



Hotel con
Corazón



2023 ANNUAL REPORT



IN THIS ANNUAL REPORT



FROM THE BOARD 3



IMPACT

<u>Education Activities</u>	4
<u>Student Stories</u>	15
<u>Theory of Change</u>	19
<u>Education in #</u>	21

HOSPITALITY

<u>The year in brief</u>	23
<u>Hospitality in #</u>	25
<u>A day with</u>	27



FINANCIALS

<u>Nicaragua</u>	29
<u>Mexico</u>	31

2024 OUTLOOK 33



WE'RE ON A ROLL!

It is with great pleasure that we can report that 2023 was a good year for Hotel con Corazón. In our three countries we have made considerable progress compared to 2022, and 2024 looks even more promising!

Nicaragua

Our students continue with their school, some graduate, others have improved their financial situation and no longer need the scholarship. For the current year 2024, we have enrolled more students than have left, growing the program from 26 to 32 students. Tourism is now steadily increasing and is getting close to pre-pandemic levels. We are hiring more staff, we are renovating our building, to be prepared for further growth. We are pleased that our hotel in Granada is back on the rise!

Mexico

We have finalized our transition to carry out our education programs through two partner NGOs instead of our own direct involvements as we did in the early years. By becoming a stable financial partner of these NGOs, both can grow the number of supported students to over 300. And then tourism in Oaxaca, what more is there to say? As the Mexican tourism hotspot that it is, this situation allowed our hotel to perform again stronger in 2023 than the year before, with average occupancy at an incredible 91%.

In this report, we share the developments more in detail. It goes without saying that we are excited; we hope you feel the same way when reading the report.

Costa Rica

Our ambition of adding a third hotel in the mountain village of Monteverde is getting closer and closer. Most of the past year was dedicated to design, costing, permit work, and the selection of a construction company. Finally, in the first week of December, we started the construction. At the time of writing this report, the planning for the grand opening of the hotel is April 2025.

So long, Onno Oostveen!

At the end of 2022, our esteemed co-founder Onno Oostveen announced that after more than 16 years of dedicated service to Hotel con Corazón, it was time for him to explore new professional opportunities. He remained with us throughout 2023 to contribute to the Costa Rica project and ensure a smooth transition of his responsibilities by year's end.

Without Onno's entrepreneurial vision, Hotel con Corazón would not have come into existence. He also made our journey a lot more fun. The two years Onno and co-founder Marcel spent in Nicaragua to establish the first hotel were unforgettable for both of them and all the volunteers that came to contribute to the hotel.

In recent years, his visits to the existing hotels to provide support and drive professional development have been invaluable to the hotel managers. Onno, you will be greatly missed, and remember: "You can check out, but you can never leave."



Saludos from the Corazón teams in Nicaragua, Mexico, Costa Rica and The Netherlands



IMPACT | EDUCATION

NICARAGUA

At the beginning of 2023, we still did not have a clear picture of the influx of tourism in Nicaragua, but our focus was on renewing the scholarships of 26 existing students of different modalities and majors so that they could complete their studies. We achieved this through a crowdfunding campaign conducted around Christmas. Thanks to these collective efforts of ex-hotel guests and long-time Corazón supporters, we were able to carry out our educational project this year. And although last year we were still unable to fund the education project with hotel profits, 2024 promises to reverse that trend.



→ High school students

Most of our high school scholarship students come from the rural area of Granada, specifically the Laguna region, where these children have attended primary school in public schools with limited resources. The schools lack the tools, facilities, and staff to meet the educational needs of the large number of students they serve, as well as the development of a comprehensive curriculum. These primary schools have multiple grades in a single classroom with only one teacher, and English or technology classes are not offered. School dropout rates are very high because very few parents are conscious about the importance of having their children continue their studies after the 6th grade. Moreover, the children often need to help with the fieldwork that most of these families engage in within the community.

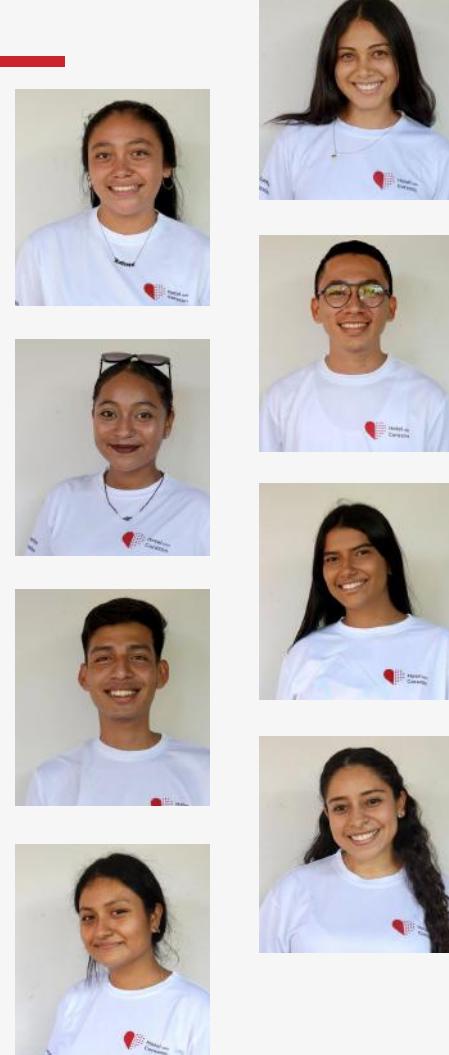
The children from these rural schools, Bertha Pacheco and San Pablo School, who graduate from 6th grade and wish to continue their studies, can apply for a scholarship at the Hotel con Corazón Foundation.

