

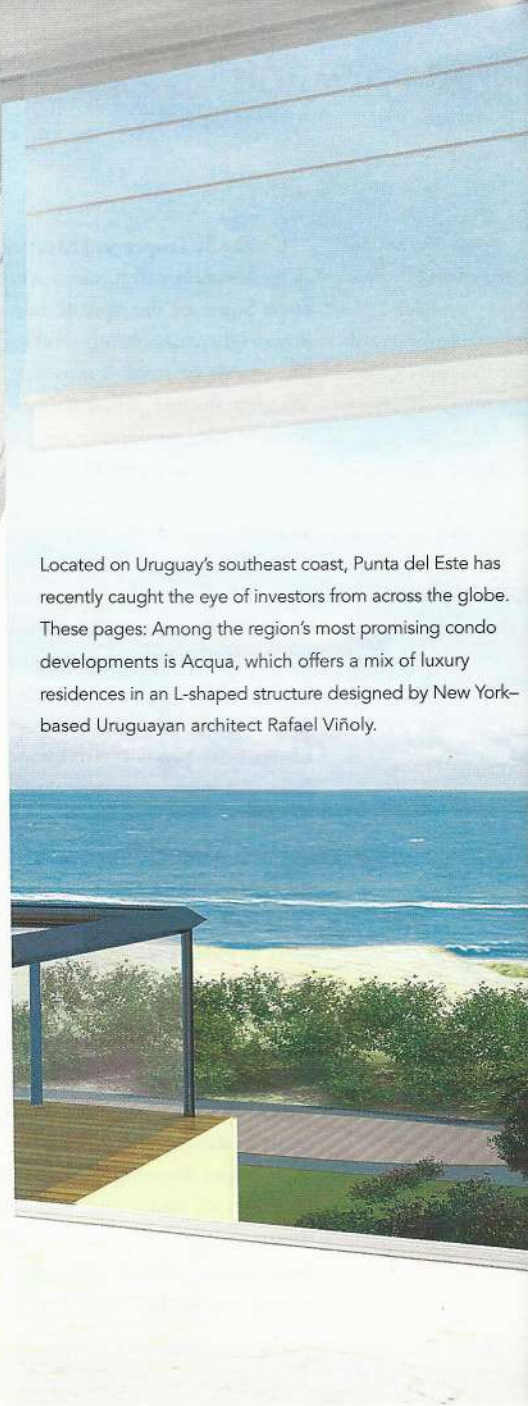
Uruguay's Eden

Punta del Este has become the Pearl of the Atlantic BY SAXON HENRY



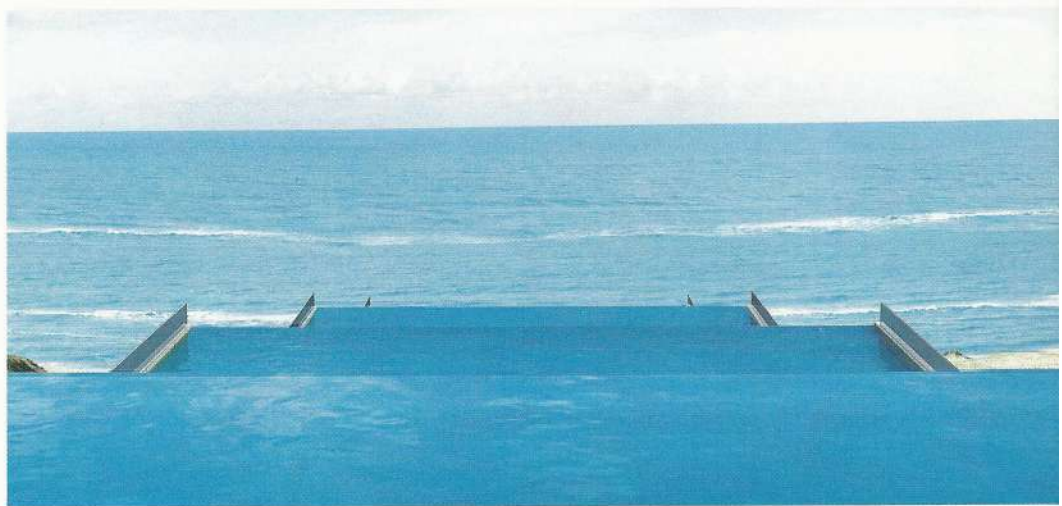
Until the early 21st century, Punta del Este, Uruguay, was the best-kept secret of the Argentine elite. It was the premier summer destination for the neighboring country's wealthiest population, but Argentina's economic meltdown in 2001 brought empty resort hotel rooms, sparsely populated restaurants, and a faltering real estate market to Punta del Este.

