

COSTA RICA REAL ESTATE DUE DILIGENCE



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Our Personal Story

Owning property in Costa Rica can seem unattainable and something to be cautious of. Please allow yourself to engage in this education with an open mind and see an opportunity that lines up perfectly with what is happening in the world today. You will find as I did, that not only have these properties appreciated phenomenally and have the opportunity to continue on this path, the expertise and experience of these developers have allowed us to feel secure in our decision to invest in Costa Rica.

In 2006 I began my own Due Diligence with Real Estate in Costa Rica. After questions, research, and visiting the properties in person, I purchased my first lot in 2009. This lot is 7 acres, with a purchase price of \$200,000, and I put \$50,000 down. With the opportunities and Developments available today, there is the option of purchasing lots ranging from 1/8 to a 3/4 acres with as little as \$14,000 down. Within three years, in 2012, the lots next to mine were appraised at \$600,000 for a 5 acre lot and \$700,000.00 for a 6 acre lot. So as an estimate, I will place my lot at \$600,000 although my appraisal is still being conducted, I think I can conclude that this is not a bad gain with appreciation!

In the fall of 2012, I decided to purchase 3 more lots in the Valle De Luz Development. With our amazing pricing, I purchased the 3 lots for \$69,000 each. Just 3 short months later these lots could be sold for \$120,000. If I sold two of these lots I would more than pay for the other! This is a truly exciting time and opportunity. Read on for more on where this amazing opportunity is heading and how to get involved!

Costa Rica

Costa Rica has become a sanctuary for North Americans looking for a relaxing, happy lifestyle while still affordable. Through the last 25 years, Costa Rica has been the place to be for surfing, retirees, and simple beach front Living. The land is mostly coastline and the weather is made for leisure, never going beyond 68-83 degrees Fahrenheit. There are truly an unbelievable amount of wildlife to behold. While the land only encompasses .03% of the surface of the world, it holds 6% of the world's biodiversity - you will find monkeys, wildcats, and beautiful flora. The waters are full of Sea Turtles and whales making Costa Rica a nature-lover's dream.

Costa Rica is not only beautiful but business is booming! Home to 300 of the fortune 500 companies, the government saw a 360 Million Dollar surplus in 2010; how many countries can boast this? In just the last year Costa Rica went from processing 40 flights a week to 50+ a day. The Costa Rican Government is pro business and has favorable taxation for those investing. A highly educated people create an economy that is luring more and more businesses and with Free Trade agreements between China, Canada and the US, the only way to go is up! While bananas, sugar, coffee are still a huge portion of the export trade, this influx of new business has now placed Pentium Microchips as the Number One export from Costa Rica.

The Wealth Cycle

Costa Rica is home to a strong movement of Baby Boomers looking for a warm, affordable place to live. A very high standard of living but very low cost of living makes it a very attractive location to hedge the increasing cost of living and is the perfect home for the average baby boomer. Costa Rica also boasts excellent health care, modern telecommunications structures, beautiful beaches, lush rainforests, and of course the beautiful ocean views. According to a recent study done by the Living Group the average cost of living in Costa Rica is \$1,200.00-\$1,500.00 per month. We've heard that by living in Costa Rica, it will literally triple your retirement as it's about 33% of the cost of living in North America and on top of that it has been ranked as one of the happiest locations in the world since 1904.

With 75 Million Baby Boomers set to retire, and many of them ill prepared, short funded, and unable to retire, what could be more appealing than this beautiful destination? Because Costa Rica is, on average, 2 hours from anywhere in the US and boasts an extremely high standard of living, this is a place people want to be. This opportunity for personal options and investment is in front of us to invest in this piece of paradise before the masses flock.

"Pura Vida," or the Pure Life, is commonly heard around Costa Rica and is displayed in this easy living piece of paradise. With one of the highest life expectancies at birth and one of the few 'Blue Zones' in the world, living the *"pura vida"* definitely has it's attractions!

