

Paradise Post

News From Ojochal, Costa Rica
and Beyond

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Inside this issue:

Moody Ranks Costa Rica	1
Chinchilla a Top 10 Female Leader	1
Economic Growth Predictions	2
Restaurant Review: Madras	2
New Neighbors	3
Debt-for-Nature Swap	4
Leaf Cutter Ants	4
Purchasing Property in Costa Rica	5
Typical Closing Costs	5
News from Pacific Lots	6
Building in Chontales	6

President Chinchilla: One of the Top 10 Female Leaders in the World



TIME magazine has named Costa Rica's President, Laura Chinchilla, as one of the top 10 female leaders in the world. She has pledged to

continue the pro-business policies of her predecessor by courting international investment and expanding free trade. President Chinchilla stated through a press release that it was a great honor to be named by TIME to the top 10 ranking for female leaders, not only for herself but for her country and their commitment to gender equality. Laura Chinchilla became the first woman to the presidency of Costa Rica last February.

Moody's Lifts Costa Rica's Ranking

Moody's Investors Service this past September raised Costa Rica's government bond rating into investment-grade territory due to the fact the nation's debt metrics have improved significantly over the past few years.

According to Moody's, the ratio of Costa Rica's public debt to gross domestic product fell to around 43% last year, from levels about 60% a few years ago. Similar improvement has been seen in other government debt metrics.

Additionally, Costa Rica's ability to navigate through the global crisis relatively unscathed revealed an increased credit resilience, Moody's said. The economy experienced only a brief and shallow recession last year and is now recovering. Significant capital outflows and pressure on the nation's currency during the crisis didn't compromise the nation's external position, and in Moody's view, the episode was an important stress test.

Updates from the Osa



I know we love the rain but sometimes enough is enough. La Niña (cooler than normal water temperatures) dumped an abnormal amount of rain on us this year leading to some problems with the roads and crop damage. Fortunately it's just about the end of rainy season and it does keep it nice and green.

The Costa Ballena Women's Club www.costaballenawomensclub.org is starting to organize their annual

"Jingle Bell" fundraiser. The dinner dance will be held December 11th and proceeds provide local families school uniforms and supplies.

Also, Escuela Verde in Uvita, a multi-cultural school for local and expat children, is having a fundraiser Nov. 13th. The benefit dinner is at Cristal Ballena from 5 PM on.

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Costa Rica to grow 4.5 pct in 2010, 5 pct in 2011

As reported in Reuters last month Costa Rica's economy is expected to post solid growth of 4.5 percent this year and 5 percent in 2011 as it continues to invest in infrastructure and open up the telecommunications industry. The country, known for its eco-tourism and coffee production, will boost growth by improving infrastructure such as ports, and by opening and promoting markets such as electricity and telecommunications.

Costa Rica has trade agreements with China, Singapore and the European Union bringing the amount of free trade agreements to 42 and increasing trade to 92 percent of total exports. With a skilled work force, and political and social stability, President Chinchilla's government hopes to capture \$9 billion in foreign direct investment over the next four years.

In 2009 inflows of FDI reached

\$1.3 billion of which 57 percent were from the United States. Most of the inflows go to manufacturing, real estate, services, and tourism. Economic growth has come from the services sector with 60 percent of gross domestic product, industry with 32 percent and agriculture with 8 percent.

"Today, after serious trade policies based on the promotion and diversification of exports and the attraction of foreign direct investment as key elements, Costa Rica exports more than 4,116 products to 135 countries around the world, with a net worth of \$8.675 billion," Chinchilla said. "Our total exports have increased over 60 percent in the last decade," she said. Imports however, reached \$11.4 billion in 2009.

In terms of bond issues, the president of Costa Rica's promotion agency, Jose Rossi, said it would be

favorable for the finance ministry to issue global bonds as global interest rates are low and as Costa Rica's credit rating was raised to investment grade earlier by Moody's. The country has \$1.25 billion in outstanding debt, divided into five different global bonds, one of them maturing next year. If and when the country issues, Rossi said part of the money will go to repay the maturity due, projects in infrastructure, education and other debt issues with multilaterals.

In Newsweek's August 23rd issue Costa Rica is ranked as one of the best countries in the world. You can find the article on www.newsweek.com

Madras Restaurant Review *by Jan Dwire*

It was a triple play last night with each course being as delicious as the one before. Madras, a Thai/French restaurant is located between Ojochal and Ballena. It is a short drive up the mountains so like monkeys, you dine in the treetops.

Madras has been one of our favorite restaurants since we went there after first moving down to Ojochal full time. I was very pleased, and still am to have a quality Thai restaurant in close proximity to home. Madras isn't strictly a Thai restaurant so it is possible to accommodate people with different likes in one place.

