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Two groups try to professionalize real estate agents

By Garland M. Baker
Special to A.M. Costa Rica

In a country where real estate or attorney used in the same sentence as ethics is an oxymoron, two organizations are trying very hard to bring some sanity to the real estate profession. There are two real estate associations here: CGGAR, the Costa Rica Global Association of Realtors, and CCCBR, the Camara Costarricense de Corredores de Bienes Raices (Costa Rica Chamber of Real Estate Brokers).

Linda Gray, vice president of Coldwell Banker, started [CRGAR](#) 12 years ago because she felt Costa Rica needed more global real estate exposure. Allen Lungo of the Costa Rica Real Estate Store is the organization's current president. [CCCCBR](#) was founded in 1974 to improve professionalism among local realtors. The two organizations worked together up until about three years ago when they had a falling out. A new president took over in August and Lungo has high hopes the two associations can again work in concert to improve the quality of professionals working in the realty business.

Carlos Angulo of BLP Legal, did a fine job last week in CRGAR's two days of licensing classes training new applicants. He emphasized how honesty and disclosure were the key factors in a successful real estate career. Angulo and Lungo both were impressed at the attendance of the event. Angulo said on day one, "I have not seen a group this large in the time I have been doing the training. It appears the market is blooming again."



The only licenses here now are not obligatory

Lungo mentioned on day two, "This is the largest group we have had in over 5 years, it looks like the real estate market is turning around." Trips around Costa Rica for the last several months seems to confirm the property market is showing [signs of improvement](#).

Both organizations offer licensing after training. However, a license is not required to sell real estate in Costa Rica. There was a proposed bill some years back in the legislature to license real estate professionals, but Angulo of BLP Legal said he feels it was too comprehensive, thus making it difficult to pass it into law.

This is too bad because the country's judicial system has sent the wrong message to crooks and thieves. One would think Costa Rica's legal system would

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be on top of wrongdoers, but it is not. Property fraud is still rampant.

One poor Tica woman met an unlicensed real estate agent through an advertisement on a TV channel, and he convinced her to use a very valuable property she owned as a down payment on an overpriced house in Guápiles. The agent and an attorney put the transfers in three different deeds at fictitious prices so the deal did not alert workers at the Registro Nacional or the Ministerio de Hacienda of their nasty business.

In another case, after a Gringo who owned a house in Jacó was deported in August, his property was illegally transferred and on the market within two weeks after he left the country.

It is common knowledge that people working in consort with dishonest attorneys can be [scheming, crafty, aggressive and malicious](#). Gavilanes or vultures regularly read obituaries and cross-reference the information with the Registro Nacional to see if deceased persons own property.

Criminal and civil cases against these bad guys and gals end up in court for years and many times [never arrive at a conviction](#).

[Title insurance](#) companies that came to Costa Rica and tried to make business were not much help. Their policies were not what expats expected and only exacerbated problems in some cases.

Real estate people are not police. Neither are attorneys for that matter. Trained, licensed professionals can work together with attorneys to gather information necessary to assist good legal counsel in performing proper due diligence. The [Registro Nacional](#) is now an excellent digital resource. Anyone can access their services. Professional agents are trained to do so. A good broker also can show a new property owner how to protect the property inexpensively with [asset monitoring](#).

The real estate profession is full of illegal workers. Since most agents do not earn a wage or salary only commission, it is easy for them to hide under the labor law's radar. Costa Rica is known by some as the land of the "wanted and the unwanted." This is finally changing because the country joined the [International Police Agency's](#) global membership of 190 countries, enabling law enforcement to work together to fight crime and trafficking.

CRGAR is committed to insuring its membership can legally work in Costa Rica and that each member pays taxes. The organization requires applicants to prove legal residency or that they are in the legal process to obtain same. They also require every person or company to be registered with the tax authority. From CCCBR's application requirements, it appears they also have such requirements.

Ethics, honesty and disclosure are not islands in the Caribbean. They are important contextual words which everyone should follow, especially attorneys, accountants and real estate agents doing business in Costa Rica. CRGAR and CCCBR should work closely together to insure new retirees, second home buyers, and property investors have a good buying and selling experience here. The country needs positive press.

The two organizations should merge into one and lobby the powers to be for a colegio, an official professional organization, of their own which would require real estate licensing.

This would surely curb illicit property transactions and improve the world's view of the country.

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