

Costa Rica

A vibrant blue and red toucan bird is perched on a nest made of twigs and moss. The bird has a bright blue head with a crest, a red breast, and blue wings. The background is a soft, out-of-focus green.

The Land that Time Forgot

**The Land that Time
Forgot**

Randy Berg

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Foreword

This book is unlike any other about Costa Rica. Is it jammed with facts and figures? Sure it is. But that is probably not why you're reading it.

If you are reading this, you want to know more about Costa Rica – and you want to know details about what it is *really* like to live in Costa Rica.

There are very few places where you can get the lowdown on what life is really like in Costa Rica. Even living here for a short amount of time doesn't really help.

For all of its beauty, breathtaking scenery and *pura vida*; Costa Rica is NOT what we are used to back home. You will not find a carbon copy or a junior version of Topeka, Kansas or Pelican Lake, Minnesota.

What you read on discussion forums and websites is a combination of subjective opinions from people who've lived here and even from people who



“heard from a friend” what living in Costa Rica is like.

On these sites, you’ll read both how horrible the crime rate is in Costa Rica and how safe Costa Rica is. You’ll hear about dishonest natives and terrible neighbors as well as how you’ll never have a better friend or neighbor than the one you’ll find in the *Ticos* next door. You’ll read complaints about rampant pollution as well as raves about the pristine condition of the countryside. You’ll read about the laid back, stress-free Costa Rican lifestyle, but you’ll also read about the frustration of trying to navigate ponderous bureaucracies.

All of the seemingly contradictory information you find won’t make it easy for you to get a clear picture Costa Rica or whether a move here is right for you. In addition to the unvarnished truth you’ll find in this book, you’ll also need to examine your desires and motivation to see if Costa Rica is really right for you.

Originally, I intended this to be a more scholarly book about Costa Rica, but in the end, I just couldn’t do it. Academic writing just wasn’t me. As a result, the



book is a mix of factual information about Costa Rica and my own interjections. Whether you find my commentary to be fun and witty or sarcastic and biting is up to you, but I do my best to tell it like it really is.

The more academic parts of this book will probably remind you of being back in school. Because it's meant to be a comprehensive guide for people who are considering a move to Costa Rica, there are pages and pages of facts and figures that are important information you need to make your decision. However, what sets the book apart is that it also recounts my own first-hand experience with making the move.

If you want to know the inside dirt that most people never find out – especially before they move – read the italicized account of my experiences and skip through the informative sections. I recommend that you pay attention to things like medical care, real estate, legal issues and business concerns. Linger over the pages that interest you personally. Use your own judgment. Personally, I read for fun – not just knowledge anymore. Both are



important, but the most important thing is that you put what you learn to use.

I think that my real personality makes for a much more interesting read than the book that would have resulted from my attempts at scholarly work. I hope that you will find the people, places and business opportunities of Costa Rica as interesting as I find them. Because of my fascination with the country and my desire to share our experiences here, this book covers the full gamut – including topics that other writers may deem taboo. I'm not too shy to talk about the fact that not all *Ticos* like *gringos* (*gasp!*) or all of the things that you are likely to find irritating about visiting or living in Costa Rica and how to deal with them – or not deal with them.

I think you'll notice a difference between this book and the other guides available pretty readily, and I think that the kind of frankness you'll find is what you're really looking for. You don't want a candy-coated, picture-perfect story about Costa Rica; you want to know



exactly what the country is like as you prepare for your next move.



Our Story Begins

1 My wife and I moved to Costa Rica nearly a decade ago, a short time after the tragedy of 9-11.

We owned our own business – a commercial/retail printing and copy business with multiple locations in Minnesota. Because of the way that technology was advancing so rapidly it had become difficult for us to keep up with the competition. Twelve-hour workdays were fast becoming the norm. We felt like we were on a treadmill to nowhere.

2 Rhonda and I had talked about retirement, but it was more as if it was in another century. Retirement was a distant future that was still so hazy that it really couldn't become a reality for a long, long time.





Because we so enjoyed vacations in Mexico, the Caribbean and Costa Rica, we thought that we knew what we wanted in our “ideal retirement.” Of course, it was so far away, that it was something to only dream about.



I began spending more and more time on the internet researching destinations, trying to figure costs, and all possible permutations and combinations trying to see if retirement was even possible. I was in my mid-fifties at the time and Rhonda was ten years younger. Social security was not in the cards, so we had to fund our own retirement.



Like most small business owners, and indeed, most older people considering retirement, we did not have a lot of savings. We had our house, business and belongings – that was it. We also had an interest in a family retreat on a lake in northern Minnesota but that was not saleable. Instead, the lake property was our backup plan in case our other retirement plans didn’t pan out.



We began to get creative.



Costa Rica – The Broad Strokes

Costa Rica is a small country in Central America, sandwiched between two oceans – the Pacific and the Caribbean. Bordered by Nicaragua to the north and Panama to the south, Costa Rica is sometimes called an *undiscovered paradise*. In a single day, you can see lush emerald jungles, breathtaking mountain vistas and white beaches along crystal blue water.

It's no surprise that people living within such a beautiful setting are happy. Costa Ricans, who call themselves *Ticos*, have a saying – *pura vida*. *Pura vida* literally means pure life and it's a sentiment that echoes throughout the country in every aspect of life. In fact, Costa Rica has been voted one of the happiest countries in the world.

After the civil war ended in



Costa Rica in 1948, President José Figueres Ferrer abolished the military. Since that time, Costa Rica has not maintained a standing military and has made a public commitment to neutrality. The move to neutrality has earned Costa Rica the title in some circles as *the Switzerland of the Americas*.

With the longest running democracy in all of Latin America, Costa Rica might also be considered the most stable country in the region. While its neighbors have endured political turmoil, civil wars and drug trafficking, Costa Rica has not experienced a major political crisis in over 70 years.

Costa Rica seems to have an almost indefinable quality about it. Visitors are drawn to come back time and time again. In fact, Costa Rica has more repeat tourism than any other place in the world.

No matter what your individual interests are, there is something for everyone. The waves are perfect for surfing, the crystal-clear water provides endless opportunities for snorkeling,



and the natural treasures inland call out to hikers and other explorers. The tightly-packed diversity of the Costa Rican ecosystem means that you can literally visit cloud forests, jungles, vast lakes, volcanoes, raging rivers, two oceans, mountains ranges and much, much more – all in one day!



Choosing the Perfect Place to Retire

Our first goal was to find the perfect place to retire. We knew that we could not afford the United States. Moreover, we wanted a change of scenery and more adventure. So we began to search. We considered Panama, Mexico, Nicaragua, Puerto Rico and several Caribbean islands. I spent literally months





researching almost everything I could find on the internet about all of the potential destinations. No matter what we looked at, we kept coming back to Costa Rica.

Cost of living in Costa Rica

The cost of living in Costa Rica is definitely higher than many of the other countries that expats tend to consider for retirement. Mexico, Nicaragua, Panama, Ecuador and many of the other options are all less expensive.

Part of the reason that Costa Rica costs more is that its government imposes a hefty import tax and duties on nearly all imported goods. These duties raise prices significantly – on average between 50 to 100 percent. As a result, houses are more expensive, labor costs are higher, and in fact just about everything is more expensive.

So why even consider Costa Rica?



From a purely subjective standpoint, if cheap is your only priority, go somewhere else. If you want the best, consider this: Costa Rica has the longest standing democracy in all of Latin America. It's stable. What is your peace of mind worth? Do you really want to live in a country whose President's best friend is Hugo Chavez or whose leader used to be a Sandinista and has been accused of murder and genocide many times? Stability is important when you plan on living in that country the rest of your life.

Costa Rica's dedication to the environment is also a big draw – and undeniably a part of its expense. Nearly one-third of the land is set aside as national parks and reserves. There is no oil or mineral drilling and no deforestation. The country is also dedicated to hydroelectric power instead of dirtier alternatives.

Costa Rica has one of the highest literacy rates in all of Latin America and one of the lowest infant mortality rates. One of the provinces is considered a “blue



zone,” where inhabitants routinely live over 100 years of age.

A comprehensive health care system that ranks among the best in the world adds an additional layer of security and well-being to the population. Not only are natural citizens eligible for health care, the country provides medical care to the people who flock here from surrounding countries looking for work – even when they cannot afford to pay for the services.

What’s more, Costa Rica is one of the most beautiful countries on the planet = and one of the most diverse. Every turn in the bend is another postcard and another “Kodak moment.”


Does this help?

It costs a little more to live in Costa Rica, and it is not for everyone. For us, though, it’s definitely worth it!






Costa Rica Is the One




Choosing Costa Rica was partly by process of elimination. Because of our financial situation, we could not afford to risk our retirement funds because they were limited. Never having made such a life-changing move before, we still weren't really sure that our grand adventure was even doable.

One by one, we began to eliminate the other potential destinations.



• Mexico fell away early. It seemed like there was too much crime. We were also too nervous about not being able to own land outright in Mexico.



• Nicaragua failed to inspire confidence because the present regime just wasn't far enough removed from the Sandinistas of just a few years prior. Moving out of our home country was a big enough risk that we didn't want to take on the additional risk of having our property confiscated in our adopted country. We



loved Nicaragua, but in the end, the risk was too much for us.



• Panama was a strange one. It didn't feel comfortable and we still cannot put a finger on why. Prices were right in Panama and there were a lot of other expatriates there, but for some reason it just wasn't right.



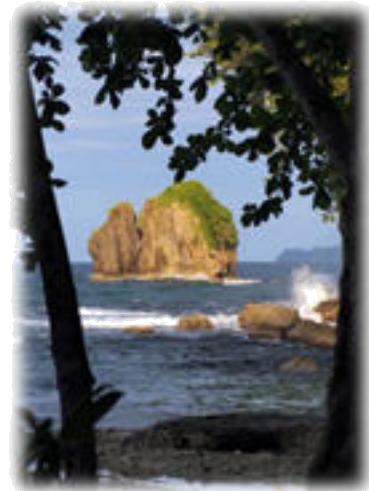
• Puerto Rico fell from the running because of the crime rate and because it was too much like back home. We also didn't like the possibility that Puerto Rico could actually become the 51st state.



• Dominica, Barbados, Curacao, and other islands in the Caribbean were all too expensive for us. We were also afraid that they would be too confining.

• Costa Rica stood alone as the last remaining destination that seemed to meet our needs.

Safety in Costa Rica



Massive amounts of misinformation pollute the sources you'll be combing through as you make your decision to move to Costa Rica. In reality, Costa Rica is both better and worse than what you will read. As a tourist, you're likely to be seduced by the smiles and sunsets in a country with such breathtaking beauty and friendly hosts. Living here is undeniably beautiful and more than worth the downsides. However, there are things that you will likely be surprised by – and even irritated by – as a resident.

Perceptions of the country often swing to two extremes. Visitors may be put off by the bars on windows and doors and come to the decision that the country must be unsafe and have a very high crime rate. Other visitors may fall prey to the misconception that everyone is completely trustworthy. Neither view is perfectly accurate.

The bottom line when it comes to security is yes, there is crime in Costa Rica. There is more crime than there was five or 10 years ago. Crime is a

What about snakes and insects?

Yep, we got 'em. Although the snakes, spiders, scorpions and insects you find in Costa Rica may be different from the ones you are used to from back home, they are not more dangerous. Where North America has rattlesnakes, Costa Rica has the fer-de-lance, which is a species of venomous pit viper. Bites are very rare.

growing problem, but it's not everywhere.