The menu items are limited but the robust flavors in each dish more than make up for a small choice. We started with the Spicy Thai Beef Salad. The dressing on the salad had a lovely tangy flavor and the veggies and beef were nicely presented.

For the main course, I ordered the Chicken Curry. As with all of the curry dishes (fish, shrimp, vegetable) you decide how much heat you want from 1 - 10. I went mid-range and Karen went

full throttle. We both thought the dish was very good. The curry dishes are served with rice and a small amount of zucchini and carrots. The veggies were nondescript but did well to clear the palate for the next flavorful hit of curry. Ross had the Pineapple Pork Indian Style. I tasted the pork without a bite of pineapple and thought the flavor was a little flat. He said the combination of the two made it a wonderful dish. Judging from the fact that there wasn't a scrap of food left on his (or any of our) plate, he thoroughly enjoyed his meal.

Because we were celebrating a special occasion, we splurged with a dessert of crème brulee. The custard was smooth, creamy, and delicious and the top was toasted to a crunchy perfection. The other dessert option was a crepe which sounded nice as well.

The restaurant interior is fun and funky. The owner has interjected his style with the seating, art, and lighting. The chef is the matron of the family and handles the kitchen with ease. Miss Luna is the hostess but only

if you go early in the evening. Otherwise, she is fast asleep. It is hard to keep your eyes open too late if you are only five.

This is a great place for a meal. I recommend it to all our renters. Call ahead for reservations. The restaurant is small with seating for about 20 people and parking is limited so share rides if you are going as a group.

Location: at Playa Ballena just 5 minutes north of the Ventanas Plaza near the 170km highway marker. There is a small road on the mountain-side of the highway and a restaurant sign. Tel: 2786 5524



Photo by Keith Duncan

Welcome to the Neighborhood

Mark and Cindy are physicians who practice together in Western New York. Mark's an orthopedic surgeon specializing in knee and hip replacement and Cindy is a Rehabilitation specialist. They have five children and have been married 16 years. They currently spend their free time skiing when the snow flies and enjoying their RV during the milder weather. They say "Suenos del Tropicos fits nicely into our future plans for a tropical retreat and fewer phone calls. We look forward to building a second home there for our family to enjoy."



Jim and Mary Anne are from a small Indiana town, Wabash, and for the past ten years they have owned a home on the Caribbean island of Montserrat. Unfortunately, the ongoing volcano eruption has led them to look at other opportunities for a retirement home and a place for their family to gather. They became acquainted with Costa Rica through other family members who visited it and loved it.

They said "Coming down to Pacific Lots for a "chill weekend", we immediately appreciated the quality of life, the construction of the homes, and the one-stop design and build process. We have three grown children and Mary Anne comes from a large family; she is the eldest of ten children so we anticipate a very busy home in the tropics with lots of company."

Richard and Diane were born and raised in Massachusetts. Seven years ago they moved to Hollis, New Hampshire, to take advantage of a slower pace of life and less traffic. Approximately one year ago they made the decision that, upon retirement, they would like to live in a warmer climate and enjoy a more relaxed way of life. (Pura Vida, anyone?)

They said "After much research and some travel we found that Costa Rica offered exactly what we were searching for. As soon as we arrived in the Southern Zone, we fell in love with the area and knew this was the perfect place for us.

We plan to take up full-time residence in approximately two-years' time, but in the interim we are having a great time planning our dream home in the rain forest, and checking out house plans on the Internet to help us explore possibilities and refine our needs.



Jack was born in Philadelphia in the '30s. He moved to West Virginia at age 2, and to Kerrville, Texas at age 8. His father was an x-ray Technician with the VA. He attended Tivy High School in Kerrville, graduating in 1948 then went to University of Texas, Austin, for BA, MA, and PhD. Between the masters and PhD, he was in the Air Force as a navigator, and spent over 2 years in the Canal Zone/Panama, in Air Rescue. He's a herpetologist (amphibians & reptiles), so was able to gather specimens and data for his PhD dissertation in Panama, then finish it in Austin after leaving the Air Force. His first job after his doctorate was in the Biology Dept. at the Univ of Florida, for 2 years (temporarily filling in for regular faculty there that were on sabbatical leave). Then to Univ Southwestern Louisiana in Lafayette (now called Univ. of Louisiana at Lafayette) for 4 years. He then got the opportunity for a faculty job at Arizona State University in Tempe. Jack accepted that job and retired after 40 years there. He's still an Emeritus Professor and keeps his office and computer & library privileges and continues to do his research with no other responsibilities. He's married, with 2 adult children (and 2 grandchildren), and one stepdaughter currently attending ASU.

