

NOTEBOOK

Score the Last Beach Bargain in Nicaragua

PARADISE AWAITS, but the best deals are going fast. *By Nicole Gull*

CHRIS AND STEVE Battjer first visited Nicaragua in May 2003 and fell in love with the white-sand Iguana Beach an hour north of San Juan del Sur, on the country's Pacific coast. After a little more than a year of saving, the brothers bought a two-bedroom condo there. Prices had nearly quintupled, but they were able to land a great spot on the beach for less than \$200,000.



Nicaragua is the latest up-and-coming second-home market in Central America, and it's no surprise why. It's gorgeous, with 564 miles of coastline and an average temperature of 80 degrees. You can surf, hike, kayak, snorkel, and scuba dive all within a few hours' drive. Roughly the size of New York state, the country is just a two-and-a-half-hour flight from Miami. And for the moment, you can still purchase beachfront properties at a fraction of what you'd pay in Costa Rica.

But don't count on this moment to last. Adam Harris, a real estate agent in San Juan del Sur, the beach town of the moment, says thanks in part to a law that eliminates a decade of most income and property taxes for tourism businesses, Nicaragua

won't remain a rustic hideaway for long. In fact, beachfront property prices jumped 350 percent from 2001 to 2005, according to Coldwell Banker Nicaragua Real Estate. In the last two years, Coldwell Banker has seen the number of beachfront properties along the southern Pacific coast double, while the office's gross commissions have consistently doubled every eight months. Harris predicts 300 percent property value appreciation in the next five years.

Many American buyers are snapping up land and building their own homes, but if you aren't up for transcontinental construction, there are also great



Surfing off Nicaragua (left), where developers can hardly keep up with demand for beachfront property (above)

turnkey properties selling for \$200,000 in San Juan del Sur—area developments like Villas de Palermo, and offering access to gyms, pools, clubhouses, plus 24-hour security. In Costa Rica, you can't touch that for less than \$400,000.

Nicaragua isn't for the risk-averse. It's an impoverished country with a war-torn past that recently elected as its president Daniel Ortega, once the country's Sandinista leader. Still, if you can deal with the occasional rolling blackout, you can't beat the beauty or the price. As for the Battjers, they couldn't be happier. "It seemed like a perfect fit," says Chris, 28. "Even if we never make any money on it, we bought a place in paradise for pretty cheap and will have it the rest of our lives."

ON THE OCEAN, ON THE CHEAP

Three recent home sales near San Juan del Sur, on the Pacific coast of Nicaragua



FEATURES 2 bed/2 bath, 1,614 square feet, stainless steel kitchen, 24-hour security, restaurant, spa, and pool
LOCATION 2 miles from San Juan del Sur



FEATURES 3 bed/2 bath, 3,086 square feet, fully landscaped .25-acre lot, wraparound terrace, pool, ocean views
LOCATION Half a mile from San Juan del Sur and beach



FEATURES 3 bed/3 bath with self-contained suite, 4,400 square feet, private beach, outdoor kitchen, ocean views
LOCATION 12 miles south of San Juan del Sur