Unfortunately, visitors are often a target for theft. The reason for this is because most visitors are considered to be quite wealthy, especially from a Costa Ricans' point of view. Even if you make a measly \$7.50 an hour back home, in Costa Rica that is a *lot* of money. A \$20,000 a year income is four to five times more than what the average Costa Rican earns. If you are seen wearing flashy jewelry or sunglasses, there will always be people who may see that as irresistible. Sunglasses are easy to steal and sell for a few dollars profit. That may not seem like a lot of money to you, but in Costa Rica, two dollars is enough to buy a meal for an entire family.

In general, Costa Rica doesn't have anywhere near the crime as the United States. Moreover, the crime that *does* occur in Costa Rica is typically much less violent almost always of a petty crime nature. While petty theft like stealing is quite popular throughout the country and on the streets, there are far fewer rapes and murders in Costa Rica. You should still keep your car locked as you



drive around, and obviously you should never leave your keys in the car.

If you're staying in downtown San José, it is recommended to use a taxi. You only really need to use a car if you are traveling outside of San José. In comparison to the rest of the country, San José and the central valley have the most thefts. Always use common sense – don't leave your luggage or your camera on the front seat of your car when you park.

If you are traveling outside of San José you can expect the crime to be less common and you can do the same kind of activities you would do in the United States – day or night. However, regardless of where you visit it is important for you to be cautious about people stealing your passports. Passports – especially United States passports - are very popular. According to a recent report, a United States passport has a street value of around \$10,000.

Unless you are a legal resident, you must carry your passport with you at all times. If you plan to stay in Costa Rica



longer than a week or so, have an attorney make a photocopy of your passport and certify the copy. You can then carry the copy on your person and leave your original passport in a secure location.

The bars on the windows and doors are largely cultural but they do also deter casual crime. As with any country, some areas have more crime than others. Typically the urban areas have a higher rate of crime than rural – a phenomenon common to countries almost anywhere in the world. It simply pays to be careful and use common sense.



Narrowing it Down to a Region

We had visited Costa Rica a few years before and loved it. We had been in the northern part of the country on our





earlier trip, in Guanacaste, and had no exposure to other areas. But we loved the people, as almost everyone does.

Guanacaste was hot and very brown and dry during the summer months. Rhonda wanted more of a green atmosphere, so I went to work and spent the next weeks and months researching everything I could find about Costa Rica. I sent emails, I made phone calls, and I read every book available at the time. I thought I knew absolutely everything about our potential life in Costa Rica. How could I not? There was nothing else available to study and no one else to talk to.

The prices in Costa Rica were a little higher than we wanted, but not horribly so. By now, we were ready to pay a little more for the stability of the country and protection of our investment. The country had a superb reputation, a growing tourist base and a solid economy.

Moreover, it was gorgeous and only a few hours away by airplane. We were both in agreement.

Provinces of Costa Rica

There are seven provinces in Costa Rica, including Guanacaste, Alajuela, Heredia, Limón, Cartago, Puntarenas and San José. San José contains the capital city of the same name, and is the most populated province of the country with over one million residents. The next most populated province is Alajuela, adjacent to San José province.

Guanacaste

Guanacaste's capital and largest city is Liberia, with a population of just 98,751. This province is located along the coast of the Pacific and borders Nicaragua.

Best known for its gorgeous beaches, Guanacaste has a thriving tourist industry. There is a stretch of beach in the area known as the "gold coast" which contains some of the most expensive real estate in the world.

South, along the pacific coast, is the Nicoya Peninsula, which gradually runs into more sparsely populated and



resolutely beautiful terrain. The less populated area is one of the few “blue zones” in the world. A blue zone is an area whose residents routinely live 100 years or longer.

There is also a system of ferry boats which operate between the Nicoya Peninsula and the country’s mainland and shuttle cars and tourists back and forth several times daily. There are even stops on some of the larger islands in the Bay of Nicoya. Resorts and smaller bed and breakfasts dot the coast up and down the Guanacaste province. Homes owned by the rich and famous in this area are numerous.

Alajuela

Alajuela is located in the north-central part of the country, bordering Nicaragua to the north and the provinces of Heredia, San José, Puntarenas and Guanacaste. Over the last few decades the cattle and agricultural production has dominated the economy of Alajuela, which supplies most of the nation’s corn, fruit, beans and vegetable produce. This province is also home to the Arenal Volcano in La Fortuna of San Carlos.



There are numerous popular hot springs throughout the province.

Heredia

Heredia is a small province located in the north-central part of Costa Rica. It's a very small province, and it has a small population of fewer than 400,000. Thanks to its location, Heredia is agriculturally rich while also being located near a few metropolitan areas in the Central Valley. The province is also home to the Braulia Carrillo National Park and the Sarapiquí River.

Thanks to its incredible beauty, Heredia has been called the *city of flowers*. This nickname also refers to the beauty of Heredian women, who some Costa Ricans say are the most beautiful women in the country.

Limón

The province of Limón is located on the beautiful Caribbean coast of Costa Rica. Nearly all of Limón's territory is located in the Caribbean lowlands and throughout the Talamanca mountain range. Its southern border is shared

How are the roads?

Most roads are good, and they've improved tremendously. The most frustrating part is not really the condition of the roads, but the simple fact that there are often only two lanes because of the mountainous terrain. Because much of the commerce in Costa Rica is via truck, travel can be *very* slow – especially in the mountainous areas. Trucks don't travel much above 30 mph when they're going uphill. Plan on doubling the duration of most of your trips – especially during the rainy season when driving is slower anyway.

with Panama and northern border with Nicaragua.

By some accounts, Columbus was the first European to visit Limón. During his fourth visit to the Americas, Columbus landed just off the shore of present-day Puerto Limón. This province is also the country's largest concentration of Afro-Caribbean residents. Today the province is 16 percent Afro-Caribbean and seven percent indigenous with nearly 75 percent of the people a mix of Afro-Caribbean, indigenous, Chinese and mestizo blood. Since the 1970's, Limón has also been home to many of the foreigners who make Costa Rica their home, including Americans, Canadians, Europeans, Nicaraguans and more.

Cartago

Cartago is located in the central part of the country, bordering the country's capital city San José to the west and Limón to the east. Cartago was actually the capital of Costa Rica until 1823, when the capital was moved to San José. The two cities are connected via a convenient four-lane highway. The



smallest province, Cartago is nonetheless the richest in tradition.

San José

San José is its own province in Costa Rica as well as the capital city of the country. Located in the central part of the country, San José is the most populated city in all of Costa Rica. At the time of the 2000 census, San José was home to 1,435,447 people. The city is almost entirely ringed by mountains and several volcanoes. It is often possible to see lava from the surrounding volcanoes from vantage points within the city.

Puntarenas

The seventh province of Costa Rica is Puntarenas, which covers much of Costa Rica's Pacific Ocean coast. Although it isn't as densely populated as other provinces, it is the largest in terms of land mass. Puntarenas is home to some of the areas that are most popular with locals and tourists alike. Some of the popular sites include Jaco Beach, Hermosa Beach, Herradura Beach, Punta Leona and Manuel Antonio and Quepos. Thanks to the recent completion of a new toll way – the Ruta del Sol – travel between San José and the pacific coast is



more convenient than ever. Transit time has been cut by more than half.



We Chose the Central Valley

The Central Valley became our ultimate destination. We chose the valley because it was in the center of the country, not far from anywhere, and it fit the Rhonda's desire to live somewhere green. We figured having narrowed our search to one region, we could find the right property after we got there.



Climate & Weather

For such a small country, Costa Rica has a tremendous variation in its weather. It is possible to start your day in the eternal spring climate of the



Central Valley, spend a few hours in the heat and humidity of the coast, and finish your day in the highlands, where temperatures are almost cold.

When you're planning your trip to Costa Rica, you'll need to take into consideration the places you plan to visit and the types of activity you want to do. Keeping the respective climates in mind, you'll be better able to schedule your trip and plan what clothes you'll need to bring.

Many tourists find the dry season the best time to visit Costa Rica. The dry season, which locals refer to as *verano* – or summer, starts in December and generally ends in April. Contrary to what the name suggests, the dry season does get rain, just not as much as the rainy season.

Like beaches in the United States, summer is the busiest season for the beaches in Costa Rica – especially on the weekends. If you are planning on traveling during this time, book your hotel reservations months in advance, because lodgings during the

How much does it rain in the rainy season?

It depends on where you are. Typically, there are only a couple of months where the rain becomes a pain. By pain, I mean it rains all the time. That doesn't happen much, even in the heaviest of seasons. Heavy rain can be depressing, just like the snow you might be used to back home. Typically, in the rainy season, it rains an hour or two at the most – just enough to make everything grow right in front of your eyes. The explosion of color and wildlife activity is well worth the rain.

December-to-April summer months are usually crowded.

The month of May marks the beginning of the rainy season, or *invierno*, as it's known locally. *Invierno* is Spanish for winter. Instead of calling it the rainy season, the tourism ministry has come up with the more attractive designation of "green season," a term that has been widely adopted.

Although something called the "rainy" season might seem off-putting, the earlier months of the rainy season are a wonderful time to travel to Costa Rica. Not only are there fewer tourists crowding the sights, the colors are more vivid during the green season and the jungles are exploding with new vegetation. A visit during this vibrant season gives you the opportunity to take in some of the most gorgeous vistas available all year.

The downside to visiting during the green season is that swollen rivers and muddy roads can make travel a challenge. Remote roads may even become impassible. If you plan to visit in the wetter months, come equipped with

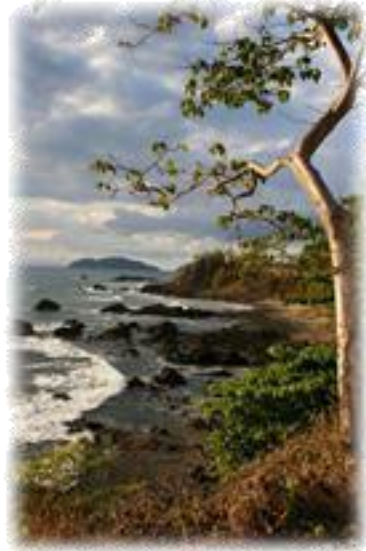


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an umbrella, a good sense of humor, and buckets of patience. The trip will be well worth your trouble – just ask repeat visitors who choose to return during the rainy season again and again for the breathtaking beauty that abounds during these months.

There are a lot of North American and European tourists that visit during a mini-high season in June and July, preferring it over the more populated high season. There are areas of the country which are almost completely unrecognizable during rainy season from their appearance during the “dry” or high season. The more rain, the more color, and the more color and vegetation, the more the birds and wildlife like it!

If you’re a surfer, the travel seasons may vary for you. The Pacific coast sees increased swells and bigger, faster waves during the rainy season, starting in late June and peaking in September and October. The Caribbean side, however, has better waves from November through May. Surfers take



note: there are websites devoted to keeping aficionados totally up to date.

For those who are a fan of wildlife and viewing different species you will probably want to plan your trip around the seasons of your “favorites”. For example, turtle-laying season on the Caribbean coast is from late February to October, with the peak season for leatherbacks in April and May. On the Caribbean coast, the season for leatherbacks is from October to March.

Bird watchers can expect to find their beautiful feathered friends any time of the year, but the best time to spot the quetzal is between November and April. If you travel to Costa Rica from March through May, or from September through November, you can expect to watch a variety of migratory flocks.

