

Paradise Post

News From Ojochal, Costa Rica
and Beyond

February 2023

Updates from the Osa



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As many of you know, I reached the million mile mark with American Airlines last year, earning elite status for the rest of my life. It's been a great motivator for me to travel, checking out up and coming places for North Americans to spend time in retirement, visit on the cheap, spend the winter, perhaps even buy a condo or rental property. I'd also like to tell you what I look for in a location. Moving outside the US can be an opportunity, but it can also be a great challenge.

In this issue I'm going to provide insight into cheap travel, cheap places to live and whether I might be interested in owning property there. I'll discuss the pros and cons, and what I look for in a vacation, a place to spend a winter, or a place to invest. You'll be surprised that the things

that make a place inexpensive might also make it unattractive as an investment, even though it might be a great place to live & super cheap. So pull up a chair and read on... And don't forget to check out our tours in this issue. Costa Rica 10 days, Costa Rica property 4 days, and Cuba 8 days. the 10 day Costa Rica tour is May 12 - 21 and the 8 day Cuba tour is June 10 - 17. We could not get our hyperlinks to work in this newsletter so please copy and paste the provided links into a browser to go to that page. Our tours usually sell out. We'll hold your space while you check for reasonable airfare, so sign up now. If you need help finding flights, feel free to contact us for help.

Steve Linder

Steve@PacificLots.com

Costa Rica Discovery Property Tour Dates

4 Day All Inclusive Tours for \$299

March 9 - 12
March 14 - 17
March 28 - 31
April 18 - 21
April 27 - 30
May 10 - 13
May 24 - 27
June 7 - 10

To Sign Up for our 4 Day Costa Rica Tour - go here

<https://www.pacificlots.com/costa>

8 Day Cuba tour info June 10 - 17 go here

<https://www.pacificlots.com/cuba-tour-itinerary>

10 Day Costa Rica Tour info May 12 - 21 go here

<https://www.pacificlots.com/10-day-tour>

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The Waterfalls of Costa Rica

One might assume there'd be waterfalls in a country noted for mountains and rainforest but I never imagined how spectacular and numerous they would be. Costa Rica is loaded with waterfalls. When I think of waterfalls, I remember the freezing waters of the kankamangus River in New Hampshire, close to where I grew up. The difference in Costa Rica is that most are nice and warm and many are open for swimming. Do be aware, sometimes swimming in waterfalls can be dangerous but I've always liked to live a bit on the edge and adventure tourism is one of Costa Rica's main attractions.

A few really unique waterfalls include one on the Rio Celeste, where minerals interacting between the volcanic spring fed river and the natural minerals of a rainforest stream cause the conjoined river to glow a bright iridescent blue. It's breathtaking. Though a hike to get there, the trip is one of my favorite day trips in Costa Rica. You can also find waterfalls that flank Arenal volcano, originating from volcanic hot springs. One of my favorites is La Fortuna waterfall on the Tenorio river. This waterfall plunges nearly 60 meters into a perfect swimming hole.

Along the flanks of Arenal volcano a number of spas have been built to take advantage of these naturally heated rivers. One of our favorites is Tabacan Hot Springs resort.

Further south, in the town of Dominical another favorite is the Baru River falls where you can jump from the upper falls into deep pools formed by millions of years of water eroding the stone. In another area, in Tres Rios de Coronado, the Paz Azul Waterfall is located about 25 miles further south. Parents often drop their children a few miles upriver and park further down and wait for them to slip and slide their way down. A popular hotel in the area is the Rio Tico Safari Lodge, built along the river and waterfalls. The hotel consists of luxury tents built on platforms that flank the river. The Paz Azul waterfalls are unique in that a huge boulder rolled down the river only to end up stuck between both sides of the top of the waterfall.