What a difference a few years make. The burgeoning city that undulates along the coastline in the southeast corner of Uruguay is experiencing a building frenzy reminiscent of the region's original boom during the 1980s. The area is commonly known as the Pearl of the Atlantic, but other



Located on Uruguay's southeast coast, Punta del Este has recently caught the eye of investors from across the globe. These pages: Among the region's most promising condo developments is Acqua, which offers a mix of luxury residences in an L-shaped structure designed by New York-based Uruguayan architect Rafael Viñoly.

nicknames—the Argentine Riviera, the St. Tropez of Uruguay, and the Hamptons of Latin America—reflect the holiday season that runs from late December to early February, when celebrities such as Ralph Lauren, Naomi Campbell, Robert Duvall, and Antonio Banderas come to town. The two weeks between December 27 and January 10—the height of the South American summer season—bring dizzying crowds and a frenetic nightlife to the Uruguayan coastline. However, developers and tourism executives are hoping to draw visitors with alluring attractions during the quieter months, when the weather can be windy and rainy.



Below: The heart of Punta del Este, near the harbor, has recently exploded with mid- and high-rise structures.

Right: Located in a wooded area on 38 acres, Veramansa is an example of the more low-key developments that exist just outside of the city.

Unlike St. Tropez and Monaco, "Punta," as its devotees call it, has a relaxed ambience. Some of the upscale restaurants are downright unassuming—tucked away in the woods or nestled into the sand with wooden shutters thrown open to ocean breezes. Also, in contrast to South America's more recognizable resort destinations, real estate is still relatively affordable in Punta—for now.

With hundreds of thousands of visitors each year and only 10,000 full-time residents, Punta is a second-home developer's dream. "Non-qualified beachfront land can be bought for as little as \$40 per square meter," says Alfredo Etchegaray, an Uruguayan project consultant. "After a four-year process that includes environmental impact studies and several steps for political approval, the property can be sold for more than \$1,000 per square meter."

This price continues to spike exponentially as word spreads about the area's natural beauty and long list of activities. To the north and east—along a craggy coastline interspersed with silken sandy beaches—are the towns of La Barra and José Ignacio, which also have exploded with development in the past several years.

Whereas Punta del Este is seeing an eruption of high- and mid-rise condominiums, the buildings in La Barra and José Ignacio are mid- and low-rises. "The density in José Ignacio is much lower and



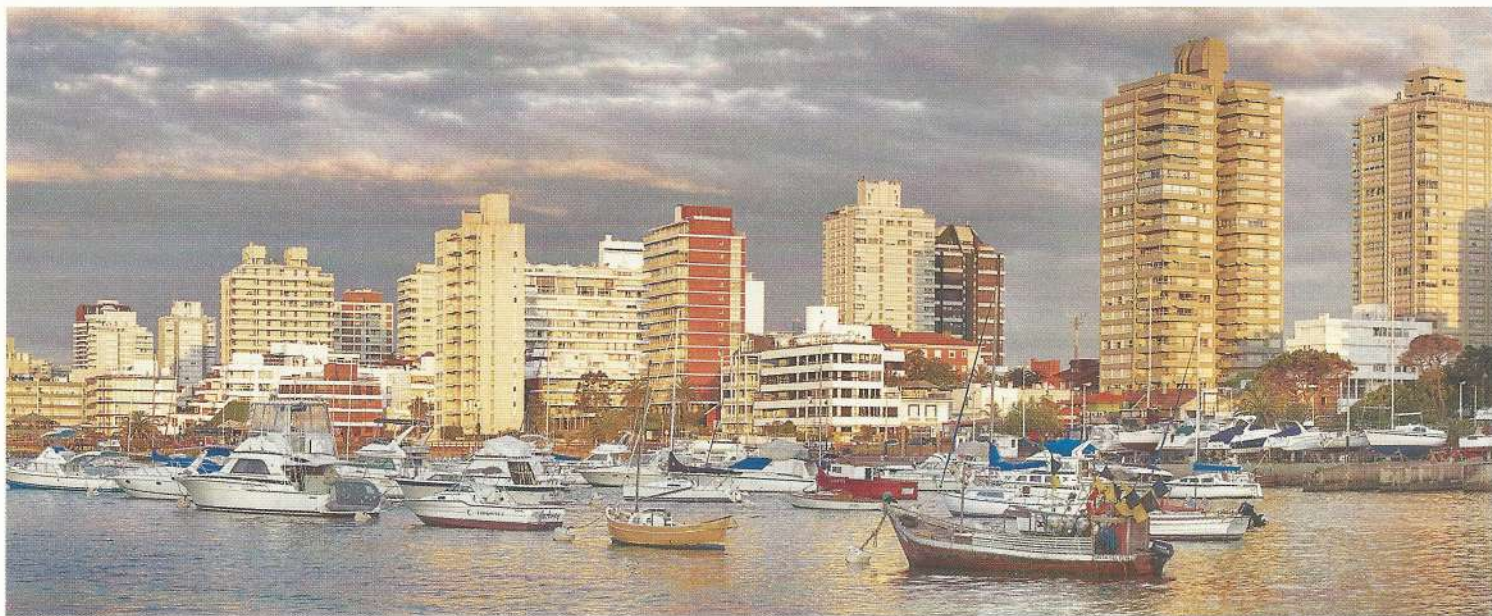
the scale is more human, peaceful, and elegant," says Jorge Perez, chairman and CEO of the Related Group. "A lot of wealthy people seem to be moving there." To meet this expectation, his development, Laguna Escondida, is slated for completion in 2010 on the rock-strewn shores of José Ignacio.