Anglers will find plentiful fish year round in the clear waters of Costa Rica. However, if you have your heart set on a particular fish, you will need to decide to travel during certain months. For instance, head to the Caribbean coast between January and May in search of tarpon, while September through



November is the perfect season for snook.



Regardless of when you plan on visiting Costa Rica, one thing is for certain – you will never have to worry about shoveling a foot of snow, scraping ice off a windshield or laying down salt before a winter blizzard. Sure, snow can be beautiful, but after a while the freezing cold can try anyone’s patience. There is nothing better than visiting Costa Rica in the middle of winter, knowing that your friends are fighting Jack Frost and freezing cold temperatures.



What Temperatures Can You Expect?

Visitors to Costa Rica will find that they will need to change their clothes often. There is a broad range in the temperature from day to night and from region to region.



The rainforests are typically hot and humid, but the cloud forests are generally cool. On a mountain hike, you might see daytime temperatures above 70 degrees and evening temperatures as low as 50 degrees. Although the evenings are cool, there are no freezing temperatures or snow to worry about.



Rain in Costa Rica can come down hard and fast – more than an inch per hour. If your visit brings you to Costa Rica during the rainy season, you may need to plan around the weather.



Making the Leap

Our dream was taking shape. Then 9-11 happened. In the midst of the chaos that came in the wake of that terrible tragedy, Rhonda and I looked at each other and we both knew it was time.

We got serious about selling our business as well as liquidating all of our other assets. Little by little, piece by piece, it happened. We found a buyer for our business and structured a buyout that enabled us to receive income and a long term payout. We sold our house – almost at the peak of the real estate market.

Rhonda's family was supportive of our move, and I don't think that my family really believed that we would go. They



couldn't understand why we would want to leave – most of our friends didn't understand either. We gave our youngest daughter the option of finishing out her senior year in high school with her married sister, her aunt, her grandmother or with us in Costa Rica. Naturally, she chose her sister. The other two daughters understood. After all, they had their own lives, even if they didn't understand ours. And what a great place for them to come and visit!

Immigration and Residency in Costa Rica

The new immigration law, which is formally known as *Law 8764* has made extensive changes to the requirements for application for legal residency. These residency laws include the following:

- The new monthly pension income requirement is \$1,000, but one



pension will allow both a husband and wife to apply for residency.

- The *Rentista* monthly income requirement is \$2,500. This amount is a necessity for every applicant, regardless of whether or not they are single, married or has children. There is however, a requirement that each person, or couple, must deposit a sum of \$200,000 to be placed in a Costa Rican bank to be returned at the end of five years. Its primary purpose is to ensure financial protection by Costa Rica against damage against the country. There are fees which can be levied against the account and this is a category which is much less commonly used than in the past which the deposit was far less.
- To be classified as an investor, your investment must be registered or verifiable, with a value of at least \$200,000. *The investment of a lesser amount in tourism is no longer available. This form of residency is difficult to*

Are there health precautions I should take before I go?

When you travel to Costa Rica, you may need a few vaccinations and medications for preventable diseases. Depending on your immunization history and your health, your doctor will be able to determine what kind of immunizations you need.

No matter what your situation is, check in with your doctor at least four to six weeks before your trip. Early vaccination gives the medication time to take effect before you leave.

obtain and is interpreted very vaguely.

- All applicants must become members of Costa Rica's medical system, known as *La Caja*. Applicants must show proof of membership when the residency identification card is issued.
- Applicants can now apply for their residence either abroad or directly in San José.
- If you marry a Costa Rican citizen, you will be granted a temporary residence for the first three years of marriage. Marriage no longer affords an automatic status as a permanent resident.
- The fees for applying for permanent or temporary residency have increased a bit.

Application Fees

You can expect to pay around \$50 for an application fee and perhaps an additional \$200 for a change of status fee. You will also need to interact with the Costa Rican Embassy or Consular Office in your country to have any residency documents authenticated. If



What about my prescriptions?

Pack your regular medications in their original prescription bottles and keep them in your carry-on luggage. Bring enough to last your entire stay. You may also want to bring anti-diarrheal medication just in case you run into any problems.

your country is a signatory to The Hague Convention on the Legalization of Foreign Documents, your certified documents should be Apostilled, so they can be sent to the Ministry of Foreign Relations, skipping the Embassy authentication process entirely.

Regardless of which country you are from, keep in mind that the residency procedures do change from time to time. You should always research residency requirements to ensure you don't start completing unnecessary tasks.

The requirements to enter Costa Rica vary depending on your country. Citizens of the United States, Canada and the European Union do not require a visa to enter Costa Rica for a 90-day stay.

The amount of time that a person can remain in the country is based on their country, and Costa Rica ranks countries across the globe for visa purposes into four groups.

Group One: This group includes countries that may enter and remain in Costa Rica for up to the maximum of 90 days. These countries include the United



States, Canada, the European Union, Australia and Brazil.

Group Two: Group two includes countries that may enter Costa Rica and stay with their Visa for up to 30 days. These countries include Belize, Guatemala, Honduras, El Salvador and Venezuela.

Group Three: If you fall into the category of group three you will need to obtain an entry visa from a Costa Rican Embassy or Consulate before entering. If you are given access to enter Costa Rica you will be able to stay for a period of 30 days. Countries that fit in this group include Colombia, Ecuador, India, Peru and Nicaragua.

Group Four: Group four is the most restricted out of any group. Citizens from countries including Cuba, Jamaica, China, Iraq and Iran must have an entry visa before they are allowed to enter Costa Rica. Even with a visa a review by the Director of Immigration is required before access can be granted. Once granted access, you may only stay in Costa Rica for a period of 30 days.



If you belong to the 30 or 60 day category, the law will allow you to have an extension up to 90 days. On the other hand, if you have a 90 day visa the law does not allow you to apply for an extension in Costa Rica. You will need to leave the country and re-enter to obtain another tourist visa.



Our Arrival

***W** We arrived at Juan Santamaria airport at three in the afternoon with all of our earthly possessions – now reduced to two suitcases each and two dogs. After collecting our luggage, we were whisked to our hotel in Alajuela, Las Orquideas.*

The hotel was gorgeous. The main building was surrounded by small casitas and gorgeous tropical landscaping. We were enthralled.

I didn't learn until literally years later that Rhonda was suffering from a bad sinus infection brought on by the plane ride and the altitude. I also learned much later that she suffered from a terrible depression during the first week. Not only had the reality of our dramatic move



begun to sink in, Rhonda also noticed the abjectly poor surroundings on our ride from the airport to the hotel – things I didn't even notice.

Public Services

The medical system in Costa Rica

Much has been written – both good and bad – about the medical system in Costa Rica. The bottom line is that it is a combination of good and not so good. Considering that Costa Rica is a developing country with ambitious plans for its population, its medical system is superb – certainly the best in all of Central America, and better than most countries in South America as well.

The medical system in Costa Rica, the Caja Costarricense de Seguro Social, CCSS, or CAJA as it's also known, is a combination of old, new, dilapidated and superb. The 29 hospitals and 250 clinics throughout the country are run solely by

How does the medical system compare to North America?

For residents and non-residents alike, medical care is always available and is definitely the equal of stateside medicine. Medications cost approximately one-third to one-half of what they do in the United States or Canada – and they're easier to obtain.



the government. Everyone receives coverage. It is a socialist system that, even though it is older and behind on payrolls, works remarkably well.

Some of the hospitals are among the finest in Central and South America and perform heart transplants that only the best of the private hospitals performs. The 250 bed Children's Hospital in San José has a reputation as the best in all of South and Central America. The system runs extremely well although it is overburdened and understaffed.

If you are moving to Costa Rica, consider purchasing a supplemental coverage plan in addition to the required insurance through the CAJA to ensure prompt service and quality care. Both are extremely reasonable.

There are several superb private hospitals, primarily in the San José area. Clinica Biblica and CIMA are the best known in the expat community and both have excellent reputations. Other communities are starting to build private hospitals as well.

Education

Is the water safe to drink?

Unlike the notoriously dangerous tap water in some countries, the water in Costa Rica poses no threat. During the transition between the green season and the winter season, there is some risk of contamination. However, instances of contamination are very rare and are well-posted. If you notice locals drinking bottled water, it might be a good idea to follow suit. Otherwise, don't let it worry you. If your stomach is extraordinarily sensitive, you may prefer to drink bottled water all the time.

The average Costa Rican is well-educated. In fact, Costa Rica has a 95-percent literacy rate.

While some of the surrounding countries seem to be sinking further into overall poverty, Costa Rica is enlarging its middle class and has increased its standard of living substantially over the past decade. The growing middle class here is a stark contrast to the political strife, corruption and drug trafficking troubles of Costa Rica's nearest neighbors.

While education is often pricy and not an obligation in some countries, education is free and mandatory for children who reside in Costa Rica, since the law became effective in 1869.

Over the last 20 years or so, presidential figures in the country promoted equipping every classroom in each Costa Rica's more than 4,000 schools with computers and also made English a mandatory part of the everyday curriculum.

Elementary education is divided into six grades plus kindergarten, like many schools in the United States. Basic



education such as math, language (Spanish and English), science, social studies and physical education are part of the regular curriculum. Just like in the United States, students are required to pass proficiency tests in order to move to the next grade level.

High school in Costa Rica is a bit different than high school education in the United States. In Costa Rica, there are five grade levels in the high school education system. Once all five levels are complete, a student graduates at the 11th grade level. In order to receive a high school diploma and be eligible to apply to university, students must pass Bachillerato tests.

In addition to public schools all throughout Costa Rica, there are also private schools. There isn't a big difference between the curriculums of public school versus private school, but those who attend a private school will be able to take the SAT exams. Not only that, students might be able to obtain the IB diploma in their junior or senior year.



Attendance at private universities is increasing rapidly because it is difficult to get into a state-funded school. For example, the University of Costa Rica is the largest and oldest university in the country. It is home to over 35,000 students and its main campus is in San Pedro. There are, also campuses for UCR in Alajuela, Turrialba, Puntarenas and Cartago for an added convenience.

UCR offers many scholarships, which is how many of the current students are attending. If a student doesn't receive a scholarship, tuition is about \$200 USD per semester.

If you are planning to relocate to Costa Rica you will find that there are only about 100 libraries throughout the country. That might not sound like a lot of libraries, but for countries in Central America, it is. Even these few libraries are in dire need of books and more money is needed to build the additional libraries the country needs.





Our Hunt for Real Estate



Real Estate Comps

Unlike the system you may be used to in North America or Europe, there are no comparables available on the Costa Rican real estate market. As a result, you never really know if you are paying a fair price.

The next day we had our first appointment to view a house in Puriscal which we had seen on the internet. If memory serves me correctly it was approximately 1,500 square feet, three bedrooms, two baths, and described as being in the “middle of an orchard with panoramic views”. The pictures on the internet were gorgeous, and the price was somewhere in the neighborhood of \$125,000.

After a harrowing hour-long ride through the mountains, we pulled up in front of a shack. The grass was dead, the fruit trees were completely shriveled and the few homes included in our “panoramic views” strongly resembled a slum.

Upon entering the house, we were greeted by mold that covered the walls. The utilities were not connected and the toilets were overflowing. There was actually contact paper on the floors – to cover who knows what. We both looked



at each other and almost started crying and laughing at the same time. The realtor's initial comment was, "Well, the seller IS negotiable."

Real Estate in Costa Rica

If you are interested in purchasing real estate in Costa Rica – whether it's a lot, beach property, condo, farm or single family home – you have the same property rights as Costa Ricans. There are laws you will need to consider, but it is not that different than owning real estate in the United States or Europe. However, regardless of what kind of property you're interested in purchasing, there are some basic steps that you should be aware of for a successful buying experience.