Costa Rica and the U.S. Agree to Swap Debt for Protecting the Environment

Costa Rica, one of the most biologically diverse countries in the world, has inked a "debt-for-nature" deal with the government of the United States of America, the Central Bank of Costa Rica and the Nature Conservancy that will generate more than \$23 million over the next 15 years.

The agreement was made possible by the Tropical Forest Conservation Act of 1998 (TFCA). Costa Rica is now the largest beneficiary under the TFCA act with more than \$50 million generated for conservation, restoration and protection of tropical forests. Since 1998 The TFCA has provided \$163 million to 16 countries.

Debt for nature swaps are an innovative method The Nature Conservancy www.nature.org, an international non-governmental organization, uses to protect tropical

forests. The Conservancy is donating \$3.9 million and the US. Government is contributing \$19.6 million. The country then continues to make its regular debt payments, but to a Conservation Trust Fund within their own country. The Conservancy helps manage the fund which is used to finance forest conservation over a period of years.

The recent agreement paves the way for the country to expand its spectacular and protected marine and rainforest areas and to become the first country to meet its environmental protection commitments spelled out under the UN Convention on Biological Diversity, ideally by 2015. Though Costa Rica makes up just 0.03 percent of the world's surface, it stands among the top 20 countries in terms of biodiversity. Five hundred thousand species inhabit its territory while conservation areas



make up more than 25 percent of the country.

Costa Rica is planning to triple the protection of its waterways, of which less than .1% are protected now. The grants will benefit areas such as the Osa Peninsula, including the Terraba-Sierpe mangrove swamps, the Naranjo/Savegre River complex, which contains some of the highest levels of biodiversity in Costa Rica, as well as La Amistad International Park, home to one of Central America's largest and most diverse ecosystems.



The Oldest Caste System

Leafcutter ants form the largest and most complex animal societies on Earth. In a few years, the central mound of their underground nests can grow to more than 98 ft. across with smaller, radiating mounds extending out to a radius of 260 ft., taking up 320 to 6,500 sq ft and containing eight million individuals.

Their societies use different species of fungus for survival. The ants actively cultivate their fungus, feeding it with freshly-cut plant material and keeping it free from pests and molds. The fungus that is cultivated by the adults feeds the ants' larvae, and the adult ants feed off of the leaf sap. The fungus needs the ants to stay alive, and the larvae need the fungus to stay alive.



Photo by Bence Mate, 2010 Wildlife Photographer of the Year.

After mating with enough males to start a colony the new queen searches for a suitable underground lair. In order to start her own fungus garden she stores bits of the parental fungus garden within her oral cavity (just like the starter for "friendship bread").

In a mature leafcutter colony, ants are divided into castes, based mostly on size, that perform different functions. Most of these are females. Males are drones who will mate with the queen and then die. Drones are considered lazy and inferior members of the colony (I'm not sure which ants the scientists spoke with to discern this) since all they do is eat and lie around until they are mature enough to mate (no comment).

Minims are the smallest and hardest workers. They tend to the growing brood and care for the fungus gardens. They will also ride on forager ants to protect them from certain flies.

Minors are slightly larger workers and are the first line of defense, continuously patrolling the surrounding terrain.

Mediae are the foragers who cut leaves and carry the fragments, up to 30 times their weight, back to the nest where they are chewed to a pulp by the minims.

Majors are the largest worker ants and act as soldiers defending the nest from intruders. There is also recent evidence that they may clear the main foraging trails of large debris and carry bulky items back to the nest.

Waste management is a key role for each colony's longevity. A necrotrophic parasite of the fungal cultivar threatens the ants' food source and is a constant danger. The waste-transporters and waste heap workers are the older, more dispensable leaf-cutter ants (their retirement jobs), ensuring that the healthier and younger leaf-cutter ants can work on the fungal garden. Waste-transporters take the waste to the waste heap. Once dropped off at the refuse dump, heap-workers organise the waste and constantly shuffle it around to aid decomposition.

Purchasing Property in Costa Rica - An Explanation

95% of all property in Costa Rica is titled and these records are available in an online database at the National Registry. The Registro de la Propiedad (National Registry) is responsible for storing and recording all property documents in Costa Rica. Located in San Jose - Zapote, one can perform a title search to get accurate information about the property. These records are also available in an online database. You can obtain a public registry report that gives detailed property information such as the title holder's name, boundary lines, appraisal for tax purposes, lien information, mortgage information, any recorded easements and other things that may affect the title of a property in Costa Rica. If a title has been altered in any way, a change must be filed at the San Jose registry.

