

---

# Nicaragua Latest Retirement Haven

The Miami Herald  
By Tim Rogers

January 29th, 2006

American retirees and investors are moving to Nicaragua to take advantage of the low cost of living and business opportunities.

GRANADA, Nicaragua - Florida native Jimmy Lewis had lived in neighboring Costa Rica for two years before he came to Nicaragua in 2001 to investigate an intriguing tale. "I had a buddy in Granada who had been bugging me to visit for years, telling me you could order a whole fried bass and a bottle of rum for only \$6," Lewis recalled. "I thought, what the heck kind of a jungle is he living in?"

Not only was Lewis surprised to discover that his buddy wasn't living in the jungle, but he soon joined the stream of American and European citizens who are moving here and turning Nicaragua into the latest retirement and investment hot spot in Central America. Most foreigners living here do so on tourist visas, so there is no accurate number of how many American expatriates now call Nicaragua home. Current estimates stand at around 2,000 -- a far cry from the 70,000 or so U.S. citizens lured to Costa Rica by its weather and political stability -- but the number is growing fast.

In the heart of colonial-era Granada, filled with colorfully painted adobe homes, red-tile roofs, horse-drawn carts and old churches, mostly Americans have bought more than 150 homes -- or close to 10 percent of the town's center -- in the past five years, according to the mayor's office. Subsequently, real-estate prices have appreciated by 200-300 percent in the same period, and a downtown home that cost about \$30,000 in 2002 is now selling for \$100,000-plus.

## GROWTH SPURT

Granada, a candidate to be named a UNESCO world heritage site, in fact is experiencing a tremendous growth spurt at age 481. So too is Nicaragua's Pacific coast, where more than 20 real-estate development projects have popped up since the late '90s, most of them aimed at foreigners.

Many of those projects have already sold most or all of their lots in the pre-construction stage, with little more than a web page, a land title and a promise. And many investors say they came to Nicaragua for the first time to "look around" but wound up purchasing land.

During a recent investors' field trip led by Baltimore-based Stansberry & Associates Investment Research, 11 of the 12 initially nervous participants ended up purchasing Pacific coast property during their first week in the country, according to group members. Participants Bryan and Liza Harlan, a Dallas couple who hired a bodyguard to accompany them for their first 72 hours in Managua, said they felt comfortable enough by day five of their trip to dole out \$157,500 for a prime beachfront lot at Los Perros development, where they hope to start building soon.

Slightly to the north is the massive Gran Pacifica development, which at \$55 million is the largest investment project in Nicaragua. The project, which hopes to eventually house a five-star hotel and luxury residential community of 2,000 homes, broke ground recently on what will be an 18-hole golf course.

## MISSED OUT EARLIER

Terry and Angelica Martin, of Newport Beach, Calif., recently bought a lot at Gran Pacifica, saying they had missed a window of opportunity in Costa Rica 15 years ago. Costa Rica has since become a stable and prized retirement and investment site, although prices there have risen in recent years.

Their new friends and future neighbors at Gran Pacifica, Kent and Denise Payne from Oklahoma City, bought a lot on their fourth day in the country. They started construction on Jan. 13. "It's cheaper for us to build here than . . . Oklahoma," said Kent Payne. "And this isn't Oklahoma; this is paradise," added his wife, while taking in the sun on the beach. Not everyone moving to Nicaragua is of retirement age or living off previous investments or pensions.

Tyler Tibbs, 27, moved here in 2003 from Oregon and purchased a lot near the town of San Juan del Sur -- about 80 miles south of the Nicaraguan capital city of Managua -- where he hopes to start an art community. "In the modern world, it's hard to imagine being an explorer or pioneer, but in you can find the rougher edges of life. It's liberating," Tibbs said. Rougher edges doesn't necessarily mean dangerous. One of the biggest misconceptions about Nicaragua is that it is unsafe. Statistically it's one of the safest countries in Latin America, with a lower homicide rate than neighboring Costa Rica or El Salvador or Honduras.

## SAFEST CITY

---

Managua ranks as the safest capital city in Latin America, with 2.3 intentional homicides for every 100,000 people, according to statistics collected by INCAE, Harvard's Business School affiliate in Central America. While Nicaragua still doesn't have the name recognition of Costa Rica among retirees and investors, some who come to visit are discovering that this is what they had in mind. "I came up to visit and never looked back," said Lewis, who now runs a rib restaurant in town and moonlights as a rock musician on weekends.