Regardless of what type of land you purchase, it is important that you inquire about the status of the property, and that you perform a title search. Most properties in Costa Rica are registered



in a central registration system called the National Registro. This system is centralized at the Public Registry office in San José.

A title search can currently be done online by anyone with a little background knowledge. An attorney is not necessary for an initial search, although one should eventually be consulted for all of the pertinent details. A title search will bring forth a wide variety of useful and important data including ownership, boundaries, location, mortgages and other liens.

There are two important parts to every real estate transaction, one is the *escritura*, or title, the other is the *plano*, or survey, with the exact locations and measurements of the land. There are often discrepancies between the two, and they must be rectified before you even consider purchasing a property. In many cases, the discrepancies are simple, but they can be complex. There are instances when such mundane details such as a “common law” road will surface after the purchase is made and there was no way of ascertaining this potential

Fraud Protection

There is virtually no protection against fraud and misrepresentation in Costa Rica. Arm yourself with as much knowledge as possible before you enter into a deal with anyone.

Real estate fraud is common, even with title insurance.

Assume that you will need an attorney to check on your first attorney.

problem beforehand. This is rare but it is extremely important to remember that land and its sales processes and ownership is not precisely the same as elsewhere.

It is also of paramount importance that you don't simply take someone "at their word" when it comes to legal matters.

A good example is a simple boundary line. Often, new surveys have not been made for years and everyone assumes that boundaries are where everyone says they are. They may very well not be, and that could present a problem. Be careful, be precise, and have a very good attorney. If you'd like even more assurance, consider using a title company. However, bear in mind that many title companies in Costa Rica simply use the attorney's title work as their own. This practice isn't illegal, it just isn't publicized.

When approaching a land deal, you need to ask yourself a few questions. The first question you will want to ask is if you're being offered actual ownership or something completely different.



A concession is when the government gives a private party to use the land for a specific period of time. In Costa Rican real estate, a concession is almost always with regard to beach property. The concessions registration system is very different than the one for regular land, as it has certain requirements for zoning, occupations and so on.



Purchasing real estate is probably one of the most significant investments that a person will make during his or her lifetime. Because of the significance of a single investment, it can also be very stressful. In foreign countries, the normal stress levels of purchasing your property are also combined with other risk factors including language barriers as well as unfamiliarity with local laws and procedures.



This obviously doesn't mean that purchasing real estate in Costa Rica isn't possible. In fact, many foreigners successfully purchase property in Costa Rica. It can be a great investment opportunity, and purchasing a home in Costa Rica can change your life.



Striking Out on Our Own

All the way back to our hotel, the realtor talked about our appointments for the next day. Although I quizzed him for more details, the specifics were slow in coming. I never heard from him again.

Our first experience was a rough one, but we were just getting started – how could we be discouraged?

We met a tour guide at our hotel and struck up a conversation with him. We told him what we were looking for and made arrangements to see all of the areas that we thought would be appropriate based on our initial research. How difficult could it be?



Purchase Methods

There are a couple of ways you can acquire properties. One way is through a transfer, where one or more physical individuals acquire a property in their personal name. You can also acquire a property through new or existing corporations that own the property that you're interested in. To set up a corporation, you need an attorney to ensure that everything goes smoothly. Attorneys often recommend that buyers use a Costa Rican corporation for their purchase, primarily for ease of transfer in the future and partial liability protection.





What We Were Looking for in a Location

We initially wanted to be in a smaller town, near a hospital or clinic (Rhonda has asthma) and not too far from the airport. We also didn't want to be in a crowded area. Those few specifications comprised our guidelines. We drew a circle around San José and began to explore.

After several days of driving around and exploring the surrounding areas, we ended up in our guide's hometown of Grecia – about 35 minutes north of the airport.

Grecia is a charming coffee town – not too big and not too small. The mountains which rise from the base of the town yield phenomenal views. We fell in love immediately and wanted to start looking at property right away.



I Wish I'd Known ...



When I was doing my own research for our property in the early going, one of the things I really wish that I'd had is a broad, generalized description of what to expect from each area of the country in terms of the types of homes and their price ranges. Even a biased estimate would have been tremendously helpful. So here goes.



The following areas are some of the most popular gringo and expat choices for settlement and my descriptions of them represent a biased view. Rhonda and I have lived both in a suburb area and a rural area and we loved both. There are so many different areas of the country – nearly all of them gorgeous – which makes deciding which one to settle in a truly daunting task. I think that is why we've moved three times in the last decade. There's always more to see, and we're still soaking it all in.



Guanacaste



The weather in Guanacaste is hot, often windy and not nearly as humid as the lower portions of the country. Expats tend to congregate near the ocean, which is referred to as the “gold coast” because of its high-priced real estate. The area was besieged by developers in the late 1990s and early 2000s. Clusters of developments sprang up like mushrooms. Everyone was flocking to Costa Rica. Liberia, the capital of Guanacaste, extended its airport. As a result, larger numbers of tourists began flying directly to Liberia instead of landing in San Jose and then making the long drive north.

The beaches in Guanacaste are gorgeous, but generally crowded. Everything tends to be more expensive, but these days you can find bargains if you hunt for them and if you don't mind living a little further inland.

There are honest realtors here, but you have to look for them, as well. Because commissions are fewer and further between these days, realtors are more often willing to go the extra mile.

Once you head down the coast, the expats and tourists tend to thin out the closer



you get to the south side of the Nicoya Peninsula. The surfing here is not quite as good as it is further north, but property is cheaper and crowds are fewer.



Central Pacific
Stay away from Puntarenas. The press and the tourist board will say that the city is undergoing extensive renovation – which is accurate. However, it could be 50 years or more before the renovations succeed in removing the city’s resemblance to a slum. Puntarenas is unrelentingly ugly with the one exception of the boardwalk along the ocean where occasional cruise ships dock.



Heading south, the central pacific region is green – unlike Guanacaste. Jungle areas increase from here to the Tarcoles river. If you visit, be sure to take a river tour to view the infamous 20-foot crocodiles – it’s great. The mountains and jungles seem to creep almost all the way to the oceans. There are still great values in the mountains overlooking the ocean.



An awful lot of gringos were forced to liquidate around 2008, and the market here still has a number of exceptional values in inventory. Good builders are still available at reasonable rates. However,





be cautious when you are making your selection.



Wildlife is plentiful in the central pacific region. Birds are everywhere, and the trees, shrubs and flowers are unbelievable. They seem to grow right before your eyes. The weather is more humid, but not quite as warm as Guanacaste. It's hotter near the ocean and cooler in the mountains.



Inland



If you are inland, and you want to live in a suburb of San Jose to be closer to the airport, hospitals and shopping, you will pay a premium for real estate. To the north are Alajuela, Grecia, Naranjo, Sarchi and San Ramon. To the south are Tres Rios, Cartago, Paraiso and



T Turrialba. Toward the ocean are Puriscal and a handful of small coffee-growing communities. You will also see the Orosi valley, which is unbelievably green and beautiful. Prices in many of these areas have come down



t declines in many states in the U.S. Temperatures here are generally cooler and the area is more densely populated.





Osa Peninsula

When you visit the Osa Peninsula, it seems like no one lives there. This area is touted as the “next Guanacaste” or the “next Gold Coast,” but that speculation is pure rubbish. The infrastructure necessary to support the kind of booms seen in those two areas will take decades or more to reach the Osa peninsula.

It is a gorgeous area, with jungles teeming with wildlife and beautiful beaches. It is hot, humid and isolated here. Although there are real estate values to be found here, the climate and lack of accessibility are not for the faint of heart.

Caribbean Coast

Although a ton of people ask about the Caribbean side of the country, very few people go there because of poor access. There is no airline service and the drive from San Jose is over four hours long.

E

The terrain here is gorgeous and the beaches are beautiful. Backpackers and Europeans are the most frequent visitors, but there are also a good

number of Americans. Prices are not cheap, but they are still reasonable.



There seems to be a growing dissatisfaction with this area that is nebulous and unconfirmed. Crime has increased, but there are people who love the Caribbean area as well as people who hate it. Even if you don't plan to put down roots, it's worth exploring the area for its beauty alone.

Real Estate Jargon

Understanding and being familiar with the ins and outs of the Costa Rican real estate system will dramatically reduce the headaches of the buying process and increase your chances of a truly successful transaction.

As you probably already know, becoming comfortable with something new begins with understanding the terminology goes along with it. Every industry comes with its own jargon, and real estate is no different.



Folio Real Number

The Folio Real Number is the “social security” number of properties. It is kind of like an MLS listing in the United States, created to identify a property and to distinguish it from the other properties out there on the market. The number is comprised of three different parts:

- The province
- The number of the property itself
- A group of numbers that indicate how many co-owners the property has.

Before you buy, you must ensure that the property you’re interested in has a Folio Real – otherwise it is *not a valid property for sale*.

Transfer or Conveyance Deed

The transfer or conveyance of deed contains all of the stipulations with regard to the transfer of real estate – including basic information about the buyer, seller, the property and any particular terms of the sale, such as mortgages or easements. Like anywhere else in the world you will need to have an attorney prepare the document and



the deed must be recorded in their Notary Book as well as the Public Registry. Once the deed has been prepared and notarized it must be recorded at the Public Registry.

Public Registry of Properties

The national registry of deeds, where you or your attorney will obtain a copy of the title for any property you are interested in.

Notary Public

A notary public is an attorney licensed by law to perform legal acts with Public Faith. A public notary is necessary in order to purchase a property, just like it is in many places throughout the world. Most attorneys in Costa Rica are also Public Notaries, which makes the process fairly convenient.

Power of Attorney

Someone who is deemed to have 'Power of Attorney' is authorized to act on behalf of another person or perform specific actions such as purchasing a piece of property, regardless of the property type. For example, say you are leaving the country and do not want to return just to close on your piece of



property. Well, you can sign the power of attorney before you leave the country so you won't need to return just for this reason.

Powers of Attorney come in two forms:

- General
- Special

A general power of attorney allows a representative to sign on behalf of an individual for multiple transactions and must be recorded at the Public Registry.

A specific or special power of attorney allows the representative to sign only for the item specified in the power of attorney contract and under the conditions specified there. For instance, to close on a property.

Survey Plan (Cadastral Department)

In addition to the Public Registry of Properties, which holds all property deeds, Costa Rica also has a *Cadastral* Office that holds all of the property surveys. When it comes to a transfer, a mortgage or acquiring a property a survey needs to be recorded at the Public Registry. In short, anything – even an addendum.



Finding Land

What we did next is not what we read or what we recommend to people when they are first settling in Costa Rica – even if they plan to be here forever. However, it's what we wanted to do.

There seemed to be no realtors in Grecia at the time – a town of more than 40,000 people. If there were realtors, there weren't any who spoke English. That presented a problem. We told our driver cum guide that we were looking for property. He said, "No problem. This is my hometown – I can find you something."

We looked for a LOT longer than we thought we'd have to – and we couldn't find a single home that we liked and could afford. We decided we would have to build.

After changing our search to one for land instead of a house, we ultimately found the right property after only about a week. The roughly two-acre piece of land had real fruit trees. (That weren't dead!) It was at the end of a road, so we wouldn't have to worry about noisy





thoroughfares. There was even a river at the bottom of the property. Sure, it needed a little work, but so what?

Ultimately we struck a deal with the landowner and we bought the land.