One of the best viewable waterfall collections is an attraction known as La Paz Waterfall Gardens. This national treasure, a private reserve that's open to the public, has a series of trails, bridges and stairways to allow one to get up close and personal with some of my favorites. I joke that a trip to La Paz is like two hours on a stairmaster,

but most of the stairs go downhill to a bus at the bottom that returns you to the top. The park is located on the back side of Poas Volcano where the owners have built a variety of other attractions to compliment the amazing location tucked in a cloud forest. There's a huge aviary, a butterfly garden, an orchid and bromeliad display, a frog exhibit, a serpentarium, a big cat exhibit, a hummingbird garden, a trout pool, a monkey exhibit, a traditional Costa Rican farm house and about 6 large waterfalls, complete with viewing stations. You can even get next to or behind a few of the larger ones, making for great photo ops. Having led tours in Costa Rica for over 15 years, our clients rave again and again that this is the best attraction in Costa Rica. One point to note, if swimming in waterfalls in Costa Rica, do be aware that rocks, debris and large branches are often tumbling or floating down the river upstream and may come over the top of a waterfall at any time, so avoid getting directly under the waterfall as this debris can do serious damage to you. Also be aware of the currents during rainy season, I have witnessed people being swept away by the unexpected force of water.

See waterfall photos from Costa Rica on page 3

Healthcare in Costa Rica

I get a lot of questions about healthcare offerings in Costa Rica, so thought I'd talk about the services I've used and why I chose Costa Rica. I'm of the opinion that our healthcare system in the US is broken. Obamacare helped but the problem with Obamacare was that those who made less than the threshold for assistance, got nearly their entire healthcare paid for by the government, while those who made over the threshold, paid a ridiculous amount for less coverage than those on Obamacare. If you were self employed and earned over the threshold, you really took it on the chin. In my case, my health insurance cost was nearly \$10,000 annually, with a \$10,000 annual deductible, and kept me from retiring early. Dental care is a similar story in the US. Even simple fillings can cost hundreds of dollars. Need a crown and root canal, plan to shell out several thousand dollars.

My first experience was through contacting the Clinica Biblica, in San Jose, Costa Rica. I needed a colonoscopy and was quoted \$2,700 in my local market. Clinica Biblica was founded in 1929 and is now the largest private hospital in Costa Rica. They are affiliated with Tulane University and offer a complete program of medical tourism. When I asked about a colonoscopy, their healthcare advisor suggested I consider their "Executive Health Checkup". This package

includes a colonoscopy, an endoscopy, a bone density scan, a chest plate X-Ray, full blood work, a lipids panel, urinalysis, a hearing and vision exam and an analysis of your nutrition. Best of all, the cost for the package was only \$1,100. I've since had the package twice, as well as a complete dermatological exam, orthopedic exams (when I tore my meniscus) and a few other procedures. I can pay by cash or credit card and the experience has been amazing. I have a complete set of medical records, something that the US healthcare industry doesn't necessarily provide. The care I've gotten has been great!

As for Dental Care, I've been using a dental clinic in San Jose by the name of Escalante and Silva. What I like best about this clinic, is they always prefer to save your teeth, rather than replacing with implants or prosthetics. My dentist, Carolina Escalante, suggested I opt for a gold crown for a rear molar, instead of porcelain. Her reasoning was that as we age, our teeth move. As our teeth move, porcelain crowns eventually fracture, and need expensive replacement down the road. Gold crowns are malleable and will change as your other teeth change, rather than break. Because the tooth was in the back of my mouth, she assured me that no one would notice the crown, unless I pointed it out. Actually I've been so proud of that crown, I've shown it off a bunch of times.

She has a root canal specialist, using tiny root planers, who has ALWAYS removed every bit of root. I'll note that I'd had a root canal done in the states that failed. The Endodontist didn't get all the root and pulp removed, causing the tooth to rot at a later date. That required the crown to be removed and another root canal to be performed, along with drilling and filling. I had to pay twice for that root canal and twice for the crown. Root canals take longer when done so methodically, but the results don't fail down the road. Carolina also recommends zirconium crowns, versus porcelain on metal. My zirconium crowns have never failed, while my porcelain ones from the US have all eventually failed. Carolina has 35 years in dentistry, is a doctor in Dental Esthetics and worked for 9 years in investigation for Colgate. Her daughter Karla is also a dentist and dental surgeon. There are 9 dentists in the office, with experts in Endodontics, Implants, Invisalign, Oral and Maxillofacial Surgery and Restoration. Prices:

