

THE PANAMA PERSPECTIVE



We are enjoying a wonderful San Juan Summer up in the mountains at our home town of Boquete with bluebird skies for most of the month of July. I have spent some quality time with my younger son and we have just returned from a road trip to PEDASI where I am investing some money in small land parcels. I fell in love with PEDASI the first time I visited and I have returned time and time again. PEDASI is located on the tip of the Azuero peninsula and has some of the best surf breaks, traditional and spear fishing, and an island paradise just offshore called Isla Iguana with white sandy beaches and coral reefs for diving. PEDASI is just like Tamarindo in Costa Rica was 20 years ago. See <http://www.tamarindo.com> PEDASI has similar beaches, climate and all the attributes that Tamarindo has. PEDASI also has the same prices for land that was found in Tamarindo 20 years ago.

Sonia Garcia or as she is known as “Pucha” is a local in PEDASI and championship surfer



Isla Iguana is a national park with over 100 acres of coral reef surrounding the island



I have two large properties for sale in PEDASI and both offer excellent upside potential. I also have some smaller investor packages that I am working on that are titled residential lots on and close to one of the nicest beaches and a short bicycle ride from town. Please contact me to discuss these and other new opportunities in Panama at 507.6810.1074 in Panama or 305.448.1003 in the US or by email at tbrymer@brymerpa.com

Playa Panamaes - 300 plus hectares or over 740 acres of oceanfront with two beautiful beaches and fully entitled for a beachfront resort community.



Hacienda La Perla - 116 plus hectares or over 286 acres of oceanfront with 1200 meters or almost 4000 feet of beach located directly across from Isla Iguana. This is by far the most beautiful finca in PEDASI with pastures, sloping topography to the beach and small lakes for abundant water.



Thomas H. Brymer II has formed an advisory firm in Panama and brings with him over 30 years of experience in real estate development and sales. At Panama Advisory International Group, we are advisors to select clients requiring real estate services including acquisition and disposition, real estate and business development and the placement of equity and debt. We are often asked why invest in Panama. We offer a few reasons that we see as a constant in all discussions with people who have experienced significant successes here.

- Panama Canal expansion a cornerstone of the global transport system
- Panama Qatar Occidental Petroleum Oil Refinery Agreement
- The banking system in Panama is world-class. A law passed in 1998 modernized this sector and enhanced the Government's regulatory function. Banking institutions have strong ties to both Latin American and G7 countries. There are more than 120 banks in Panama City, making it a serious player in the international financial stage.
- Panama's ambiance welcomes ethnic diversity and people from all countries and walks of life, lacking the common hostility found in many corners of the world. Because the isthmus holds a central position as a transit zone, Panama has long enjoyed a measure of ethnic diversity.
- Cost of living is low and life is quite easy, as domestic labor is still available quite inexpensively.
- Accessibility: there are many airlines offering daily flights to major cities of the world.
- Security is not a major issue in Panama.
- Health Care: 5 major private hospitals provide us all with tranquility. Johns Hopkins, Miami Children's Hospital, Tulane University and Miami's Baptist Health Center are affiliated to a number of Hospitals here.
- Panama does not have hurricanes or other major weather events or seismic events
- Property: there is only one Public Registry, thus one title for each property. Title insurance is also available if requested.
- English is widely spoken
- Major Corporation relocating or opening new offices - Dell, Caterpillar, Singapore Airlines
- Colon Free Trade Zone ("CFZ") is the largest free zone in the Americas and the second largest in the world.
- Latin America remains resilient to the international credit crunch.

- Fitch Global Sovereign Review expects LatAm including Panama to maintain relatively healthy growth rate.
- Gross Domestic Product has reached rates of 4.1%, 6.0%, 6.4%, 8.1% 8 % during 2004, 2005, 2006 2007 and 2008 respectively.
- Investment Stability Law provides a 10 year stability as of the registration of the investment that all legal, tax, customs, municipal and labor rules will remain identical to those in force at the time of registration. This is an important guarantee to secure no-changes will affect the amortization of investments.
- Panama is at the top of the list of the Latin American countries with best access to capital.
- Panama's currency, the Balboa, is at par with the US dollar since 1904.

Another important fact about Panama and the investment climate is the existence of Law Number 8

(Enacted in 1994) is the most comprehensive law for the promotion of tourism investment in Latin America.

The incentives and benefits under this law are available to natural persons or companies engaged in tourist activities registered at the National Registry of Tourism (Registro Nacional de Turismo) and certified by the Panama Government Tourism Bureau (Instituto Panameño de Turismo - IPAT).

These include public lodgings, tour agencies, tourist transport services, tourist restaurants, discotheques, nightclubs, recreational or theme parks, zoos, convention centers, and marinas.

The incentives for tourism investments include:

- 20-year exoneration from real property taxes (including land)
- 20-year exoneration of import duties of all materials, vessels, vehicles, and equipment used to build and furnish public lodging establishments.
- Exoneration from any tax or assessment on its capital.
- Exoneration of all fees for using piers, airports or heliports.
- Income tax exemption on interest earned by creditors of public lodgings.
- 10% annual real property depreciation (not including the cost of the land).
- Twenty (20) years full exoneration from the payment of real property tax on the land or any improvements owned and being used for tourist development activities.
- Fifteen (15) years full exoneration from the payment of income tax.
- Twenty (20) years full exoneration on import duties and sales tax on imported materials, equipment, furniture, accessories and spare parts used to construct, renovate and furnish their establishments.

- Twenty (20) years exoneration from duties, contributions, taxes or fees on the use of piers or airports built by the company. The Government of Panama may use these facilities free of charges, according to the appropriate regulations.
- Twenty (20) years exoneration from the payment of income tax on interest earned by its creditors from tourist activity operations.

ABOUT US

- We are a commercial advisor to select clients requiring real estate services including acquisition and disposition, real estate and business development and the placement of equity and debt.
- We provide a host of services including seeking out investment opportunities related to real estate, developing commercial and residential projects and the marketing and sales of various types of real estate property. In addition we are involved in obtaining equity investment and financing from both private and institutional lenders.
- We are involved in the Panama real estate market and offer services following multiple disciplines including strategic analysis and planning, development, marketing, sales and contract negotiation.
- We have the experience and knowledge in complex planning and organizational development necessary to provide strategic partnerships with a network of professional planners, developers, sales and marketing experts.
- We assist our clients by assessing market potential and timing, and forecasting market direction. We help identify viable applications for various types of real estate product and services, assess competitors and develop winning strategies. We direct or support negotiations and when local collaboration is appropriate, we assist clients in the development of joint ventures.
- Opportunity identification and success in local representation is the heart of our business.
- Our Group puts clients in the right place, with the right people, at the right time.

We invite you to visit our country and learn how Panama has developed the base from which to take a quantum leap in the near future when the next wave begins. Please contact either of us to discuss opportunities we feel are of merit.

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