Grecia seemed to suit us. There were a few gringos (non-Costa Ricans) and we got to know most of them relatively quickly. The town had everything we needed, including a hospital. We decided that whatever the town didn't have, we would find or decide that we didn't really need, after all. We were here for good – and still on our great adventure.

Home construction

Most of the home building process is simple – although it can be very frustrating. There are some basic rules to follow and there are things that absolutely everyone must know before starting construction. If you fail to



follow the basic rules, you'll likely find that the results are less than favorable.

First, all construction requires a building plan. The building plan has to be assembled by a licensed architect. Most licensed architects are not cheap. The average price is around 10 percent of what the estimated home value will be. This is not the price charged by the builder, but a fee charged by the architect. The plans have to be submitted not only to the municipality, but also to the College of Architecture. That means that your architect has to be licensed.

Many *Ticos* will not use an architect, nor will they submit a building plan. Typically, they will be fined and shut down, but that doesn't matter because they will just continue on weekends or after hours until they finish. Most of the time, the fine is equal to the cost of the permit. However, we do *not* recommend skipping the permitting process.

Contractors in Costa Rica can be found everywhere, and most builders use methods that our grandfathers used. A



typical level in Costa Rica is a clear hose half filled with water – honest! It is rare to find a perfectly square house. Houses in Costa Rica are not the type of “professionally” built houses that are the standard in the United States, Canada and Europe, but prices are a *lot* lower.

Many builders do not know what U.S. standards are. Moreover, if your architect does not speak English and you speak no Spanish, you already have a problem. Other problems can add up from the difference in your expectations and your architect’s and builder’s expectations. Little things like hot water are not standard here, 120V power is standard and typically electric lines are not grounded, toilets are usually installed with *very* small pipes to save money, and the list goes on and on. Talk to someone who has built a house themselves to ensure that you get exactly what you want. It may be worth your while to hire someone like a facilitator who can act as a “go between” for your architect, your builder and you,

Contractors , for the most part, are an honest bunch. But definitely, as



anywhere, some are better than others: The biggest problem is most are only average and are not overly skilled. Contractors are not bonded here, so if they give you a bid for your house and come up short, the odds are good that *you* will end up “biting the bullet”, not them. There are other ways to work with contractors but unless you have been around the block and know a lot of the tricks that they use (like getting kickbacks from the *ferias* or hardware stores) don’t even think you can keep up with them. They know a lot more tricks than you do, and after all, you are a number – a “rich gringo with money trees back home.”

ALWAYS be there when construction is underway. Local contractors are simply not used to building to please *gringos*.

If you can’t be there, find someone to be your eyes and ears – someone you trust or someone who is on your payroll.



Building Our Home

Building our own home came with its own set of frustrations, but in the end we got done what we wanted to do. Rhonda actually had more experience than I had with construction. I had no patience and

couldn't even see progress on a day-to-day basis, so I stayed away from the house except for intermittent check-ins. Rhonda loved the building process, and even though women were definitely not the norm at a construction site, she got along famously with our builder, Arturo.

Seven months later, construction was completed. We had our first house in Costa Rica!



How much will building cost?

Building is not cheap in Costa Rica, primarily because of the various customs duties and taxes. We built our first house of over 1,600 square feet for less than \$40,000. Our second one was more than twice as large, with over 2,500 square feet. Costs and fees keep going up, but as of today in 2012, \$50 to \$60 per square foot is reasonable for construction. That is for top notch quality – not expensive, but good quality, good cabinets, solid workmanship and granite countertops and a few of the extras that will make you think of back home.

Building vs. Renovation

Contrary to intuition, renovating a home in Costa Rica actually tends to be more expensive than building a new home.



After the Build

With the challenge of finding suitable property and building our home behind

What do expats do with their spare time?

Other than roaming Wal-Mart or malls, people who live in Costa Rica have infinitely more choices when it comes to passing the time. Some of the many options include gardening, bird watching, exploring, sightseeing, volunteer work, outdoor activities and learning Spanish.

us, I quickly became bored. Rhonda is great with crafts, loves gardening and even taking walks. Me? I get bored easily. I like to read, but typically with a purpose in mind. I enjoy taking on projects that are actively in pursuit of a goal.

Somehow I knew that I would have to do something in Costa Rica to occupy my time. I cannot sit for hours and meditate nor am I the type to donate time at the local Senior Citizens Center, although I admire people who do.

Having spent a number of years in the securities industry, I initially thought that the stock and commodities markets would occupy a large percentage of my time. But somehow my fascination with the markets was not the same as it was when I was 35 years old.

Adding to my troubles, my Spanish-language skills were never going to win me any awards. The communication barrier added further limitations to my career options.

We initially spent a lot of time exploring the surrounding territory. We would go to one neighboring town one week, and another town the next. Over time, we



gradually became comfortable enough to go anywhere and understand the idiosyncrasies of Costa Rican traffic and drivers. It's really not that much different.

People and Culture

If you are planning to visit or relocate to Costa Rica, you will find that most Costa Ricans will greet you in such a friendly manner that you will immediately feel at home. *Ticos* are among the most gentle, friendly, spirited, polite and kind people that you could ever meet.

Visitors to Costa Rica are greeted with open arms and warm hugs. The sense of hospitality is one of the primary reasons that travelers keep coming back over and over – making Costa Rica the most *revisited* country in the world.

Language

One common misconception is that you need to know Spanish before visiting or relocating to Costa Rica. Yes,

Do I need to learn Spanish?

No, I didn't. I have two hearing aids and nerve deafness, so it's almost impossible for me to learn a foreign language. I wish I could, but I manage just fine. Learning Spanish can be a major plus – everyone who learns says that it has improved their enjoyment of the country immensely. After all, most of us didn't move down here just to hang out with other *gringos*, did we?



some Spanish-speaking countries and their residents will not always greet you in this friendly manner, but you will never find that to be a problem in Costa Rica. *Ticos* love to show off their beautiful country to foreigners – whether new residents or visitors – and they will not judge you for having a hard time communicating. Of course, your enjoyment will be enhanced even more if you do eventually learn the language. But it is not a deal breaker.

If you would like to learn Spanish, or at least some of the most important phrases, there is a very popular program that has been proven to work for thousands of people. Rosetta Stone is the world's number one method of learning a foreign language – including Spanish. The great thing about this method in comparison to others is that users will have the ability to practice interactively with native speakers while using the online sessions. This will help to ensure that you will learn to speak the language as it is understood by those who speak Spanish as a first language.

The Darker Side of Family

There is a tremendous amount of physical abuse that occurs in families. Everyone knows it exists, but very few people talk about it and almost no one does anything about it.



In addition to Rosetta Stone and the many other popular language-learning programs available, you can attend local language schools throughout Costa Rica. Not only are formal classes available, you can purchase private tutoring at very affordable rates. The benefits of personal attention and practice with native speakers make tutoring a popular choice among many visitors and residents.

Family

Ticos are generally family-oriented, peaceful and fun-loving. As a general rule, the people are free spirits who dislike conflict. *Ticos* are proud of their country and all that it represents.

Food

Costa Rican culinary interests tend to be less than adventuresome and the typical Tico palate seems to be quite bland.

Although new restaurants and cuisines are beginning to pop up, the old staples of rice and beans, tamales and a variety of fruit are still a mainstay.

Spirituality

Costa Ricans tend to be religious in name – over 77 percent of Costa Rica is



catholic – but by and large, they are not perceived as fanatical. Regular mass attendance is the norm, but religious beliefs are not zealously advanced. Even as far back as colonial times, the church did not hold the kind of powerful influence over politics and culture that it did in other civilizations. As a result, the people tend to be laid back about religion and quite accepting of all kinds of religious belief systems.

Ethnicity

Most Costa Ricans are considered *mestizo*, which is a mixture of Spanish heritage that stems from the Columbus explorations and Spanish conquests of the early 1500s. This European influence is something that has truly shaped the Costa Rican culture. Some Native Indians remain in Costa Rica, but most communities were forced to meld into a blended culture. Although native culture doesn't exist in isolation any longer, the original cultures of the land contribute to Costa Rica's history in more ways than one. As is the case with many larger, industrialized nations, Costa Rica is considered to be a true melting pot.

Arranged Marriage

In the “backwoods” areas of Costa Rica, women are still bought and sold like cattle as brides. The deals even go as far as guaranteeing births. Hard to believe? Yeah, it is. Amazingly, though, many of these families seem happy and content with their lives.



About three percent of the population is of Afro-Caribbean heritage. In the late 1800s, Jamaican immigrants were attracted to a variety of employment opportunities on railroads and banana plantations. In fact, many of their descendants still live in the province of Limón and speak a lovely dialect of English with a hint of the Caribbean. There are also many Asians, North Americans and Europeans who live throughout Costa Rica.

Culture

The cultural hub of Costa Rica is the capital city of San José. San José offers a wide variety of cultural and exciting venues that both residents and visitors can enjoy – music, arts and theatre. There are plenty of theatres and museums and even a symphony and opera in the area as well.

The *Ticos* who work in the Costa Rican tourism industry often combine their friendly and free spirit, as well as their national pride to welcome travelers, visitors and new residents.

When you come to Costa Rica, odds are that you won't have a problem meeting

Let's have a parade!

Costa Ricans are crazy for parades and celebrations – most of which involve horses. Every town has at least one annual celebration where EVERYONE attends, usually drinks too much, and, if all goes as planned, funds are raised for a worthy cause. A good time is generally had by all – especially the children.

new people, fitting in with the community or making new friends. Soon enough you will be immersed in the beauty of the country, the diverse landscapes and the beautiful community.



Embarking on a New Career

I decided to write about our experiences moving here, buying property and building our home. After all, I reasoned, there were not that many gringos here yet. I could become an authority on the subject without having spent years getting a specialized education. In Costa Rica, everyone loves real estate and there are virtually no rules or regulations governing its sale.

I began with a website about land and property in Costa Rica. I explained to



Teach readers how the real estate market works here and what to look out for. Nearly a decade ago, the internet was not nearly as advanced as it is now, and the internet service in Costa Rica was even less advanced than it was back home. Dialup internet that worked half of the time here was more or less the norm.

As I continued to build on my website offering, I ended up hiring a couple of people to work for me. At first, I hired people to find land for me. Then, I hired a part-time graphics and technology assistant. As we grew, I was rapidly learning the ropes and the intricacies of Costa Rican properties.

For example there are really no rules and regulations on the sale and purchase of property in Costa Rica. There are, of course, ways to check to ensure that the title is properly registered and that you will, in fact, get what you think you are buying – at least most of the time. However, there are no disclosure laws and no real regulations governing realtor conduct. Today, there are several fledgling MLS services here and there has always been talk about compelling realtors to be licensed. These changes



will probably never happen, because nearly every Tico thinks of himself or herself as a realtor. Land is the number one subject when Ticos talk about investment or money.



As an example of the lack of disclosure and how it can hurt a buyer, a seller might tell his neighbors that he wants to sell his house for \$50,000. The neighbor might bump into someone at a bar that night who is looking for a house just like this one. The neighbor says, "My neighbor has a great house for sale for only \$75,000!" The neighbor intends to pocket the markup of \$25,000. When the market was roaring, this was very common. Virtually everyone did it. It is called "net selling." Although net selling is less common today, it still happens.