The initial transition for them is challenging, as the scholarship they receive from us for their secondary education are used at a more demanding high school in the urban area. One of the most relevant guidelines, in addition to their grades, when we grant a scholarship, is a socioeconomic study conducted for each application, as the scholarship covers only tuition fees and support, so parents must be able to pay for transportation to school, uniforms, and school supplies. Once the scholarship is obtained, the students must attend the hotel's tutoring classes after school, provided by our university scholarship students. We do not offer any additional classes or techniques outside of their school curriculum.



→ University students

Our first candidates to be awarded university scholarships are our own high school scholarship recipients who have graduated from high school. Our mission with university students has focused on providing them with their first work experiences. Every student who receives a university scholarship is committed to attending one day per week to work in different areas of the hotel, rotating them through various departments. Regardless of their major, we want them to experience teamwork and customer service, overcome shyness, and learn values such as workplace respect, ethics, responsibility in assigned tasks, humility, and solidarity during their day at Hotel con Corazón. Our university students also give tutoring classes to our high school students. They 'return' the support they received by imparting knowledge to these children from their community, providing tutoring to help with their homework, assisting with printing, or conducting research— essentially providing any support needed for their schoolwork. During lunchtime, all the scholarship recipients gather with the staff to share a meal, providing an opportunity to discuss their doubts, difficulties, and questions; of course, there's always room for a joke or two. The staff strives to ensure that those young people feel included and part of the team.



→ Workshops

Additionally, as a parallel project, we held training workshops every two months, addressing topics such as financial savings, effective communication, how to present oneself in a first job interview, leadership, cybersecurity and theater. The staff also participates in these workshops.



→ Scholarships for staff

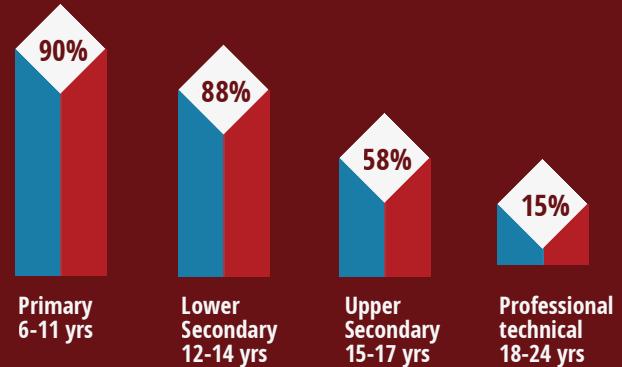
During the year 2023, the team remained small, with a total of 8 members, half of whom requested scholarships. As a benefit to the employees, they can receive an additional 10% of their earned salary for university studies, technical courses, language courses, etc., that the employee wishes to pursue directly. Alternatively, 5% of the earned salary is allocated for the education of their own children. This benefit for our employees is provided to encourage ongoing education for personal and professional growth. It helps them to deliver excellent service at the hotel, which generates the funds necessary to make this entire educational project possible.



YEARS OF SCHOOLING NICARAGUA

In Nicaragua, the highest percentages of enrollment are obtained during primary school and the first two years of secondary school. However, after the age of 15, enrollment drops considerably, to such an extent that only 15% of the population applies to technical or vocational education.

Percentage of enrollment by age/academic level





IMPACT | EDUCATION

MEXICO

→ Education Activities

In 2023 we stepped up our efforts on our educational projects. We intensified our close collaborations with NGO's The Oaxaca Learning Center and Mundo de Talentos. Together, we implemented and evaluated our professional orientation program, developed a new scholarship program and continued education activities in our class rooms at the hotel. The execution of the programs is done by our local partners, Hotel con Corazón is one of the bigger co-funders, deploys expertise and knowledge in the development and evaluation of the programs and facilitates materials, space and practical support whenever possible.



→ Mundo de Talentos

Mundo de Talentos offers vocational training to children, aged 10 to 13, in the states of Chiapas and Oaxaca in the south of Mexico. Children get introduced to interesting professions and study subjects through an intensive two-year program, offered each Saturday. Passionate professionals (volunteers) share their work experiences and invite children to learn in a participative manner about possible career opportunities. The project motivates the inclusion, curiosity, and empathy of children, by sharing real-life experiences in subjects as diverse as philosophy, medicine, the arts, biology, architecture, journalism and many others.