Great Britain's literary bad boy, Martin Amis, owns a second home on a picturesque hillside overlooking José Ignacio's *faro*, or lighthouse, and Ralph Lauren's favored South American summer rental is nearby. "I think Punta and the surrounding towns have incredible futures as destination resorts," says Perez. "The only drawback is that the area is relatively far for Americans and Europeans to travel to;

but once they are there, the area is second to none."

Unlike many of its neighboring countries, Uruguay is known for its stability. "Punta del Este is one of the safest cities in South America," says Rafael Sánchez de la Puente, a marketing and communications consultant. "The land is cheap and plentiful. It's an investor's paradise."

Walter Neri, CEO of PuntaOnline, a website that offers real estate listings and recommendations, has watched the city's explosive development with awe. "To see Punta grow is very exciting," he says. "We've been able to interact with many people from other countries. This internationalization makes our country incredibly unique and desirable."



LEFT: JON HICKS/CORBIS

HARVESTING THE PEARL OF THE ATLANTIC

Buying Property

Foreigners have the same rights as Uruguayans when purchasing property in Punta del Este, and there are no restrictions on transferring capital into or out of the country. Most real estate agents add a minimum of 3 percent to the selling price, but it is wise to add 5 percent to cover notary fees, value-added tax (or VAT), legal fees, and other costs. Realtors can connect buyers with notaries and attorneys to facilitate the purchasing process.

Vacation Homes

The second-home market is as hot as the condominium sector. In Punta Ballena, just west of Punta del Este on the coast, buyers can expect to pay upward of \$1 million for a four-bedroom home with a swimming pool. A four-bedroom beachfront property with expansive views and a large deck will cost more than \$3 million. Six-bedroom homes in Punta Piedras, the most exclusive area of Punta del Este, are usually priced around \$5 million.

Chacras

For those who want land but do not want to worry about security, developments of petite ranches, or *chacras*, provide protection and services. El Quijote, a gated community located on 1.2 miles of riverfront about 10 minutes inland from the beaches of La Barra, offers 741 acres of common spaces. One-acre lots start at approximately \$100,000, and custom homes are priced at about \$110 per square foot. +598.94.33.9693 or 310.526.3737, www.elquijote.com.uy

Where to Stay While Looking for Property

Today, Punta del Este is home to more than 100 hotels—from quaint boutiques to teeming resorts, such as the Conrad Hilton, which houses a bustling casino and nearly 300 guest rooms. An Uruguayan version of

the Setai, Miami's chicest resort, will soon open on the beach near José Ignacio with thatch-roofed bungalows. The following boutique hotels also are recommended:

> La Posada del Faro is a 12-room hotel tucked into the dunes of José Ignacio. Rooms range from \$150 to \$450 per night at this hotel, which has hacienda-style architecture and a tranquil pool surrounded by wood cabanas and a waterside bar. +598.486.2110, www.posadadelfaro.com

> Set in the heart of Parque del Golf in Punta del Este, L'Auberge features French-inspired interiors in its 36 rooms. The intimate dining room offers exquisitely prepared meals in a romantic setting, and rooms range in price from \$120 to \$810 per night. +598.42.48.2601, www.laubergehotel.com

> The Serena Hotel, with its Agua Spa, is a Punta haven for beachside dining and relaxing. The 32 hotel rooms have interiors that are fresh and inviting, and range from \$130 to \$420 per night. +598.42.23.3441, www.serenahotel.com.uy

> Hotel-Art Las Cumbres, a quaint hotel with traditional Uruguayan interiors, is perched on a summit with amazing views of Punta del Este and the coastline. The vistas can be enjoyed from a panoramic pool deck and from many of the 28 rooms, which are priced between \$138 and \$458 per night. +598.42.578689, www.cumbres.com.uy

Getting There

A list of travel options can be found at www.visit-uruguay.com.