The website that I assembled contained a lot of admonitions to "be careful out there." While my advice was well-received by most readers, other realtors were less than appreciative. These realtors denied that net selling existed as well as denied that there was a two-tier pricing structure – one gringos and one for Ticos. Because I wasn't totally dependent upon the income from the real





estate business, it freed me up to speak freely about things that most realtors don't want known. I even ran a series of ads as "the most hated realtor in all of Costa Rica."

Investment Laws in Costa Rica

If you're planning on investing in Costa Rica real estate you will need to become familiar with the real estate investment laws, just like you would in any other country. Although there are relatively few real estate investment laws in Costa Rica, they can be a bit tricky to maneuver.

The rules can get be confusing depending on current residency laws in effect at the time, which do often change. One law that is a bit tricky is the Maritime law. According to the Maritime Law, the land that is 50 meters



from the high tide mark – designated by markers called *Mojones* – cannot be owned or sold. This land is owned by the people of Costa Rica except in a few designated areas. The next 200 meters are called concession land, which is land owned solely by the municipality where the property and beach is located. It is leased to individuals under certain guidelines. Many people choose not to live on the beach in Costa Rica because the vast majority of beach land is not fully titled.

It is important to remember that Costa Rica is extremely protective of its land – no matter who owns it. Because of the existence of laws you may not expect, it is doubly important that you do your homework before you buy a piece of land. A good attorney is necessary. Given the somewhat questionable reputation of many of the attorneys in Costa Rica, it isn't a bad idea to have a second attorney check the work of the first attorney, just to be sure.





Guidin g Newbies through the Real Estate Jungle

Notwithstanding the fact that some people spread rumors about us, the information campaign was actually fun.

We were contacted by Newsweek, Investor's Business Daily and several online publications about our site and new life as ex-pats in Costa Rica. Here we were, two retired hicks from Minnesota, and suddenly we were experts on building a home in Costa Rica on a shoestring! The stories went viral, and before long our status as experts was solidified.

We continued to grow. We began to build houses, and Rhonda did a great deal of the design work. She didn't do the



architectural work, because she isn't an architect. However, she took care of the overall design of our houses. She is good at it, and the properties began to get attention. We grew from building houses to building whole communities, which is infinitely more complex, more complicated and more frustrating.

Step-by-Step Through the Purchase Process

Step 1: Begin with the basic initial assumption that all real estate in Costa Rica is overpriced.



Step 2: Spend time finding an area or town that you absolutely love. It should feel right to you. Spend some time there. Talk to the local expats about prices, utilities, infrastructure and all of the other items on your check list. These people live there and they should be able to tell you the pros and cons of living in the area.

Step 3: Decide what, where and how much. This is the really difficult part of buying property. There will likely be a range of prices within your chosen area. For example, Grecia has an area (San Isidro de Grecia) with a preponderance of gringos. The properties in that area are priced about 50 percent higher than the properties in the surrounding areas. In my opinion, the inflated prices aren't worth it. Make sure you see all of the surrounding areas in your chosen region to ensure you make the best decision for you.

Step 4: You may have trouble finding a reputable realtor – especially one who can speak English. However, it is imperative that you find someone trustworthy who knows the area and can ferret out good prices. Don't be in a



hurry to buy. Rent, if possible, and get to know the area really well before you invest.

Unless you are fortunate enough to find a real estate firm in which you have total confidence, you will need to utilize locals to be your scouts. It's crucial that you instruct them not to let the seller know that a gringo is interested in buying. If you use more than one scout, you will be able to quickly see the gap between *gringo* and *Tico* pricing.

Step 5: Retain the services of a good attorney – or two. Look for an attorney who is bilingual and who will have all documents translated for you. Ask for referrals from local gringos or other Tico professionals. Don't hesitate to spend a little extra money to hire a second attorney to check the work of the first.

Step 6: Once you've seen a property you like and you express interest in purchasing, you will sign an agreement called an "Option to Purchase/Sale" with the seller and deposit funds into an escrow account – if one is available. Always ensure that you are using a



properly registered escrow account, many are not. Next, a notary public or appointed attorney needs to perform the property title research. Finally, you can expect to close on the property

Closing includes:

- Execution of Transfer Deed
- Endorsement of Shares or Mortgage Deed and disbursement of the funds
- Assurance that all outstanding liens; taxes, and encumbrances are paid at time of closing

Step 7: After you've completed closing, you will register as the new owner with the Public Registry.

No matter where you purchase your property, there is always a fee structure. Often, these fees include transfer taxes, stamps and other charges. To record the transfer of the property, the government charges 1.5 percent of the purchase price and an additional 1 percent is charged for other stamps at the Public Registry.

In Costa Rica, notaries are required by law to charge 1.25 percent as their legal fees. Other fees you can expect to pay



include mortgage registration fees, escrow fees and incorporation fees. Fees for purchasing a corporation can run anywhere from \$500 to \$1,000 USD.).



After the Real Estate Crash



After we'd expanded our business to include real estate development, the real estate and financial markets crashed. For a while, the pundits and realtors in Costa Rica insisted that somehow Costa Rica would be different from other world markets. They claimed, perhaps hoped, that we wouldn't be affected. To some extent, the crash in Costa Rica was mitigated by the fact that most gringo homes were cash purchases and weren't leveraged like they were in other markets. Still, land and property was down to levels that hadn't been seen for six to eight years.



The one way that the Costa Rican market truly was different is that Ticos have seen gyrations in the markets before. They are



used to fluctuations, and most old-timers don't panic. Because the inflation rate here is close to 10-12 percent, (except for the past couple of years) most savings in Costa Rica was invested in land. People prefer hard assets to protect against currency inflation. The old-timers weren't worried, but the younger generation had gotten caught up in leverage and developments. The loss of tourist dollars and gringo investments had them genuinely scared.

Unlike the problems in other markets, there are no short sales here. There are still foreclosures, just as there always have been, but there really are virtually no homes selling for far below replacement value. Ticos still have a tendency to think that gringos have far more money than they really do. They seem to truly believe that most gringos have money trees back home. They can't imagine that gringos could possibly be hurting for money.

The real values in real estate in today's market are homes that gringos are forced to sell because of situations back home or simply because they want to "go back home for whatever reason – which



happens regularly. There are also cases in which Ticos that MUST sell. It is not a desperate market any longer, but the hordes of buyers that came with easy credit and borrowed money no longer fuel the markets. Several years ago, those buyers probably constituted 80 percent or more of the buyers in the market.

Rhonda and I lowered prices, and we gradually sold off our more expensive properties in developments with higher cost bases. We offered financing to our buyers – not because we wanted to, but because it helped sell the properties.

Since the downturn, we have decided to focus on an area that we feel has a tremendous future. Our casitas development has huge demand potential, even if not many people know yet that it is available. The casitas are the result of a lot of trial and error and some very creative thinking on the part of Rhonda and me. As a result, they have been extremely well received.

Is Costa Rica really the land of opportunity? I could go on and on about Costa Rica and how it differs from other countries from the standpoint of

Is there much corruption in Costa Rica?

Well, not everyone is corrupt and it is an insult to Ticos to portray life here that way. Do people take bribes? Yes, but don't make the mistake of thinking that everyone will. You may very well find yourself in a jail cell for attempted bribery. Watch your step carefully.



opportunity and commerce. I personally believe that it is much more difficult now than ever before for an entrepreneur to “strike it rich” in the States. Without going into a long dissertation of why I think this is the case, or an explanation of why I think it has occurred, I believe very strongly that opportunities for the entrepreneur and others looking to increase their wealth are substantially greater in Costa Rica.

Why?

Well, there are several different reasons and not everyone will agree with me about them. Most Costa Ricans aren't “outside the box” thinkers and are not creative when it comes to making money. The vacuum of creativity opens more opportunities for the rest of us.

The government of Costa Rica is oppressive in some ways and is laden with layers of bureaucracy that newcomers don't understand. However, once accepted and understood, the government becomes part of the cost of doing business. Accepting the situation frees investors up to focus on what they



can do rather than agonizing over what they can't do.

Government

Type of Government

Costa Rica's official name is actually *The Republic of Costa Rica*, with a motto of *Pura Vida*, which means "pure life" or "full of life." The country is a democratic republic that gained its independence on September 15th of 1821. Its Constitution was finalized on November 7th of 1949.

Under the constitution, all citizens of Costa Rica are guaranteed equality before the law, the right to own property, the right of petition and assembly, and freedom of speech.

The Costa Rican constitution divides the government into legislative, judicial and independent executive branches, much like the United States government. The executive branch is headed by a



president, two vice presidents and a cabinet. The National Assembly is made up of 57 elected members that proportionally represent the population – much like the United States Congress.

Presidential Elections

Since 1953, Costa Rica has had 13 presidential elections – the latest in 2010.

National elections in Costa Rica are held every four years on the first Sunday in February. Each president is allowed only one four-year term during their entire life.

The largest political party is the National Liberation party, whose main rival is the Social Christian Unity Party.

What about taxes?

Your income tax liability will vary depending on your situation, but you will most likely pay next to nothing if you are retired.

If you follow the advice of your attorney, you'll probably pay from \$100 to \$200 per year in property taxes on a \$100,000 piece of land.





Ever wonder
why there
are no trains
in Costa Rica?

At one time, there were. Then a relative of someone in power decided that he wanted to expand his trucking company. Trains were suddenly “outlawed” and the relative’s trucking company expanded tenfold. True story. Now everyone wishes the trains were back. It is an accepted fact that there are about fifty families who control most of the wealth and power in Costa Rica. Everyone knows it, and no one fights it.

Opportunities in Costa Rica

This chapter is probably the most interesting to the most people. Why? Because people still have a vision of Costa Rica as a jungle or a place to escape to, to “run away to” – even a country where you can hide out and never be found. People still remember stories of infamous tax evaders who fled to Costa Rica (some of them are still here) and they read fictional accounts of those who have faked their deaths and are still on the beaches of Costa Rica.



Can I earn money?

Sure, I did. An awful lot of people do.

Most gringos can work on the internet. Many start their own

companies here. It's amazing how many people earn a very good living here.

However, you cannot count on your ability to earn a living wage when you move here

because customs and traditions are different. The

markets here are not geared toward *gringos* as much as toward Costa

Ricans.

Does it really happen? Yeah, it still does. At least every few months one of the online papers has another story about someone who has hidden successfully for years in a small town (or actually, even in "plain sight") and everyone later exclaims what a nice guy he was or what a great couple they were. There are even stories of medical doctors from Costa Rica that have left their own town, put down new roots for one reason or another (yes, they were hiding) and no one knew that Juan was really a child molester or an MD who had his license yanked over in San José. I personally know a few gringos who say that they are hiding from the IRS. I actually knew one who was finally deported for that very reason. Of course, he was pretty blatant.

Can you start over again? Sure.

Can you make a fortune here? Same answer.

We moved to Costa Rica to retire, and while we're not rich, we've done pretty well for ourselves almost by accident.

I have made reference to the fact that there are reputedly more millionaires per capita in Costa Rica than almost any

How is the internet and how reliable are the utilities?

Honestly, internet and utility services are a step down from most developed countries. However, it's not a big difference. The only time you will notice is if you absolutely must have reliable high-speed internet. In that case, you'll have to be more selective in where you live or work. Just like living in rural communities in North America, utilities and internet can be slower and less reliable in rural areas of Costa Rica.

other country in the world, and I believe it's true - or at least very close.

Costa Rica is a land of opportunity.

Why?

Well, partly because it is easy to "hide" here, but also because of cultural differences between gringos and Ticos.

Costa Ricans are typically easy going and used to thinking "inside the box," meaning that thought processes are pretty rigid. Most Costa Ricans follow customs and have very set habit patterns. This makes for uniformity almost wherever you go in the country.

