

Nicaragua draws local investors to its coast

TRIB LIVE
KIM LEONARD | Wednesday, Dec. 28, 2005 12:00 a.m.

While Nicaragua is a terrific place, Karl Ohrman says, "it suffers from what I call the Pittsburgh problem."

Central America's largest country has lingering image issues, 16 years after the end of a civil war that saw U.S.-backed rebels fighting the Sandanistas in power, he said. Pittsburgh, likewise, can't fully erase its past reputation as a smoky steel city.

Ohrman, of Washington's Landing, is showing his confidence in Nicaragua by investing in a major resort and residential community starting to take shape along its Pacific coastline, 40 miles

EMAIL NEWSLETTERS

TribLIVE's Daily and Weekly email newsletters deliver the news you want and information you need, right to your inbox.

TRIBE We process your personal information to measure and improve our sites and service, to assist our marketing campaigns and to provide personalized content and advertising. By clicking the button on the right, you can exercise your privacy rights. For more information see our privacy notice [Cookie Policy](#)

Your Privacy Rights | Reject All | Accept Cookies

major resort and residential community starting to take shape along its Pacific coastline, 40 miles from the capital of Managua. Three other Pittsburghers, in fact, are driving the plans for Gran Pacifica and 26 of the current 209 investors are from Western Pennsylvania.

Nicaragua is emerging as a vacation and retirement spot, with its beautiful coastline and relatively low-priced home sites in developments such as Gran Pacifica, envisioned with hundreds of Spanish colonial-style houses and condominiums close to shops and restaurants, a 250-room hotel and a golf course, casino and marina.

Tourism officials counted more than 500,000 visitors this year, up 15 percent from 2004, and Delta Airlines recently expanded access from the United States to Managua by announcing new direct flights from Atlanta.

Sewickley attorney Joel Nagel, who also is Rotary International's district governor in Western Pennsylvania, along with Richard White, retired president of Bayer Corp.'s fibers, additives and rubber division in Pittsburgh, and Michael Cobb, a Slippery Rock native and Nagel's Allegheny College roommate, are the key figures in Gran Pacifica Beach and Golf Resort S.A.

Cobb, the company's president, is experienced in sales and property development and has lived in Managua with his family since 2002. Lately, he's overseen construction of sewer and water lines, fiber-optic cable and streets that will support the 203 homes in the first phase.

A rainy fall caused delays but the first house is being built, and three or four more will follow soon. Sixty-one lots have been sold, another 30 are on reservation and two couples -- one from Long Beach, Calif., another from Seattle -- already have moved to Nicaragua to await completion of their homes.

"For me this is really nice," Cobb said of the early home-building activity, "because so much has been on paper for the past five years."

Development of an 18-hole golf course designed by golf and landscape architect Tommy Haugen is to begin next month, with completion by early 2007.

The \$50 million hotel is expected to open in three years, and while Marriott announced its

TRIBE We process your personal information to measure and improve our sites and service, to assist our marketing campaigns and to provide personalized content and advertising. By clicking the button on the right, you can exercise your privacy rights. For more information see our privacy notice [Cookie Policy](#)

Your Privacy Rights | Reject All | Accept Cookies

The \$50 million hotel is expected to open in three years, and while Marriott announced its involvement in Gran Pacifica early on, the hotel operator has made no other announcements, said Nagel, the development company's chief financial officer. Marriott representatives couldn't be reached for comment.

Gran Pacifica's history began in the early '90s, with a group of Pittsburghers who traveled to Nicaragua seeking business opportunities.

"We didn't really find them because at that time, the civil war had just come to an end," Nagel said. "There were issues over title and property ownership, but we felt a need to get involved and help people there."

Nagel, White and other members of the Rotary Club of Pittsburgh built two clinics named for Pirates star Roberto Clemente, who died in a plane crash on New Year's Eve 1972 while taking supplies to earthquake survivors in Nicaragua.

Six years ago, after passage of a law allowing tax money to be diverted to tourism development, plans for Gran Pacifica began with an idea for a hotel and some condominiums on 20 to 50 acres along the Pacific coast.

