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House Hunting in ... Costa Rica

By MARCELLE SUSSMAN FISCHLER

A FOUR-BEDROOM VILLA IN GUANACASTE

\$1,495,000

Casa Serena, a four-bedroom five-bath Mediterranean villa, overlooks the fourth hole of a Robert Trent II 18-hole golf course at the Reserva Conchal, a gated Westin Beach Resort and Spa complex stretching over 2,300 acres in the province of Guanacaste on the northwest Pacific Coast. A creamy-colored concrete-and-stone house with a red-tile roof and a two-car detached garage on 0.43 acres, it was built in 2007.

Designed for indoor/outdoor living, with travertine floors and pocket screens and doors throughout, the house has an open-floor plan built around a double-story central atrium.

From the front portico through the atrium, the infinity-edge pool can be seen in the back garden, with the golf course beyond. To the right of the foyer is the dining room, followed by a covered outdoor dining space with a nearly identical table. Likewise, beyond the indoor kitchen — with its dark granite countertops, stainless steel General Electric appliances and a center island with a hooded cooktop and a breakfast bar — is a wood-beamed gazebo shading an outdoor kitchen with a barbecue, a wine fridge and a refrigerator. Next to it, an outdoor lounge overlooks a children's pool.

The master bedroom opens to the pool area. Its marble spa bath has a sunken tub, a shower with a bench and frameless glass walls, and a double vanity. The bath opens to a private courtyard with an outdoor "waterblade" shower and a waterfall.

The upstairs corridor wraps around the atrium, which has exposed beams and four ceiling fans. To one side of the landing is a sitting area with built-in glass-topped tables. Blocks of colored glass punctuate the corridor walls. Each of the three upstairs bedroom suites has double glass doors to a Juliet balcony. As is customary in the resort community, the villa is being sold fully furnished.

Casa Serena is one of eight completed single-family homes (there are lots for 50, three of them going up now) and 155 condominiums on this self-contained oasis; it is a 20-minute walk from Playa Conchal beach and a beach club with a bar, a restaurant, a gym, a spa and a lap pool. Other restaurants and tennis courts are at the Westin hotel.

Guanacaste, an eco-tourism hub, is known for its exotic flora and fauna. It is not far from the bubbling volcanic mudpots of Rincón de La Vieja National Park. Activities include canopy tours, rafting, surfing, scuba diving and turtle-, butterfly- and bird-watching expeditions.

MARKET OVERVIEW

“If the U.S. sneezes, we get a cold,” said Gabriel Araya, the listing agent with Costa Rica Sotheby’s International Realty. With an economy 80 percent based on tourism, and hit by a wave of speculation from 2004 to 2006, Guanacaste suffered beginning in 2008 by the downturn. As real estate prices in Florida, Las Vegas and California tumbled, “why would somebody invest in Costa Rica, if you could invest in the U.S. for less,” Mr. Araya said. This year prices began steadily rising again, particularly for properties under \$450,000 and over \$1 million. In the last few months there has also been renewed interest in homes in the \$500,000-to-\$700,000 range, he said.

Bernardo Gómez, a lawyer, said condominium projects that went up during the boom left owners “stuck with a lot of unsold units” that are finally moving now, though prices are significantly lower. A condominium costing \$1.5 million in 2008 sold six months ago for \$600,000, he said.

The Westin, the Four Seasons Peninsula Papagayo resort and Marriott’s Hacienda Pinilla are among Guanacaste’s hotel-centric resort communities with villa and condominium options.

WHO BUYS IN COSTA RICA

Sixty-five percent of buyers in the Guanacaste resort areas are Americans, mostly from California and Florida, and major cities like Houston, Atlanta and New York, Mr. Araya said. Fifteen percent of buyers are Canadian, 10 percent Costa Rican. Others are from Venezuela and Colombia. Almost all properties are vacation homes, though their owners often rent them out through resort rental programs, Mr. Araya said. There is no limit to the number of times a year the home can be rented.

BUYING BASICS

Although there are no restrictions on foreign buyers, a lawyer qualified as a notary public is required to seal the deal. Most buyers pay cash or use a home-equity credit line from the

United States along with wire funds, Mr. Gómez said. Financing for foreigners can be fraught with red tape that can take months to sort out. Also, local interest rates are 7 to 8 percent. Because banks are cautious with foreign buyers, sellers are increasingly financing their buyers privately, charging nearly 12 percent interest a year.

WEB SITES

Costa Rica tourism: tourism.co.cr

Guanacaste tourism: guanacastecostarica.com/

LANGUAGE AND CURRENCIES

Spanish; colones (1 colón = \$0.002)

TAXES AND FEES

Municipal property taxes are calculated at 0.25 percent of the registered value of the property. Homeowner association fees for the villa run \$350 a year.

Legal fees, sometimes divided between buyer and seller, range from 1 percent to 1.5 percent of the purchase price. A legal stamp tax costs 0.85 percent. Besides property taxes, an annual luxury tax, based on an appraiser's estimate, is imposed on homes valued over \$200,000.

CONTACT

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