Zoning regulations in Costa Rica are less stringent than in countries such as United States. A registered local engineer must sign all building and subdivision plans and they also require approval by the local municipality, the Ministry of Health, and the government Housing Department.

When buying properties, one must be aware of regulations requiring that Costa Rica's coastline is all public. By law, the first 50 meters above the mean high tide line are public lands. No one can restrict access or have a totally private beach. There are some exceptions including port areas, old land grants, and some titles prior to 1973. Land from 50 meters to 200 meters above the high water mark is also held

in a special designation referred to as maritime concession land. Though this land can be used for residential living, the land is held in a concession and strict regulations dictate use and ownership.

Developments commonly found in Costa Rica include "Finca" developments, "Calle Publico" developments and "En Condominium" developments.

Finca designated property is basically for land zoned as farm land. Restrictions apply to Finca properties including limits to use for residential purposes. Finca properties offer the least usable type of title for residential use. There is a move to limit development in the region and owning property with a Finca designation makes you an easy target to limit what you can do with your property in the future. Finca title laws have not been enforced in terms of conforming to these restrictions but the government is free to enforce them at any time.

Calle Publico is much like a subdivision found in the US. The developer is responsible for surveying and segregating lots, but also responsible for the installation of infrastructure, including roads, water and electric. In public roads developments such as there, the agencies responsible for public roads, water and electric must "sign off" on the installation of these improvements and all three must be approved before the municipality will allow segregation and title to individual home sites.

En Condominium developments

in Costa Rica. In the U.S. condominiums are residences in multi-tenant buildings. In Costa Rica, the Condominium Law regulates developers responsible for building many types of properties, including single-family homes, finished lot projects and condos. The law allows developers to regulate the development with By-Laws that can be registered in the National Registry to the individual lot, home or condo. The By-Laws outline the restrictions and benefits placed on individuals who purchase these properties as well as possibly the property itself. This is still fee simple ownership, but properties 'in condominium' come with additional restrictions that are generally intended to protect the integrity of the development's physical ambiance.

Our developments are all built to "calle publico" or "en condominium" standards meaning the municipality requires that approvals from ICE (the public utility responsible for providing electricity in Costa Rica), AYA (the utility responsible for providing water in Costa Rica) and the municipality (the agency responsible for roads) are required before individual titles will be issued. In purchasing in these types of development, you get a much better product since the infrastructure must meet all municipal standards, not just whatever the developer decides to provide. Furthermore upon signing off on the infrastructure, in many cases these public utilities assume ownership, management and maintenance of the infrastructure.

Closing Costs When Buying Property in Costa Rica

In most cases when purchasing property in Costa Rica the fee structure for closing costs is as follows:

Transfer taxes, stamps etc: 1.5% of the purchase price to the government and 1% to the public registry.

Notary fees: Notaries are required to close real estate sales

in Costa Rica and charge 1.25% as required by law.

Mortgage registration fees: The Costa Rican government charges 0.6% of the value of a mortgage to register it to the property.

Incorporation fees: Typically the cost to set up a Costa Rican corporation runs between \$500 and \$1000 (we

charge \$600).

The good news is that other than the cost of setting up the corporation, we pay all closing costs on purchases in our developments, it is not added to the purchase price as in most cases.

It's been a busy three months since our last newsletter. We sponsored the Live and Invest in Costa Rica event put on by International Living that was held in Costa Rica in August. We also sponsored their Live and Invest Overseas event held in Las Vegas in September, attended by over 500 people! I was a speaker at both events. We are now a featured development in Escape Artist online, Boomers Abroad, Expat Exchange and International Living. Our Discovery tours continue to sell out and we are now running 4 to 5 tours per month to meet demand. The new Caldera highway has had issues with rock slides and periodic closures have been a nuisance though this is typical with new roads in Costa Rica. President Laura Chinchilla has intensified efforts to build the new southern international airport and although the start date was delayed until 2012, \$35 million dollars in funding is being pushed ahead. The rainy season is just about over and we are looking forward to continued strong sales at Pacific Lots (and homes) of Costa Rica.



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International Living Convention
in Las Vegas



Liberace Steve

New buildings in Chontales

We have a couple of new building additions in the Chontales developments. Some of you many have already visited the new restrooms (his and hers) we've installed in the development, luxuriously equipped and a nice addition for our property tours. We are also nearing completion of a new guest center where we plan to host lunch on the second day of our Discovery tour and someday use as a new guest house as well. The building features a round cupola roof design and should be quite stunning when completed.



New guest house going up



New church under construction
in Ojochal

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