

Real estate | Appreciation of the properties in Guanacaste increased between 40 and 60%

Guanacaste dresses up in luxury

**Construction grew
85.8 % last year**

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Para El Financiero

Guanacaste, the province known for its quiet beaches and tranquil little coastal villages, is giving way to the building of luxurious residences all along the length of the northern part of the country.

In the last five years, the construction sector has experienced a growth unprecedented in the province. According to the Costa Rican Chamber of Construction, or CCC, in 2004 there was new construction of 306,654 square meters [approx. 3,300,800 sq. ft.] which increased to 569,791 square meters [approx. 6,133,000 sq. ft.] by December, 2005. This represents an increase in new construction of 85.8% in that province alone.

This percentage of increase includes properties with many different uses; including villas in the Bagaces region, new residences in all of the center of Liberia central, luxury houses, vertical and horizontal condominiums, or "lofts," on Panama Beach, Hermosa Beach, del Coco Beach and Octal Beach, and mansions with ocean views in elevated areas of Nacascolo peninsula, in Paagayo Bay.

"The most desired are those that are between thirty



UPPER END — Reserva Conchal is a tourist and real estate project located in the Cabo Velas area of Santa Cruz, Guanacaste, between the communities of Brasilito and Huacas Matapalo

minutes to an hour from Daniel Oduber Liberia International Airport." said Naomi Narvaez of the construction company Adobe, builder of new luxury houses in the area.

Carrillo and Santa Cruz

This luxury construction "boom" has also reached its way to the beaches of the Carrillo and Santa Cruz regions, such as Pan de Azucar, Potrero, Playa Blanca (better known as Flamingo) and Conchal. Also Grande Beach, Tamarindo Beach, Langosta Beach and Junquillal Beach.

For example, near the middle of the 930 hectares [approx. 2,300 acres] of Reserva Concha property, there are plans to develop housing for 2,000 plus and an additional 820 hotel rooms and other tourist oriented facilities. Actu-

ally, they have built 27 condominiums and six villas, and have added 120 additional rooms to the Paradisus Playa Conchal hotel.

Ana Saborio, general manager of Reserva Conchal says that there has to date been over US\$120 million dollars invested in new construction.

The property values in Guanacaste have increased between 40% and 60%, according to Shelly Migliazzo, owner and sales manager of the company Better Homes Real Estate, S.A., with offices in Playas del Coco. If things continue to go well, in certain areas, this percentage could increase to over 100%.

The clientele of these extravagant luxuries are, for the most part, foreigners. Of these, there is a group made up of young investors whose strategy is to buy

today in order to sell in the future in a Costa Rica that promises to be a sure focus of foreign investment.

One advantage is the lower price of these residences in comparison to similar ones in other countries. "One condo in the Sombras project in Playas del Coco would sell for \$215,000, while one in the Dominican Republic would go for between US\$696,000 and US\$825,000," explained Ken Short, sales consultant for Better Homes, S.A.

Modern infrastructure, tourist oriented construction similar to that of Miami or Cancun, and people adapting to a new economic and cultural reality, are manifestations of the changes being experienced in the province. Guanacaste will soon shed the image of the "sleepy village" and be seen as a province full of luxury....