Fillings: from \$40 to \$120

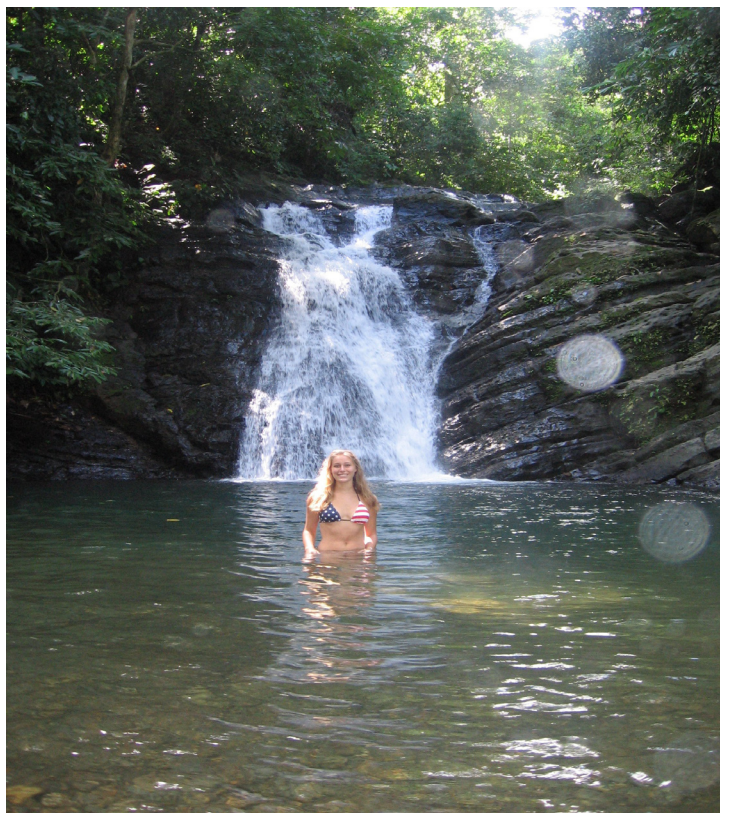
Periodontal surgery: from \$300 per quadrant

Implants setting: from \$600 to \$1000 per implant

Implant restoration: from \$850 to \$900 per implant

Crowns and veneers: from \$350 to \$500 per crown/veneer depending on the materials. contact me for more contacts & referrals.

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About Retirement

Thinking about retirement? First consider the reality of your financial situation. Next, your health. What's important in your life? Family & friends, climate, cost of living, travel, medical care, etc. Some people seek constant adventure and stimulation while others can sit on the porch, play golf and relax, which are you?. On Social Security, you get an additional 8% for each year you wait after you are eligible. A little known fact is that if you wait to collect until "full retirement age", your payments aren't affected by earnings. If you start to collect before "full retirement age", other income can lower what you receive from Social Security. Figuring out when to start taking social security is a science

If you choose to retire outside the US, you'll likely have to pay for health insurance, as Medicare doesn't cover you abroad. Those with medical issues may need to stay in the US. Health insurance is significantly cheaper outside the US, but perhaps not as cheap as Medicare. There are a host of good international health insurance companies; Aetna International, Allianz Care, Bupa Global, Cigna Global, to name a few.

Canada is the top destination for social security checks sent outside the US. Japan is second, Mexico is third. Roughly 1% of retired Americans receive their Social Security checks outside the US.

I've been visiting new countries with the thought of retirement destinations. In February, I visited the capital cities of Argentina, Uruguay, and Colombia, and here are my thoughts on each destination and the ability to rent your apartment or condo when you aren't using it.

Buenos Aires was a very nice city and the recent loss in value of the Argentine Peso made it VERY affordable, with average per capita income of about \$10,000 annually. Apartments are inexpensive, ranging from about \$500 (studio) to \$1,500 (3 bedroom). One challenge is restrictions on withdrawing money from ATM's. Buenos Aires was very European and a very livable city. I'm sure you could easily rent your apartment in Buenos Aires when not using it personally.

