



EX-PAT RENTAL GUIDE FOR COSTA RICA

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Renting a house or apartment in COSTA RICA has its particularities and operates somewhat different than other global locations.

Things move at a normal pace but it is helpful to be organized and prepared ahead of time. Start the process with careful planning in consultation with your real estate agent.

Do not hesitate to ask questions about the process, neighborhoods, specific buildings, access to transportation as well as what is included or not included.

DEFINE YOUR RESEARCH CRITERIA

The first step in your planning should be to define the key criteria for your next apartment. Considerations like who to work with, location, size and price are most important. Additionally, identifying items like pet policy for those who have pets, or building amenities like the need for a pool or a washer and dryer, or basic kitchen appliances are key, as they don't have to come with the house or apartment by norm.

DETERMINE YOUR BUDGET & POSSIBILITIES

Many landlords look for a tenant who's financially whole and can at any given time prove their source of income and/or provide proof of income. This last however is not a legal requirement. Take into account that unless there are special circumstances or in some cases units may be furnished, the traditional move-in fee is only first month and deposit, unlike other countries that require a last month payment as well. Things are negotiable in Costa Rica but these two basics are pretty set in stone. In order to be able to remove a house or apartment from the market

you must at the least be able to provide first months equivalent as deposit, which will be the immediate renter's guarantee.

FEES

Make sure to ask your agent about fees and real estate commissions at the beginning of the process. Market circumstances vary and depending on the agent, there may be incentives in your favor if you're able to commit to one realtor over a mutually agreed period of time. At WERCR for example, www.we-r-cr.com you get a bonus for example!

Traditionally however, the Landlord pays all commissions and an Agency can help you free of cost if you're a committed renter. There may be a variety of fees however that you should take into account directly, for example, there can be a fee for a managing agent to process a rental application if such would be necessary or a fee for assisting you in the gathering of documentation.

There may be security fees for moving in or moving out that are collected at the lease signing. However, in COSTA RICA the Landlord compensates the agent for working on the lease transaction or finding the client. Shall you choose to work without one, its no gain to you and can actually turn out to be a loss when working without proper advisory.

In general, there are two or three different scenarios regarding a real estate commission to rent an apartment. In most cases, the Landlord will be asked to pay a fee to the agent that can be up to one months rent per contracted year. These terms however, are of their direct concern and none of yours. Many agents in Costa Rica take advantage of ex-pats and its important your aware from the start.

TIMING

A general rule of thumb is to start the process 30 – 45 days before you need to move in to your new house or apartment. However, some may take a bit longer or others are able to move even faster. It is a good idea to talk to your agent about timing at the outset of your search.

Work through questions like:

Do you need to vacate your current house or apartment by a certain date?

Do you need to be settled by a certain date?

BE READY

When you find the right place to live, it is important to have your finances in order and your documentation prepared so you can seize the opportunity. Remember, Costa Rica can be a competitive place to live within a reduced market and applicants who are prepared to act will make a positive impression on landlords giving them at times even more preferential treatment from Landlords and will help them reach better negotiations.

Some Good ideas:

Have a letter from your current employer that states your position, salary, length of employment and any possible bonuses.

Have two recent pay stubs available to submit with your application or 2-3 bank statements. From local account preferred, but not imperative.

Make copies of passport or ID to have with you.

Type up the contact information for your current landlord or thus, have your agent have an open client profile ready (A basic service they offer). If you have not lived in your current home very long consider also providing your previous landlord's contact information or any general reference that can be of help to the further endorsement of your character, ability to pay and good ethics.

It is not entirely common for the approval process to include contacting previous landlords to get a sense of your history of rent payment and the experience that landlord had with you as their tenant but it's a good idea shall you feel comfortable doing so. This is not a matter for discarding options however.

Don't be afraid to have your agent negotiate, that's why you're using one. While you may feel an intermediary person may not always be necessary in view of all the information on the internet, do know that even if you find it and send it to your realtor he/she TOO can negotiate better deals for you but they MUST be the first point of contact. In Costa Rica, many times it's all about whom you know, making this part key.

THE PROCESS

Contact your agent and work with your agent to define your needs and timing. 2

Review the steps described above and prepare you documentation.

Begin Searching listings on your agents site, as there isn't one MLS to support all needs and keep in mind your desired location and budget to start looking at apartments

In Costa Rica, having an agent can help you locate your bearings and this is free of charge to you as long as you rent with them. Its very un-courteous however to make anyone loose their valued time so be respectful. A good agent will give it all for you and you WILL find the best home together. Find one you trust. When you find the right house or apartment, go for it. Waiting can make you loose it. Its better to negotiate better temporary terms if needed than letting something go. Minimum leases are for 1 year unless they are considered short-term vacation rentals. Leases as well are automatically renewed for up to three years and rent can't be raised as long as it's an agreement in dollars.

Once all is approved, a lease signing will be scheduled and keys will be delivered. A good agent will walk you through the home as well and will ensure everything you need is met. Lifestyle concierge services can also be hired in order to assist with furnishings, connectivity from anything to the Internet or cable or even getting a housekeeper to clean the home, all services that also run relatively cheaply in Costa Rica.

Congratulations! Get ready to move in!