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## RAPID SALE OF PARADISE

### A REAL-ESTATE FRENZY GOBBLES UP SEASIDE PLOTS IN COLOMBIA

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LA BOQUILLA, Colombia - BY ANDREA ALEGRIA AND CHRIS KRAUL

A few years ago, impoverished fisherman Marcial Ortega could barely afford to feed his 14 children, much less buy them shoes.

But now his worries are over. A beneficiary of this region's building boom, he is selling his half-acre beachfront lot and cabanas in February for a cool \$1 million.

The 63-year-old Ortega held out for years, impassively listening to fast-talking developers bid up the price of his seaside plot. But declining fish stocks, rising taxes, and nonstop harassment by developers finally persuaded him it was time to leave this tiny fishing community a few miles up the coast from the Spanish colonial city of Cartagena de Indias. He sold to Spanish developers who plan to build a high-rise apartment building.

"I had to find a way out of here," said Ortega, his cement-block house that he soon will vacate nearly overtaken by encroaching high-rises. "Now I'll have peace of mind, buy my wife a nice house and give my children things I didn't have, like an education."

The price fetched by Ortega's property reflects the frenzied real-estate market in Cartagena, an increasingly popular destination for foreign tourists and retirees. A decade ago, the charms of this fortress city were the well-kept secret of wealthy Colombians and adventuresome foreigners who knew that Cartagena was relatively immune to the murders and kidnappings that marked Colombia's war elsewhere.

#### SAFE AND SECURE

Colombia's security and economy have improved significantly since President Alvaro Uribe took office in 2002, and that has helped ignite a construction boom. Twenty luxury residential towers were built last year and more than 60 are on the drawing boards, including what would be Colombia's tallest building. Seventeen projects are to be situated along the four-mile stretch of beach between the walled city and La Boquilla.

Two-thirds of the new units being built or planned are marketed to foreign retirees and investors, who have begun to take up residence in this breezy Caribbean city. Long anathema to U.S. hotel chains because of Colombia's violent notoriety, Cartagena is slated for new resort hotels bearing the Marriott and Donald Trump brands.

Fueling the construction is the increasing flow of tourists, who, favorably impressed with the so-called "heroic city" are feeding the pool of potential buyers.

## **TOURISM FRENZY**

The number of international visitors to Colombia grew 12 percent last year over 2005, and Cartagena was their top destination. International arrivals at Cartagena's airport have more than doubled since 2003, and cruise ship lines, which just a few years ago made only intermittent stops, are back. Eight cruise lines, including Royal Caribbean, will be making an average of 12 calls monthly starting in August.

Founded in 1533, Cartagena was one of the most important colonial cities on the Spanish Main, where shipments of gold and emeralds embarked and where settlers and slaves arrived. To protect it, the Spanish monarchy spent a fortune on fortifications, included seven miles of walls and a dozen forts, many of which are still standing.

The old city within the walls, filled with architectural gems, is remarkably well preserved -- and was largely abandoned until the redevelopment craze hit in the 1980s.

Attracted by that charm are U.S. retirees such as Jim Pazynski and his wife from Madison, Wis. Last year, they moved into a high rise just up the beach from Ortega's shack.

"This is going to be another Miami Beach someday," said Pazynski, a retired JCPenney salesman.

But some residents and historical preservationists worry that growth is out of control, is poorly planned, and that it is jeopardizing Cartagena's historical character. Roads and other infrastructure are inadequate, critics say, and pollution in surrounding estuaries is killing off the livelihoods of fishermen like Ortega.

"The growth has little to do with the resources of the city and people who live here. It has a lot more to do with globalization of tourism and the fact that most of the new housing is for foreigners," said Alberto Abello, an economist at Technological University of Cartagena.

## **NO ESTIMATES**

Growth is happening so fast that city officials seem at a loss to quantify it. Neither the chamber of commerce nor the mayor's office could provide statistics or estimates on 2006 construction. In 2005, the last year for which figures are available, residential construction grew 53 percent from the previous year, and observers doubt the pace has slowed.

"There are more cars on the same roads. Food, restaurants and taxis are more expensive. The public space is more crowded. Now I pay more in living costs for less quality of life," said Oscar Collazos, a writer who has lived in Cartagena for eight years.

Collazos is concerned that his once "amiable city" will become a tourism "mega-city" similar to Cancún over the next five years. The demand for land is pushing prices up and the middle class out to marginal areas, he said.

The city is bracing for more exposure as it prepares for several major cultural events in 2007, including a huge celebration in March by the Colombian government to observe the 80th birthday of Nobel Prize-winning author Gabriel Garcia Márquez, who grew up in the region and owns a home here.

Such events are far from the world of fisherman Ortega, who plans on reinvesting his profit in another small parcel of oceanfront land miles up the coast, and make another killing when development again reaches him.

"I love my town," Ortega said. "I don't want to leave. But what else can you do . . . There is nowhere to put up a building anymore. They are all coming here to build."