From December 15 to March 4, there are from six to 12 flights a day from Aeroparque Jorge Newbery in Buenos Aires to the Laguna del Sauce International Airport in Punta del Este. During the remainder of the year, flights are limited, with one flight each weekday and from four to six flights during the weekend. Car and limousine rentals are easy to arrange inside the airport, where most American car-rental companies have an outlet.

Although Punta del Este is home to large hotels, some of the city's best accommodations can be found at boutique resorts, such as the 12-room, hacienda-style La Posada del Faro.



DEVELOPMENTS/REAL ESTATE

1 **Acqua**

Location: The contemporary, L-shaped development is located 15 minutes from the Laguna del Sauce International Airport.

Residences: Three manors and two penthouses with private decks and swimming pools, as well as five duplexes and 24 luxury condominiums with private terraces. The project was designed by New York-based Uruguayan architect Rafael Viñoly.

Amenities: A spa, gym, beach club, and dramatic infinity pools; some residences include home theaters and wine cellars.

Timeline: The first phase of real estate was offered in December 2006; build-out is expected this May.

Pricing: From \$980,000 to \$7.5 million.
+598.42.497.061,
www.acqua.com.uy

2 **Brava 28**

Location: Between La Barra and Punta del Este.

Residences: Two mid-rise towers

comprise 24 two- and three-bedroom luxury condominiums, six penthouses, and two two-bedroom duplexes.

Amenities: Large terrace with swimming pool and whirlpool, complex-wide Wi-Fi, a party room, a spa, and a fully equipped gym.

Timeline: The first phase of real estate became available in January 2005; the project was completed earlier this year.

Pricing: From \$240,000 to \$561,200.
+598.98.82.9061,
www.brava28.com

3 **Delamar**

Location: In La Barra, 25 minutes from the Laguna del Sauce International Airport.

Residences: 48 luxury condominiums, 12 of which are penthouses with private terraces and pools.

Amenities: A gym with views of the ocean, an infinity-edge pool and an indoor pool, a spa, kayak and bicycle rentals, a concierge, and housekeeping services.

Timeline: The first real estate offering was in December 2006; the project is slated for completion this spring.

Pricing: From \$600,000 to \$2 million.
+598.42.773.333,
www.delamar.com.uy

4 **Laguna Escondida**

Location: On 146 acres of land that includes lakefront property and beachfront property, with 2,000 feet of Atlantic coastline.

Residences: 240 homesites and 50 condo-hotel residences. Homeowners have the option of choosing a predesigned home from acclaimed architect Carlos Ott—who has built modern structures across the globe, from Miami to Dubai—or from a selection of other international architects.

Amenities: A hotel, a spa, a gym, tennis courts, a restaurant, and an infinity-edge swimming pool in the lagoon area; the beach club offers another pool.

Timeline: The first phase of real estate will be offered in September 2008; build-out is expected by 2010.

Pricing: Homesites range from \$160,000 to \$775,000; beachfront condos from \$1 million to \$3 million.
www.lagunaescondida.com

5 **Quay**

Location: On Punta del Este Harbor.

Residences: The mid-rise development offers 14 residences, including two penthouses, each with a private terrace and pool.

Amenities: A sundeck and swimming pool with ocean views, a private club, a movie theater, gardens, a health club, and complex-wide Wi-Fi.

Timeline: The first phase of real estate became available in December 2006; build-out is expected by December 2008.

Pricing: Starting at \$1.2 million.
+598.94.06.5451, www.quay.com.uy

6 **Veramansa**

Location: Within a 38-acre wooded expanse dotted with lagoons and offering views of the ocean.

Residences: A mix of 144 luxury condominiums in three low-rise buildings for phase one, and a variety of parcels earmarked for private residences in later phases.

Amenities: A spa, a microcinema, a restaurant with a bar and adult lounge, tennis courts, indoor and outdoor swimming pools, lagoons suitable for water sports, and beach access.

Timeline: The first phase of real estate was offered in December 2005; the second phase build-out is planned for December 2008.

Pricing: From \$280,000 to \$600,000.
+598.42.77.2722,
www.veramansa.com

RESOURCES

Punta Online,
www.puntaonline.com

Punta for Sale,
www.puntaforsale.com