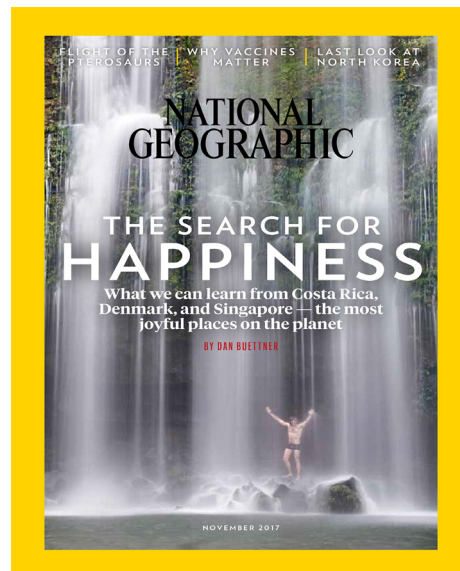
Montevideo was a bit more sleepy than Buenos Aires, but it is noted as one of the safest democracies in South America, with Average GDP of \$18,000. cost of living was noticeably higher than in Argentina but rents were inexpensive, from \$500 to \$1,500 per month, and you could buy a

decent place for less than \$150k. Though a nice place to visit, I wouldn't want to live there and I'm not sure whether you'd have rental demand for your place when you weren't using it.

Bogota. Colombia was very cheap. The Colombian Peso has lost 25% of its value in the last 8 months. Is Colombia dangerous? The murder rate in Colombia is twice that of Uruguay and nearly 4 times of Argentina. But by comparison, Mexico's murder rate is 23% higher than Colombia. (2020 statistics). Things are changing fast in Colombia, tourism is having a huge surge and GDP has been increasing. With coastline on both the Pacific and Caribbean sea, Colombia has much to offer. In December of 2016, Colombia came to a peace agreement with FARC, but displacement of people continues as other rebel groups fill the void. Venezuelan immigrants have also added social and economic pressure in Colombia but Colombia is a new up and comer for those who are willing to take more risk. I also think you'd be able to rent your property through Airbnb or VRBO if you keep in mind what an American tourist is looking for.

Costa Rica's political stability, high standard of living and strong system of social benefits continues to rank high in quality of life and happiness. Access to education, healthcare, clean water, electric and good sanitation continues to keep

Costa Rica Tops Happiest People List in National Geographic



Paradise Post

Costa Rica as one of the highest on my list of retirement destinations. But with per Capita income now over \$20,000, Costa Rica is a more expensive place to retire but there's good demand for short term rentals if you decide to rent out your place when you aren't using it. High youth unemployment is contributing to social problems and needs to be addressed, especially in and around the central valley of San Jose.

Montevideo, Uruguay



Iglesia de Nuestra Señora del Carmen
Cool Church in La Candelaria, Bogota



Our New 10 Day Costa Rica

When? May 12 - 21, 2023

You asked for it and so we've brought back our Pura Vida 10 Day All Inclusive Costa Rica tour. We'll start in San Jose, head to La Paz Waterfall Gardens, tour Doka Coffee Plantation, visit Arenal and La Fortuna, visit the Monteverde Cloud Forest before heading to the west coast. Along the coast we'll also visit Manuel Antonio national park, Dominical and Ojochal. After a river ride on the Sierpe river we'll then head back to San Jose on the inland route, the Cerro De La Muerte. This tour is mostly about tourism but we will have one optional tour of our developments in Ojochal, for those of you who are interested in investment or retirement.

The tour includes all lodging, all meals, all in-country transportation and all activity fees. It does not include alcoholic beverages. The cost of the tour is \$2,400 per single in a single room and \$3,400 per couple. We'll see the highlights of Costa Rica while touring in our luxury 16 passenger Mercedes Sprinter van. We limit the tour to 12 people and have an excellent tour guide. This tour is usually a sell out so book early to avoid disappointment. Copy and paste the link below in a browser for the itinerary and sign up link.

<https://www.pacificlots.com/10-day-tour>



Seniors Can Downsize and Give Themselves a New Lease on Life

When the kids are gone and we begin to age, it's time to take stock of our spatial situation. Do you really need all that house anymore? What about all the stuff you've amassed over the years that fills said house? Wouldn't life be easier if you were to simply get rid of what you don't need and learn to live with a smaller footprint? For many, the answer to this is absolutely. Here's how you can begin to downsize.

First things first: declutter

Any downsizing project must begin with getting rid of excess belongings in your home. This is no easy task. Not only are many of us inclined to hold onto just about everything (I may need it someday!), but we form sentimental attachments that can cloud our better judgment. Easy or not, it's vital.

How do you know what to get rid of? Sometimes, you have to get creative.

