I've presented to folks around the world looking to move offshore; at the International Living Ultimate event in Quito Ecuador, in the Riviera Maya region of Mexico and at the IL event in Panama. I'll also be at the International Living event in Toronto in June and International Living is holding an event in Costa Rica August 29<sup>th</sup> through September 1<sup>st</sup> that we are sponsoring. We've also had hundreds of people take our 4-day discovery tour in Southern Costa Rica over the last 3 months and sales have been stronger than ever. I can't be everywhere but I will be at

the special Real Estate Trend Alert Discovery tour May 19-22 and I'll also on the tour May 23-26 (just added), for anyone wanting to be there when I am. We just added that tour but expect it to sell out quickly, click here now to sign up [www.PacificLots.com/online-client-visit-application](http://www.PacificLots.com/online-client-visit-application) I'll also be on the May 26 - 29 tour but that tour is now sold out. Check the website for more tours in June, July and August.

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## Libros para Todos: "Books for All"

There's a new national campaign to provide books for all students in Costa Rica. Low cost text books are being produced for distribution to rural, indigenous and lower income neighborhoods in an effort to provide text books to those who would otherwise not be able to afford them. The program has sought donations from the multinational corporations located in Costa Rica as well as national and local companies and even individuals. The developer we work with has donated 400 text books to 100 grade students in the Tortuga school (Ojochal) and plans to do so next year as well. Anyone interested in learning more about the program can contact us or visit [www.librosparatodoscr.com](http://www.librosparatodoscr.com).



## Covintec: Cutting Edge in Construction

We've changed our construction methods in the past few years from concrete block to Covintec, a "Green Home" building product introduced into Costa Rica by the Four Seasons Hotels. The Covintec system combines a welded structural steel frame for the house with the insulating quality of EPS steel reinforced panels. Covintec comes in 4'x8'x4" thick panels that are welded into the steel frame to which a thick layer of cement is applied, both inside and out. Using this new method, a structural steel frame is welded together. Then the Covintec Panels are attached via welded straps from the steel. The finished wall thickness is the same as with concrete block with the added benefit of over 3 inches of insulation inside the wall cavity. The final finish consists of a gunite cement coating several inches thick on both the inside and outside of the frame and panels. We further finish the interior walls with setting plaster if an ultra smooth finish is desired, eliminating the need for moisture sensitive drywall. We install PVC conduit for all electrical wiring and use a thermo flex tubing for water lines inside the walls, eliminating the need for fittings inside either the walls or the slab.

Covintec eliminates the heat gain of traditional concrete structures and is stronger with less environmental impact. Benefits include structural resistance to hurricane force winds and greater resistance to seismic



activity and earthquakes than traditional concrete block. Because it is lighter than block, it's easier to transport, reduces outside noise and noise between walls, resists humidity and provides 8 times the thermal insulation of traditional concrete block. Because of Covintec's light weight, it allows much greater design flexibility than tradition block since interior walls don't need to be placed over bearing walls below. It has been shown to cut electrical bills by 23% to 27% from the reduction of the need for AC. Since it contains no wood it is also not susceptible to wood boring insets like termites. All our homes are pinned deep into the ground in compliance with engineering requirements. Learn more at [http://www.covintec.com/en/ingles/productos\\_covintec\\_1.html](http://www.covintec.com/en/ingles/productos_covintec_1.html)

