

GLOBAL SPOTLIGHT

San Jose, Costa Rica



San Jose leads Costa Rica's international growth

- In the past 10 years, Costa Rica has grown with a very stable economy that has attracted investors, corporations and financial entities. Known for its services, tourism, manufacturing and agriculture industries, the country exports products to 140 different countries and is ranked in the top five hi-tech exporters in the world.
- Tourism and hotel development brought hotels like Four Seasons, Rosewood, Barceló, RIU, Hilton, Marriot and Intercontinental among others, most of them located on the coast. They became anchors that boomed residential and resort developments, creating one of the most attractive and safe tourist destinations in the world.
- The office market is also growing, with the metro area holding the most important projects. A quality bilingual and educated labor force attracted corporations like Hewlett-Packard, Intel, Boston Scientific, Citigroup, Western Union and Procter Gamble. The low labor cost created financial benefits that caused major companies to focus their worldwide operations in the area, some as contact centers and others as back offices.
- Industrial developments have been an important part of the country's growth, mostly driven by the same high quality, low cost labor force; close proximity to the Pacific and Atlantic coasts and the tax benefits of the Free Zones. Availability is low, around 2%, but with many new projects coming with Build to Suit options.
- The retail market is growing slowly. As the service, manufacturing and tourism sectors emerge, they attract attention and investment from big corporations. A mall boom created projects in both sides of the city that nested the most exclusive retail shops of the world. The high density retail markets are also strong with low availability, attracting companies like Amway and Omnilife.
- International trade treaties like CAFTA (Central American Free Trade Agreement) with U.S., Canada, Chile, Mexico, Panama and others, are spurring growth. There are also advanced negotiations with the European Union and China. Financial giants like HSBC, Citigroup and Scotiabank have come to claim their space; same with certain hedge funds from America, Europe and Asia who are readily available to provide resources where some the banks would not.

San Jose At A Glance

Population	4.4 million
Location	Capital and largest city in Costa Rica
GDP per capita	\$6.600
Labor Force	2 million
Unemployment	4.6%
Conversion	COL 550 = 1 USD

Property	Rent/SF/Year		Vacancy
	Low	High	
Downtown Office Class A	\$22.80	\$39.25	2.5%
Suburban Office Class A	\$18.50	\$39.25	4%
Industrial Bulk Warehouse	\$1.68	\$3.93	N/A
Retail Downtown	\$28.04	\$39.25	N/A

NAI Costa Rica provides local market expertise for the entire Costa Rican market.

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At A Glance

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55	Countries
5,000	Professionals
\$45 billion	Annual Transaction Volume
200	MSF of Property Management

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