A good way to start is by implementing the 12-12-12 rule. It's simple - all you do is throw 12 items away, donate another 12, and keep another 12, but make sure they have a real home and aren't just shoved into a closet somewhere. The good thing about following this is that for every few dozen items you come across, 66 percent

are leaving your home. That's a fast way to get rid of clutter.

Next, tackle your clothing. We don't wear most of our wardrobes, and seniors usually have an exorbitant amount of clothing from bygone eras. Ask yourself some simple questions: Have I worn it in the past year? Would I buy it right now if I saw it in a store? Does it even fit? If the answer to any of these is no, then donate it. When downsizing your stuff, always stick to this rule: Everything in its designated place. That means everything gets assigned to the "throw away," "donate," or "keep" pile. You do not want to have a "maybe" pile, as everything will somehow find its way there. But what about the sentimental stuff?

If you are ruthless when downsizing your non-sentimental items (do you really need two coffee makers?), then you won't be forced to get rid of too much of the sentimental stuff. But if you don't want to part with your kids' mementos and old photos, ask your family to hold onto them. Another tip is to digitize what you can. If it's flat, it can be scanned. You can house thousands of old photos on a thumb drive the size of a quarter.

Think about moving to a smaller home

One way to "force" yourself into downsizing is to get rid of excess space. Your longtime family home may be too large for you now that the kids are gone. By moving to a smaller home, you can save time, energy and money on maintenance and upkeep. The benefits are grand and far-reaching. You can also pick a home that better suits your physical needs. There are many homes that are already built for accessibility, meaning you can comfortably age in place no matter how your needs change over time.

For seniors, health problems and mobility issues will likely get worse over time. When house hunting, you don't have to find your "goldilocks" home right away - it may not exist. Just know that you may need to make modifications, and work that into your budget.

Downsizing is not giving up and sliding meekly into old age. It's quite the opposite. Downsizing can give seniors more independence - physically, financially, and emotionally. Think of it as a new lease on life, and it will be easier to give up all the stuff you don't truly need to be happy.

Condo For Sale in Playa Del Carmen, MX

I own a 1 bedroom, 1 bath condo built in 2018. The unit is on the top floor, just below the roof, which has 2 pools and a hot tub, a bar and spa, along with a great ocean view. The property is just 200 steps to the ocean. I bought it using a self directed IRA and need to sell it now, for tax purposes. I'm selling by owner for less than fair retail to avoid paying commission, passing the savings on to the buyer. The condo is on 1st Avenue and 14th Street, in Playa del Carmen, Mexico, almost a perfect location for rentals. It is a one bedroom, one bath, one of the few in the entire building with ocean view. It has a private 100 square foot balcony with glass railings, and the building is operated as a hotel, allowing the owners to rent their unit full time. I have rented the unit since purchase, and bought the unit "pre-construction". The builder is one of the largest developers in the Riviera Maya, a company called SIMCA. <https://www.desarrollossimca.com/> I was getting a ROI of over 10%, cash on cash, for this unit, before the pandemic. The rental market is now approaching the historic pre-pandemic levels. The building has underground parking (owners only), free washers and dryers, elevators, retail space at ground level, and the HOA of \$237 per month includes AC and insurance. It is fully furnished per an architect. My rental rates average \$120 per night and my occupancy has hovered around 72%. The unit has a great rating on AirBNB, sleeps 4, has a 50" flat screen in the bedroom along with king bed and luxury bedding, USB chargers, hotel safe, marble flooring, high ceilings, and was purchased fully furnished identically to the others in the building to standardize the rental program. I can rent it to you for \$100 per night if you want to go check it out (qualified buyers only) and I've got it set up in a Mexican trust, per Mexican real estate law. The holding costs are low and this building provides a nice positive cash flow. Use it when you want and rent it when you aren't using it. I might even owner finance Unit 403, on the north side of the Singular Joy building, Avenida 1 and calle 14. The unit is on the top floor, one bedroom, king bed and fold out queen in the living room.

