

Why Investors Are Buying Real Estate in Costa Rica This Year

As 2024 unfolds, investors are increasingly drawn to Costa Rica. Join us as we discover why this location has emerged as a compelling destination for discerning real estate investors looking to expand their portfolios.

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In 2024, investors worldwide are turning their attention to the vibrant real estate market in Costa Rica. The Latin American nation has become a focal point for savvy investors seeking stability, growth opportunities, and lucrative rental yields.

Stability Fosters Confidence

Costa Rica boasts remarkable stability—a crucial factor for investors seeking steady rental income and potential capital gains. With a Fragile State Index of 41, Costa Rica's

ability to maintain robust economic growth, low levels of poverty and political stability makes it an attractive investment destination.

The country's stable political environment features long-term investment strategies, offering assurance to investors seeking security and reliability in their real estate portfolios.

Economic Strength Fuels Growth



Costa Rica's economic outlook is promising, with the International Monetary Fund projecting a growth rate of 2.7% in 2023, and 3.2% in 2024. Forecasts indicate continuous GDP growth, reaching USD 28.4 billion by 2028, making it an opportune time to invest in the country's lucrative real estate market.

The robust tourism industry, coupled with Costa Rica's natural beauty and eco-tourism opportunities, drives demand for rental properties and vacation homes. Government incentives for foreign investment and infrastructure development projects further enhance the country's appeal to investors.

Rising Prosperity and Rental Yields

Costa Rica's population is becoming wealthier, with a 7.2% increase in average GDP per capita over the last five years. This rising prosperity is fueling demand for rentals, particularly in cities like San José, making real estate investments even more enticing. Rental properties in Costa Rica offer attractive gross rental yields ranging from 5.3% to 8%, meaning investors can enjoy both short-term gains and long-term appreciation from their investments.

Furthermore, moderate inflation projections for Costa Rica align with IMF forecasts, providing an average yearly increase of 2.9% over the next five years. This stable inflation environment can lead to capital appreciation and higher rental rates, enhancing the cash flow potential for investors.

Is Now the Time to Invest in Costa Rican Real Estate?



In conclusion, 2024 presents a favourable opportunity to invest in Costa Rican property.

The exceptional stability, coupled with the country's economic growth prospects, minimises risks associated with uncertainty and ensures the long-term value of real estate.

Investors stand to benefit from increased economic activity, rising wealth within the population, and a potential surge in housing demand. Despite the Costa Rican Colon being at an all-time high, investors shouldn't be dissuaded. Although a stronger currency could make the initial investment costlier for foreign investors, it is worth considering if it could lead to more favourable negotiation terms when buying real estate in Costa Rica, thus balancing out any potential currency-related challenges. Additionally, if investors are planning on retaining the property over a long period, the property's value appreciation could outweigh the impact of the currency exchange.

In essence, investors buying real estate in Costa Rica are offered a secure and promising avenue for both rental income and property value appreciation, making it an attractive option for investors seeking long-term growth and stability in their portfolios.

Ultimately, it is vital to approach real estate investments with careful deliberation of all the factors. Get in touch with our team for professional guidance and investment opportunities today.

Contact us today to discover property investment opportunities in Costa Rica.