Opportunity? You bet.

If you think outside the box you are going to be a step ahead of most Costa Ricans. Obviously, in the business world that gives you the proverbial leg up.

Costa Ricans are also more passive than many other cultures. The business model of the gringo is definitely aggressive – another plus. Moreover, there aren't that many gringos in Costa Rica to stiffen the competition.



What are some of the opportunities?

Rather than spend pages and pages on examples of money-making opportunities, I am going to simply list a few that I know. Almost every person who has ever visited Costa Rica has said "I bet that XYZ would be a hit here." OR "has anyone ever tried ...?"

- *I know several gringos who are making very good money importing cars. Costa Ricans prefer to import complete junk and offer it after a cosmetic makeover. They don't do a good job. This is VERY lucrative if done correctly and you setup your contacts beforehand.*
- *Become a money lender. Costa Ricans often can't borrow money from banks and are forced to use private moneylenders who charge up to 50 percent interest. Is it risky? Not really. The lender is protected at least twice over and repossessions are rare. Most lawyers represent several moneylenders in each town.*
- *There is a two-tier pricing system throughout the country despite vehement protestations you may hear to the*



Contrary. Some establishments even post two prices: one for Ticos, one for all others. How do you get around this or turn it to your advantage? Have a Tico front for you. It's as simple as that.



- Using a Tico as a front for you, you can purchase property, arrange construction or perform any number of transaction at a lower rate than you otherwise would get. Use that knowledge to improve your bottom line.*



These are just a few of the more obvious ways to make money here. You will see more and more every time you visit or even reading about Costa Rica will spur additional inspiration.



There are even families that make a living bringing electronics or clothing back from the States and simply putting the items in their suitcases and not declaring it for the customs people. They are rarely checked, and it's almost unheard of to levy additional taxes on the spot. This racket could yield a couple of grand a month.



I know of a woman in Jaco who has been here for over a decade. She supports



herself selling homemade peanut butter. Honest.

There is a guy in a wheelchair there who is a fantastic mechanic. Gringos pay him to simply diagnose their cars. He makes more than enough to pay his bar tab.

The list of opportunities is truly endless.

Costa Rica is not only a country of great beauty, but definitely one of opportunity.



A word of caution though – the culture and bureaucracies are different. Do not think that you can always come down and bully your way through the various bureaucracies because you think you are smarter than they are. Don't forget, these people hold the cards. You may have the brains but they hold the cards.



Banking in Costa Rica

In Costa Rica there are two types of banks: government and private. Private banks are often affiliated with



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international banks. Others are defined as cooperatives and generally are limited to specific types of membership. Government banks are overseen by national law and regulation and often provide better service. It is also important to note that governmental, or national, banks guarantee their deposits, much like the FDIC back in the States. It is also important to know that having an account in one branch of a national bank does not mean you will have privileges in another branch. They are nearly always totally separate.

Just like banks within the United States, most banks offer both checking and savings accounts – in dollars and in colones. However, you might find that there will be some differences in cashing foreign checks or how you can access your account after usual office hours. Just like within the United States, many of these banks also offer credit or debit cards to make your life easier. Internet banking is now a common part of banking life and is generally well run and secure.

When it comes to opening a checking or savings account in Costa Rica, you will

Are the banks safe in Costa Rica?

The safest banks are the Costa Rican national banks because the deposits are guaranteed by the government – much as the FDIC guarantees deposits in the States. Private banks are not guaranteed. Even if the banks have recognizable names – like Scotia bank or HSBC – their deposits are not insured here.

also find that all bank branches will have different requirements. These requirements could include:

- Banking references
- Personal references
- Identification
- Minimum deposits

Interest rates are typically much higher on colone accounts. However, these rates are accompanied by monthly devaluation of the colone to the dollar, so you really will not be earning as much as you might think. One of the things that you'll quickly learn when you move to a foreign country is how significantly exchange rates affect your savings and checking accounts. Twenty years ago, it took the equivalent of a penny to buy a copy of the Tico Times. Now the cost is over \$1.00. Exchange rate devaluation is an important factor to consider when you are choosing investment accounts. For example, the actual yield on an eight-percent, five-year CD may not measure up to an

Should I bring my car or furniture down?

Duties and import taxes range from 30 to 100 percent, so bringing your car down is probably not a good idea. If you know what you're doing, it can be an option, but check on the taxes as well as the shipping costs to figure out exactly what your overall cost will be. You will likely be shocked at how expensive it is. In most cases, it's better to buy here.





account that yields a mere one-percent return back in the States.

The inflation rate in Costa Rica used to be much higher and was pegged to the ultimate inflation rate of the colone.

Now, with the U.S. dollar having lost so much value, the two currencies have remained roughly at the same exchange rate for the past couple of years.

Interest rates vary significantly between different banks. For this reason, it is a good idea to shop around before you park your money.

How do I get money back and forth to Costa Rica?

Most people simply keep their normal credit cards and use an ATM whenever short-term cash is needed. If larger amounts are needed, a wire transfer is a simple matter that takes only a couple of days and is perfectly safe.

Economic Infrastructure

There are a huge numbers of call centers in Costa Rica that are extremely profitable; and there is a ready pool of workers that are bilingual and ready to work. The rapidly-growing middle class creates increased pressure to continue advancing. There are literally



hundreds of U.S., Canadian and European companies that have subsidiaries here and are extremely happy with their contribution to their own bottom line.



Rhonda and I are examples of people who have been successful here almost by accident. We do not see ourselves as being any different than almost anyone else who moves here, and yet we are probably one of the largest builders of affordable communities.



T There are probably more millionaires per capita here in Costa Rica than most countries of the world when permanent and temporary residents are counted together. Take the time to find out why.

Agriculture

Agriculture in Costa Rica has always played an important role in the country's economy. Beginning in the 19th century, United Fruit Company and others helped to establish banana and pineapple plantations, which put Costa



Rica on the map long before it became a popular destination for tourists.

You may be aware of some of the better-known crops in Costa Rica, like mango, melon, watermelon, pineapple, banana, oranges, limes, coconuts and sugar cane. However, no matter how many times you visit, you will most likely never see, taste or even hear of all of the different fruits and vegetables that Costa Rica has to offer. Some of the crops you may not be aware of include star fruit, aloe Vera, ginger, breadfruit, African palm, cassava, yucca, papaya, tamarind, guava, guanabana, and literally hundreds more.

The market for organic agriculture is booming in industrialized nations, and organic farming has rapidly gained popularity among local farmers and commercial agriculture alike. Combined with the increased prominence of Fair-Trade products, organic produce has begun to improve the economic stability of Costa Rican farms. The coffee industry has also benefitted from the current emphasis in today's marketplace on Fair-Trade and organically certified products.



In addition to produce, Costa Rica also has a small cattle industry. The only area where cattle are raised in significant quantities is the northern part of the country. At lower altitudes, cattle are raised primarily for beef, and at higher elevations you can find dairy farms.

Although deforestation is prevented, Costa Rica raises a great deal of hardwood for production. Teak is the primary cash crop.



Costa Rica – A Decade In

W *We are at a point in history where, as Bob Dylan says, “the times, they are a changing.” The lifestyles which have evolved over the past decades have grown into governments and ways of living that simply cannot be sustained – at least by most.*

The monies, the credit and the financing that was available for so long are



gone. In many countries, unemployment is well over 20 percent (maybe in the U.S. too, depending who is interpreting the statistics). In some countries, the under-30 population is reaching 50 percent unemployment – tell me that those statistics alone are not going to shape attitudes for decades to come. The “occupy Wall Street” and the “99-percent movements” may very well be a harbinger of future attitudes.



Many are forecasting financial Armageddon and there are increasing numbers of people living “off the grid”, not because they are fringe lunatics, but because they truly do not trust the government any longer and do not like what they see and hear. These attitudes will become more and more prevalent as the vast majority of people do not trust authority. People do not like their freedoms usurped and they do not like being lied to.



What does all of this mean to Costa Rica and the “tropical dream?”

Is it gone?

Will it disappear?



The tropical dream, the escape, the land that time forgot, will always be alive and well. Costa Rica is the epitome of the dream and will always remain the shangrila of people searching for a better life – or at least an escape from an unsatisfactory past. Costa Rica will always be pura vida, or pure life, for those who seek it.

Costa Rica is more than just a place.

Beauty

Regardless of where you choose to visit or travel to while in Costa Rica, you will find that it is a country

of extraordinary biodiversity. Its wildlife, natural attractions and reputation for conservation attracts nature lovers from all over the world. There is a truism here that there are no bad views anywhere in the country.

Because Costa Rica is bordered by both the Caribbean and Pacific Oceans, there is a seemingly endless coastline. The



Guides

Guide books can be a useful resource when you are navigating the sights in Costa Rica, but when you want the best information, go to the people themselves. You will find that, by and large, natives will be very helpful and patient.

beaches range from pristine white sand to dramatically rocky shores.

Central Costa Rica is where many vacations will begin and end. The international airport, Juan Santamaria, is located just outside the capital city of San José. San José is the second busiest city in Central America. From this bustling jumping-off point, you can explore the nearby Poas and Irazu volcanoes and the mountains that ring the capital city. If you want to explore further, the new *Ruta del Sol* toll way makes travel to the Pacific coast more convenient than ever.

The north-central part of Costa Rica is home to the popular city of Monteverde, which is known for its cloud forest, Arenal Lake and Arenal volcano. These are all popular tourist destinations, but the cloud forest is especially popular because of the wildlife reserve founded by the Quakers in the mid-20th century.

There are a variety of canopy tours and zip-lining experiences available to visitors of the cloud forest. You might also opt for a hike around the volcano or make a stop at Lake Arenal for some



fishing or windsurfing. Lake Arenal is a manmade lake that supplies hydro-electric power, and it is quickly gaining renown as one of the world's foremost destination for windsurfers.

The *northern pacific* region of Costa Rica is a great destination for sun and surf. The Nicoya Peninsula has Tamarindo, Nosara, Flamingo, Coco and Papagayo, which offer fabulous opportunities for surfing, deep sea fishing, sightseeing and just simply relaxing on the beaches for sunbathing and people watching!

In Ostional, visitors can watch sea turtles lay thousands of eggs in the Ostional National Wildlife Refuge. Birdwatchers are also drawn to the refuge for the hundreds of species congregating here – many of which can't be seen anywhere else in the world.

Guanacaste, home to the country's second-largest airport, and Liberia are both in the north-pacific region. These areas are incredibly beautiful and they offer a variety of opportunities for enjoyment. There are volcanoes, beaches, hot springs, rivers and mountains. Visitors can go surfing,



fishing or even take advantage of peaceful yoga retreats.

Central pacific Costa Rica is entirely different than Guanacaste, which is flatter and dryer. This area is home to the Manuel Antonio National Park – voted one of the top ten most beautiful beaches in the world; Herradura, the home of Los Suenos Resort and the largest deep sea fishing port; Playa Hermosa, arguably the home of the best surfing in the world and host of many international competitions; and Jaco Beach, the ultimate tourist beach town. Visitors to the central pacific region will be able to enjoy incredible surfing, kayaking, and sport fishing. The jungles are lush. There is also more night life because the area is closer to San José.

The *south pacific* area of Costa Rica means one thing for visitors – lots of adventure. Travelers will experience the Corcovado National Park on the Osa Peninsula or Drake Bay for some of the most spectacular wildlife and scenery in the world. Largely undiscovered and unexplored in many areas, this small area contains an amazing six percent of the entire world's biodiversity. It has



been labeled “the most biologically intense place in the world.”