There are free washers, dryers and parking (for owner use) in the basement. The rooftop has 3 pools, a bar, and stunning ocean views. My unit has some added additions, a bigger safe in the unit, a luxury mattress pad, custom blackout curtains and patio furniture on the deck. I am ready to sell, I want to net \$200,000, which is a great price. It is spotless inside and I have paid for extra maintenance. It is located less than 200 steps to the beach, behind the beachfront Taj Hotel. It is one block from the famous walking boulevard 5th Avenue, and one block from the super popular club zone. You can see a page I built on our website with lots of photos of this condo, see that page by pasting in this link to any browser, sorry our hyperlinks are not working correctly. <https://www.pacificlots.com/singular-joy-luxury-condo>

Vacation destinations versus where to own Property - Exchange Rates 101

As a frequent international traveler, I look for places to travel “at a discount”. Discount travel exists when the currency of the country you are visiting has recently lost value against the dollar. Discounts can also exist when a country is having difficult economic times, causing prices to fall. I’ve recently traveled to Cuba, Argentina and Colombia, all experiencing currency exchange issues. Fact: The Cuban Peso has no value outside of Cuba, i.e. no currency exchange exists once you leave Cuba. Cuban Pesos can’t be purchased in advance of your vacation and neither credit cards nor ATM cards work in Cuba. In order for a Cuban person to visit another country, they must exchange Cuban Pesos to another currency before leaving Cuba. The official exchange rate of a Cuban Peso is 23 per USD. Yet while in Cuba, you’ll be offered 3 or 4 times that amount just so the person can turn their Cuban Pesos into dollars.

Argentina currently is in a similar situation. If you visit, you will find withdrawal limits on your ATM card, because the Argentine Peso has been rapidly losing value against the dollar. These situations create opportunities for travelers. By trading dollars on the street, you’ll get a much better exchange rate than at a bank. In fact, the Cuban government has strict restrictions on Cubans exchanging Pesos for other currency. In both Cuba and Argentina, people hang around in tourist areas offering to “change money”. There are also “Casa de Cambios” (exchange houses) that will often pay much more than the official bank rate. As a currency is losing value, the sooner locals can change it into a stable currency, the less value they stand to lose. In March of 2022, the official bank rate of the Argentine Peso, was 107 Pesos to one USD. Less than a year later, the bank rate was 197 Pesos to the dollar. The Argentine government restricts exchange, attempting to stabilize their currency and avoid a “run on the bank”. People with large amounts of currency are losing buying power.

One might think that would create opportunities for buying property. The answer is “maybe”. If local market pricing is always in the host country currency, property you purchase there might lose value as the currency loses value. Here’s the example. You purchase a condo in Medellin, Colombia and pay in Colombian Pesos. In March of 2022, the Colombian Peso was trading at 3,700 Colombian Pesos to the dollar. You buy a 2 bedroom condo for 370 million Colombian Pesos, (\$100,000 at the exchange rate at that time). Ten months later, in November of 2022, one USD was worth 5,100 Pesos. If you sold the condo for the same amount you bought it for, 370 million Colombian Pesos, you’d only receive \$72,550 USD when you convert those Pesos back to dollars. So though your vacation is a bargain during periods of devaluation of a currency, purchasing property might not be a good idea. For that reason, many markets price property in USD, eliminating the fluctuation exposure when pricing in a local currency. We have seen some great deals created by currency fluctuations. In Argentina recently you could buy a new Mercedes for about half the world market value, simply by purchasing Argentine Pesos for dollars on the street market and then paying in Argentine Pesos at the Mercedes dealer. The street market was offering 390 Argentine Pesos last week when the official “bank” rate was 193 Pesos to the dollar. You are literally more than doubling your money just on the currency exchange. So in these cases, Cuba, Colombia and Argentina might be a great place to spend the winter, take a nice vacation or buy real goods but if the local property market is priced in local currency, you might lose money quickly in those purchases. When I returned home from this recent vacation, Expedia had quoted me \$109 for a room at the Embassy Suites hotel in Bogota, yet the transaction was in Colombian Pesos. When the transaction posted to my credit card, it came in at \$51 less than the rate quoted by Expedia. The Embassy Suites received the same amount of Pesos as they’d priced at but those Pesos cost me much less when purchased with dollars. Watch for our tour to Cuba this summer, I have the tentative dates set at June 10 - 17 at \$1,550 per person. It will be a bit primitive, but so much fun, and a great look at how communism works or doesn’t work. Text me at 305-295-0137 to reserve a spot, go to <https://www.pacificclots.com/cuba-tour-itinerary>

If I could only buy Cuban Automobiles with Cuban Pesos - I took these photos in Havana on my last visit