Some Amazing Facts:

1. **Stable Government**

1. The country had a 360million dollar surplus in 2010. How many countries can say this?
 2. Costa Rica will be the world's 1st carbon neutral country in the world, CR ranks 5th in the world for environmental performance, 30% of the country is protected areas.
 3. 99% of their energy is from green sources, through dams, wind and solar.
 4. Country was ranked 2nd for the **happiest people in the world.**
 5. The government is pro business , **favorable taxation.**
 6. Commercial fishing cannot be done unless 400 km off shore.
 7. Oscar Areas was the past president in 1948 and converted the army military base into a university to begin educating the people. He was awarded two Nobel prizes.
 8. 3 major shipping ports, Pacific, Atlantic Ocean and a centralized location being in central America.
 9. The government invests lots of money into the people = highly educated
2. **Blue Zone** – A man in Costa Rica at age 60 has about twice the chance to live to age 90 as a man in the United States, France or even Japan, states [*Blue Zones*](#) a company that studies the world's longest lived, happiest people on earth! Costa Rica is one of the few Blue Zones in the world, where people regularly live past 100 years old healthy and happy!

3. **Safe** –When your 7-14 degrees from the equator there are no hurricanes. Costa Rica is 9 degrees from the equator, and has never had a hurricane in 150 years.
4. **Hospitals** – Hospitals are world class, Health care meets very high standards and some of the best hospitals in Latin America. Costa Rica spends only 15 percent less than America on Health care, yet people live longer, healthier lives.
5. **Costa Rica** – Costa Rica is a mainland country with Nicaragua to the North and Panama to the south. The country is 250km by 150km and it is a land bridge between North America and South America

Expert Guidance – The Real Deal

After years of due diligence and research we have partnered with experts in Property Ownership and Development in Costa Rica. This partnership has allowed us access to first class real estate at unmatched pricing!



Own Costa Rica operates with an obligation to Costa Rica's environment and the people in the area. A portion of every property sale has been allocated to humanitarian and environmental projects, bringing water, roads and electricity to nearby villages. This environmentalist mentality is what has allowed Own

Costa Rica and Monterra, their development company, to be welcomed, established, and flourish in Costa Rica for over 12 years. Founded in 2000, Own Costa Rica has become Canada's most successful organization representing properties in Costa Rica worldwide. With over 200 employees they are the largest land holder in the region and the 3rd largest in the country.

Own Costa Rica and Monterra Developers allow us to purchase, develop, and maintain our properties through the same company so that we eliminate the middle man from the equation. This allows for maximum return to our investors and what sets them apart. All of these factors are why Rock Solid Real Estate chose to align ourselves with Own Costa Rica.



Strategies

There are three different strategies we recommend when purchasing your lot in Costa Rica. We recommend a 5 – 7 year time horizon to realize maximum return. With these developments prices skyrocketing, time is of the essence to still get in and buy low.

Buy Low, Sell High – Land Flip

Some Investors have taken advantage of the appreciation in the Tambor Area and choose to purchase the land at wholesale pricing, watch the development continue to grow, and then sell their lot to an interested investor at a premium.

Buy Wholesale, Develop, and Sell Retail

Our investors are offered an amazing rate at \$100.00sq/ft to build a custom home of their land this is a commonly chosen route. This can be an extremely profitable venture as in early 2013, there were 1200sq ft homes in the Tambor area being sold for ¾ Million Dollars! Liquidation can happen at any time through Real Estate Companies in the area such as REMAX, Century 21, etc. or private sales.

Buy Wholesale, Develop, and Cash Flow

Finally we see many investors deciding to hold their property and create a cash flow during the months that they are not enjoying their piece of paradise in Costa Rica. By utilizing a recommended Property Management company, on average, property owners see approximately a 50% vacancy rate on their properties which creates great cash flow on their property. This is a wonderful compliment to the appreciation seen on your asset.

Videos and Great Reads

Visit www.RockSolidInvestment.ca for access to videos, articles and news. The Resources tab is regularly updated with new information and media for your use!

Business in Costa Rica:

<http://www.youtube.com/watch?v=PJe9rd16Zk0&list=UUez20Ik-H5T-ghRu9DxM5MQ&index=6&feature=plcp>

Blue Zones:

Nicoya, Costa Rica - <http://www.bluezones.com/live-longer/education/expeditions/nicoya-costa-rica/>

Cost of Living in Costa Rica from 1200/month – International Living:

<http://internationalliving.com/2010/11/cost-of-living-in-costa-rica-from-1200-a-month/>

Costa Rican exports increased by 7.2 percent in January!

http://www.ticotimes.net/Current-Edition/News-Briefs/Costa-Rican-exports-increased-by-7.2-percent-in-January_Wednesday-February-20-2013

Costa Rica Aims to Become First “Carbon Neutral” Country:

<http://www.worldwatch.org/node/4958>