The partnership ended up buying 3,000 acres along nearly four miles of beachfront, for about \$1,000 an acre. Pittsburgh-based architectural and planning firm Urban Design Associates was hired to create a resort community in the style known as new urbanism.

In Gran Pacifica's case, that means a getaway spot that will feel like a Spanish colonial town, with cobblestone streets and houses placed close together to create a sense of community. Residents will be able to walk to a square with shops and restaurants.

Homes can be built for as little as \$100,000, far below prices in Florida or Costa Rica, the Central American nation that started its tourism boom more than 20 years ago.

While Gran Pacifica is considered the biggest coastal real estate project that Nicaragua has seen, several other resorts such as the already operating Rancho Santana are in various stages of

TRIBE We process your personal information to measure and improve our sites and service, to assist our marketing campaigns and to provide personalized content and advertising. By clicking the button on the right, you can exercise your privacy rights. For more information see our privacy notice [Cookie Policy](#)

Your Privacy Rights | Reject All | Accept Cookies

While Gran Pacifica is considered the biggest coastal real estate project that Nicaragua has seen, several other resorts such as the already operating Rancho Santana are in various stages of development.

"It's still a relatively inexpensive place to build and invest," said Erin Johns, spokeswoman for Intur, the Nicaraguan tourism board.

Nicaragua has been a stable democracy since 1990, with voters initiating three transfers of power.

"I think democracy is there to stay. The people believe in it," said White, who has worked with Nicaraguan leaders and studied the country's political changes.

Direct foreign investment in Nicaragua increased by 43 percent last year, to \$266.2 million. Gran Pacifica's partners have invested about \$9.7 million to date in the property, including costs for roads, a bridge over a stream and other infrastructure, all financed by investors.

At least 110 are expected to show for the company's annual shareholders' meeting in mid-January in Managua, including Ohrman, president of Coordinated Financial Services, Downtown, who also is planning a home in Gran Pacifica.

By then, "We should see a number of residences emerging from the ground," he said.

TRIBE We process your personal information to measure and improve our sites and service, to assist our marketing campaigns and to provide personalized content and advertising. By clicking the button on the right, you can exercise your privacy rights. For more information see our privacy notice [Cookie Policy](#)

Your Privacy Rights | Reject All | Accept Cookies

TRIBE We process your personal information to measure and improve our sites and service, to assist our marketing campaigns and to provide personalized content and advertising. By clicking the button on the right, you can exercise your privacy rights. For more information see our privacy notice [Cookie Policy](#)

Your Privacy Rights | Reject All | Accept Cookies

Nicaragua has been a stable democracy since 1990, with voters initiating three transfers of power.

"I think democracy is there to stay. The people believe in it," said White, who has worked with Nicaraguan leaders and studied the country's political changes.

Direct foreign investment in Nicaragua increased by 43 percent last year, to \$266.2 million. Gran Pacifica's partners have invested about \$9.7 million to date in the property, including costs for roads, a bridge over a stream and other infrastructure, all financed by investors.

At least 110 are expected to show for the company's annual shareholders' meeting in mid-January in Managua, including Ohrman, president of Coordinated Financial Services, Downtown, who also is planning a home in Gran Pacifica.

By then, "We should see a number of residences emerging from the ground," he said.

TRIB TOTAL MEDIA | About Us | Get the Trib | Sections | Terms of Use

1-800-969-8742 | 210 Wood Street, Tamaraca, PA 15084

TRIBE We process your personal information to measure and improve our sites and service, to assist our marketing campaigns and to provide personalized content and advertising. By clicking the button on the right, you can exercise your privacy rights. For more information see our privacy notice [Cookie Policy](#)

Your Privacy Rights | Reject All | Accept Cookies

TRIBE We process your personal information to measure and improve our sites and service, to assist our marketing campaigns and to provide personalized content and advertising. By clicking the button on the right, you can exercise your privacy rights. For more information see our privacy notice [Cookie Policy](#)

Your Privacy Rights | Reject All | Accept Cookies