



Pacific Hills at Magallanes

San Ramon, Costa Rica

A Residential Community in Nature

Questions & Answers

The questions and answers below were prepared to address the major issues and questions our clients have about buying a lot, building a home, and living in **Pacific Hills at Magallanes**. However, if you have additional questions, please do not hesitate to email us at info@crcommunities.com.

Purchasing a Lot

Q. How many lots are there and what are the prices?

There are 18 lots, most of which are approximately 1.25 acres. Lots range in price from \$60,000 up to \$85,000. The price of each lot depends on several factors including: size, views, amount of buildable space, location relative to roads, and other features unique to each lot. For additional information on the project itself and each lot, please see our website: www.crcommunities.com.

Q. How do I reserve/purchase a lot?

To secure a lot, a 10% down payment is required, with the remaining balance due at closing. At the time you make your down payment, you will also be required to sign an *option contract* which specifies your rights as a buyer and our rights as the developer of this project. An option contract is required for buyers purchasing a lot prior to the official segregation of your lot and preparation of your lot (water, electricity, etc.). Once the lot has been officially segregated and titled in Costa Rica's "National Registry," you will have 30 days to send the remaining balance, and 15 days on top of that to close.

Q. How much are closing costs?

Closing costs vary but they typically run between \$1,000 and \$2,000. These costs are split equally between the buyer and seller assuming the selling party chooses the attorney to handle

all documentation. If the buyer decides to use his own attorney to prepare all closing documents, the fees associated with closing are the responsibility of the buyer.

Q. Is electricity and water available for each lot?

Electricity and water are currently being installed and will be available to your lot when you are ready to begin construction of your home. Electricity is already available at the entrance to the community, and water as well. Additionally, CR Communities and other local developers have teamed up to fund an expansion of the local aqueduct, ensuring a plentiful water supply for years to come. The water is completely safe to drink here.

The Community

Q. Where is the community located?

The community is located about two miles west of San Ramon de Alajuela just off the InterAmerican highway, on Calle Magallanes (Magallanes Street). It takes 5-7 minutes to reach downtown San Ramon, 40 minutes to the Juan Santamaria International airport (SJO) near San Jose, and 35 minutes to the Pacific Coast.

Q. What is the surrounding area like?

Magallanes is a primarily residential area, home to several old Costa Rican families and a few North Americans. It will also be the home of Costa Rica's Third National School of Art and Music.

Q. What type of community is this?

Pacific Hills at Magallanes is a residential community that includes a variety of people, mostly North Americans retiring in Costa Rica or having a second home here. Residents come from all backgrounds and professions. However, the types of residents in this area tend to be those with enough means that they do not *need* to live in Costa Rica, but are looking for a beautiful place to enjoy an important part of their life. The community emphasizes living in harmony with nature, and as such, the project is designed to ensure protection of the environment and the flora and fauna that inhabit the area.

Q. Are there any fees associated with living in the community?

Yes, there will be an annual "community fee" assessed to all homeowners and should be less than \$200. This fee will cover maintenance of the community, primarily roads and public space. Trash pickup and disposal, as well as landscaping, will be charged to each individual owner and not a part of a community fee. Issues involving electricity and water are addressed by local and regional government authorities. The fee may be adjusted downward if more than enough

money is collected to pay expenses, or possibly adjusted upward if there are unforeseen expenses (which is unlikely).

Q. Are cable television, Internet access, and telephone service available in the development?

At the current time, cable television is not available in the area. However, DirecTV satellite service is available and averages \$35/month. Dish Network is also available but the fee varies considerably depending on the programming options you select. The community is being pre-wired for telephone and Internet service, which will be made available to all residents. Private, high-speed Internet service using the latest "WiMax" technology will be available to residents. The installation fee is \$550 and typically costs \$60 per month but may be higher for residents purchasing higher speed service. The speed offered for \$60 per month is usually perfectly acceptable for general/home use.

Q. Are there any issues concerning flooding, earthquakes or other natural phenomena in the area?

This area does occasionally experience very minor tremors, but this is rare. However, by law, all homes are built to fully withstand major earthquakes. There are no other issues concerning hurricanes, tornados, flooding, etc., and the community has been designed to ensure efficient and appropriate routing of rainwater.

Building a Home

Q. Are there any restrictions on building homes in the community?

Costa Rican law requires that a maximum 18% of your lot is used for buildings and this will be strictly enforced. In addition, there are a number of specific restrictions on the types of homes, exterior colors of homes, roofing for each home in the community, and obstruction of views. We also ask that you use the architecture firm, ESFERA, and its founding partner and architect, Rodrigo Torres, for the design of your home. This will ensure a consistent degree of quality and a stronger assurance that no home will impede upon another. While we cannot force you to use him, Rodrigo has won many awards, his most recent being "Top 30 homes of Costa Rica." He is also a professor at the University of Costa Rica as well.

Q. How do I go about building my home?

We strongly recommend using Pegasus Constructora S.A. as your construction company. While you may request bids from anyone, there are many cost/quality benefits to using Pegasus. The founding/managing partner of the company lives in Magallanes and speaks fluent English and Spanish. We have also contracted with his company to do our infrastructure work and have been very pleased. Costa Rica is famous for its plethora of poorly constructed homes. We have spent many months reviewing the work of various firms until we concluded Pegasus Constructora was by far the best option.

Q. What can I expect to pay each year in taxes?

Taxes are based on .25 percent of the declared value of your home.

Pacific Hills at Magallanes. So much for so little. For more information, please visit our website at www.crcommunities.com.