The beautiful Caribbean region of Costa Rica is home to Costa Rica’s Afro-Caribbean origins. The white sand beaches are pure Caribbean, and the natives who are originally from Jamaica speak a unique dialect of English.

This area is still remote from the rest of the country and there is primarily only one route to the Caribbean side of the country – a four hour car drive over rough roads. The area is decidedly different, but definitely worth the time to explore.

Spas

The volcanic activity throughout Costa Rica provides an environment perfect for natural spas and luxury resorts. In the Arenal Volcano region, Tabacon is the top-rated and most acclaimed luxury hot springs and spa resort in Costa Rica. The Tabacon Grand Spa and Thermal Resort is unlike any other in the world because the hot springs are entirely



natural. There is no need for the resort to count on underground wells or depend on pumps because the water flows by gravity throughout the property, forming waterfalls, cascades and in-river pools. These thermal springs are 97 percent rain-based and three percent magma-based, so the water is heated by the magma near the earth's core.

No matter where your visit to Costa Rica takes you, you are likely to never be too far from one of the many other hot springs and resorts.

Rivers and Lakes

Although Costa Rica has been blessed with an abundance of rivers, there are actually very few lakes. Most of the rivers begin in the mountains, where visitors can enjoy rafting and kayaking, but once these rivers flow into the lowlands, they become waterways rich with vegetation.



In the calmer water of the lowland rivers, guided rubber raft or boat trips are popular. Along these beautiful rivers you will find an extraordinary display of wildlife, including iguanas, hundreds of different species of birds, monkeys and more.

Boat trips are offered on the lowland rivers:

- San Carlos
- Rio Frio
- Sarapiquí
- Tempisque
- Corobici

For visitors seeking a lake experience, there are two very popular choices. During the green season, the Rio Frio overflows its banks to form the seasonal lake of Caño Negra. Millions of migrant birds and other wildlife congregate at the lake, creating an unforgettable spectacle. Lake Arenal, on the other hand, is one of the world's best windsurfing destinations. Visitors



can also wakeboard, kayak and fish in this artificial lake.

National Parks

Twenty-six percent of the land in Costa Rica is set aside for national parks. Costa Rica's progressive policies on environmental protection and sustainable ecotourism have made the national park system a model to other countries. The rainforests, tropical forests, marine areas and wetlands of Costa Rica are the subject of frequent scientific research because of their successful sustenance and broad popular appeal.

This book isn't meant to be an in-depth discussion of all 26 parks, but we can talk about some of the highlights.

Manuel Antonio National Park

In 2011, Forbes listed Manuel Antonio National Park as one of the world's twelve most beautiful national parks. Located on the Pacific coast of the



country, Manuel Antonio is home to over 4,000 acres of lush hiking trails and beautiful beaches. Within the confines of the park there are four beaches where you can enjoy snorkeling, sunbathing or swimming.

Arenal Volcano National Park

Located in the central part of the country, the park surrounds one of the most active volcanoes in the country. Arenal volcano was believed to be dormant until it erupted in 1968. Lake Arenal and the Chato volcano are both nearby. Within Chato's crater is a beautiful lagoon.

Rincon de la Vieja Volcano

Part of the Guanacaste Conservation Area World Heritage Site, Rincon de la Vieja Volcano National Park is located in the northwestern part of Costa Rica. This national park is home to three volcanoes: Rincon de la Vieja, Santa Maria and Cerro Von Seebach. The most recent eruption the park has seen was in 1998 from the Rincon volcano. The Cerro Von Seebach volcano is considered to be dormant.

Tortuguero National Park



Although it can only be reached by plane or boat, the Tortuguero National Park, located in the Limón province of northeastern Costa Rica, is the third most visited park in the country. Each year, over 100,000 visitors flock to Tortuguero to watch sea turtles and to marvel at the incredible biodiversity in the park. There are eleven different habitats here, including rainforests, mangrove swamps, beaches and lagoons. The tropical climate of the park makes it very humid, but the beauty of it truly makes the humidity very tolerable.

In addition to the endangered sea turtles for which the park is named, there are manatees and crocodiles in the rivers of Tortuguera, jaguars, monkeys and nearly 400 species of birds in the forests and over 2,000 species of plants throughout the park.

Other parks that get high marks from tourists and locals alike include:

- Carara National Park
- Chirripó National Park
- Cocos Island National Park



- Corcovado National Park
- Diria National Park
- Guanacaste National Park
- Irazú Volcano National Park
- Juan Castro Blanco National Park
- La Amistad International Park
- La Cangreja National Park



Volcanoes

Costa Rica is home to a lot of volcanoes: There are six active volcanoes and 61 volcanoes that are considered to be dormant or extinct. The Arenal Volcano has been the most active volcano in the country for the last 50 years, but experts say it entered a resting phase in 2010. When a volcano enters a resting phase, eruptions temporarily cease. Even though Arenal is still classified as active, it is one of Costa Rica's most visited volcanoes. Other beautiful volcanic sites



include the many *caldera volcanoes*, whose craters are filled with rising water levels.

Poas Volcano

Located in the Central Highlands of the country, Poas Volcano National Park rises up to 8,886 feet. At this height, Poas is one of the largest volcanoes in all of Costa Rica. It is also currently the most active. The volcano crater is a mile in diameter and has large pools that bubble and emit smoke. Although the last major eruption was in 1910, smaller explosions occur frequently. Visitors looking for live volcanic action will be drawn to Poas. Access to the park is easy and the views are unsurpassed.

Irazu Volcano

The tallest volcano in Costa Rica, Irazu reaches 11,260 feet at its peak. From the summit, visitors can see both the Pacific and Caribbean coasts on a clear day. This volcano is located in the Central Highlands and has several active craters. The last time the volcano erupted over a large area was in the early 1960s. At that time, the eruption affected much of San José.



Turrialba Volcano

Also located in the Central Highlands of Costa Rica, along the southeast corner of the Central Volcanic Corridor, the summit of this amazing volcano is 10,919 feet. On clear days the view will include coastal vistas as well as the Poas and Irazu volcanoes. Turrialba is active, but the last major eruption was in 1866. At its highest peak, there is plenty of constant activity as the volcano emits vapor and smoke.

A Brief History of Costa Rica

First Settlers

Just like North America, archeologists have found that civilization also existed in Costa Rica for thousands of years before the arrival of Christopher Columbus. In fact, evidence of civilization dates back 10,000 years or more. While you're here, check out the



ruins of the large, ancient city complete with aqueducts which has been found just east of San José, near the town of Turrialba. Tradesman work areas and even campfire pits have been found in the Turrialba valley and in other areas around Guayabo, along with artifacts like knives and spear tips.

Archeological evidence suggests that by 5,000 BC, agriculture and farming had begun to take hold in Costa Rican life. Early farmers grew corn and cultivated fruit trees. Combined with the teeming wildlife available for hunting and fishing, these farms lent stability and encouraged static villages – a different style of living than the more nomadic cultures in surrounding countries. In particular, the period between 2,000 and 200 B.C. was a time when communities of farmers took hold and grew.

The community structures that developed prior to 300 B.C. evolved from tribes and clans to a system that more closely resembled what we now know as villages over the next 600 years. Villagers began to trade their crops and goods with other nearby



villages. Early adoption of a village-style society may be partly responsible for the close-knit feel of today's Costa Rican society.

By the 9th century A.D., villages were growing in both size and complexity. The population increased as people developed more advanced systems of farming and increased their prosperity and security.

The arrival of European explorers in the 16th century seems to have damaged the unity of the prosperous little country.

Peoples from a variety of backgrounds and loyalties were beginning to inhabit the country alongside natives.

Independence from Spain 1821

In 1719, a Spanish governor described Costa Rica as “the poorest and most miserable Spanish colony in all of America.” According to his viewpoint, the country was poor as a result of its lack of a significant indigenous population available for *encomienda*, or “forced labor.” As a result, Costa Rican settlers had to work to own their land. Because they couldn't press natives into service, settlers were unable to establish



plantations and had to make do with relatively small properties.

Costa Rica never really fought for independence from Spain. However, on September 15, 1821, after the final Spanish defeat in the Mexican War of Independence (which lasted from 1810 to 1821), the Guatemalan authorities declared the independence of all of Central America. Every year, Costa Ricans celebrate September 15th as Independence Day.

In the early days of Costa Rica, the capital city was Cartago. However, in 1824, it was moved to its current location in San José. During the transitional time, there was a brief rivalry between San José and Cartago.

20th Century and Today

Throughout its history, Costa Rica has enjoyed greater peace and stability than any of its Latin American neighbors. However, there have been times of strife.

In particular, there were two instances of political turmoil during the 20th century. In 1917, General Federico Tinoco Granados seized control of the



government and ruled as a military dictator until he was overthrown and forced into exile. Because of the extreme unpopularity of Tinoco's regime, the size, wealth and political influence of the Costa Rican military were significantly reduced after his defeat.

In 1948, José Ferrer led an armed uprising in the wake of a disputed presidential election between the previous president Guardia and Otilio Ulate Blanco. During the 44-day civil war that followed, more than 2,000 people were killed.

Instead of prompting the Costa Rican government to reinforce their military might, the heavy human cost of the civil war led to the decision by the victorious rebels to form a government plan that would abolish the military entirely. Once the new government was in place, the rebels stepped down on November 8th, 1949.

Today, Costa Rica is widely regarded as a peaceful and tranquil country whose beauty draws visitors from around the world. Tropical weather, beautiful landscapes, non-stop adventures and an



open-armed welcome from its citizens make Costa Rica a place that people don't just visit once – they come back again and again. Some even come to stay.



Conclusion

I hope that you have learned something from the reading of this book. It is not a formal dissertation by any means, and more than anything it is a rambling collection of knowledge that I have learned about Costa Rica over the past decade.

A lot of people have more knowledge of Costa Rica than I do. I don't presume to suggest that this book is definitive, it is meant to be a guide and to give you a degree of insight into what you can expect if you live in Costa Rica.

I am convinced that a lot of the content here is stuff you won't be able to find anywhere else. I hope that none of them get me in serious trouble. Everything represented here represents the truth as I have experienced it. As such, a lot of it is



subjective and based solely on my own perceptions. Many of the “facts” you read in this book may seem unbelievable. However, I assure you, they are, to the best of my knowledge and limited ability to double-check their veracity, true.

The truth will always shock some people, regardless of what form it takes.

When my wife and I moved to Costa Rica, we really had no idea of what we were getting into. We have taken things one step at a time, survived a multitude of frustrations and heartaches, and yet at least once a week, we turn to each other and we say “I can’t believe that we are really here.”

We’ve been here almost a decade and neither of us would change anything we have done. Oh sure, we wish some business decisions had turned out differently, but we are still thrilled to sit on our terrace and watch the sun set over the ocean, to listen to the birds and monkeys and sound of the jungle, and to wake up to another day in Costa Rica.

We wouldn’t change a thing.

Costa Rica has become our life.



About the Author

Rhonda and Randy Berg have lived in Costa Rica for nearly a decade since retiring from the harsh winters of Minnesota. The experience and wisdom they've gained through both their stumbles and triumphs have served to assist countless other aspiring expats and have been featured in publications that include Newsweek and Investor's Business Daily. Their current projects include operating two informative real estate websites, finding and promoting Costa Rican real estate values, and designing and building attractive and affordable housing developments in Costa Rica.