The main focus of the project caters to children from families who would otherwise not have access to vocational training. As a result, non-profit Mundo de Talentos primarily serves public school students. Around 80 new students participate in the program yearly.



www.mundodetalentos.mx

→ The Oaxaca Learning Center

The Oaxaca Learning Center (TOLC) helps low-income students, aged 14 to 24, to succeed academically and to gain confidence to develop and meet their personal goals. At the center, students receive academic tutoring, mentoring, and personal support within a holistic learning community. Staff and tutors are from the same background as the students. Many are graduates of the center and serve as inspiring role models. The objective of the program is to develop skills, self-confidence, and leadership in the students.

TOLC develops strategies and implements activities to promote education and empower students to be agents of change and to contribute to the improvement of their own lives and society. They serve over 200 students per year.



www.aprendizajeoax.org

→ Projects with Mundo de Talentos

In 2023 Mundo de Talentos (MdT) announced the official opening of the second Mundo de Talentos branch in Oaxaca City, after a successful pilot launched together in November 2022. In 2023, we continued with the same group of 20 students, from January to June 2023. MdT organized a variety of vocational sessions on topics like theatre, videomaking, firefighting, entrepreneurship, tourism, integral health, and technology and innovation. The enthusiastic response of the students and their parents and Mundo de Talentos' positive experience in Oaxaca motivated the non-profit to continue activities in the city. In September 2023, Mundo de Talentos started its second year in Oaxaca with a total of 60 students and with modules about arts, integral health, science, architecture and an investigation project. Each module consists of four sessions, thus offering a detailed introduction to the subject matter.

Tourism session at the hotel

As part of the tourism session, 20 students visited our hotel, where they simulated a check-in and got to know different professions and areas of our hotel. Our staff did a great job demonstrating and explaining their daily work. Another fact worth mentioning is that two students from The Oaxaca Learning Center are volunteering with Mundo de Talentos every Saturday. This shows that our two partner organizations have found and reinforce each other in their goal to help students developing their potential.



→ Projects with Mundo de Talentos



MUSEO INFANTIL DE OAXACA A.C.

Our host:
the Museo Infantil
de Oaxaca



MIO, the Childrens' Museum of Oaxaca is one of our partners in the Mundo de Talentos project, as they generously offer their installations to host the weekly Saturday sessions. As they are based in the former railway station of Oaxaca, this is a great place for our teachers and students, being able to use the cool indoor spaces as well as the vast outdoor terrain to learn, practice and enjoy their time together.

→ Projects with The Oaxaca Learning Center

Scholarships

In the summer of 2023 we developed a new scholarship program together with TOLC and another major donor of theirs. The scholarship program offers four types of scholarships: Academic, School Internships, Temporary Employment and a Technical Scholarship. The main goal is to help young people continue their high school and university studies, as well as to train them for the labour market. The scholarship consists of two components: financial support during their time in school and a formative component to strengthen personal and professional skills. At the end of 2023, together with FOLC, we selected four high school students and five university students for the scholarship program.



→ Projects with The Oaxaca Learning Center

Intercultural English

This program aims to assist students from public schools or marginalized areas who seek to learn or improve their English level and explore other cultures. It serves to promote intercultural understanding as a means to personal growth. In 2023, 57 students participated in the English program. The hotel also served as a host for several English exchanges between students and English speakers.

Exam preparation

This service helps students prepare for the admission exam to high school or university. It provides guidance and reinforces knowledge to increase the chances of passing the exam. In 2023, 17 students participated of which 16 were admitted to high school or university.

In the exam preparation, we saw two of our previous scholarship students back. Jenifer helped out with exam preparation as a volunteer and Kenia participated in the formal integration program to prepare for university, where she was eventually admitted.



PROBLEMS FACED BY YOUNG
PEOPLE LIVING IN OAXACA:

limited access to education

insecurity

discrimination

exclusion

school drop outs

violence

lack of employment
and development
opportunities

economic
problems

→ Projects with The Oaxaca Learning Center

Summer school

This course offers creative, sports and educational activities that promote learning and personal development. In 2023, the summer school was organized again in Zaachila Oriente, a low-income community close to Oaxaca, in collaboration with local partners. 35 junior high and high school students participated. 22 students enrolled in the regular integral formation program with a new external teacher based in Zaachila Oriente. We are pleased that our cooperation with local partners in Zaachila and TOLC was at the base of this fruitful collaboration.

We also supported five primary schools in Zaachila Oriente with school materials.



Pilot Professional Orientation

From January to October 2023 we executed our Professional Orientation pilot. 16 students received 25 group tutoring sessions and 56 individual sessions, three workshops, nine professional orientation sessions and five workshops for their parents. Together with Randstad Mexico we developed a workshop about resume making and job interviews. The general objective of the pilot was to discover the ambition of the students. Children of our staff and staff members also participated. The evaluation showed that students learned more about themselves and that ideas of what they want to study became clearer. As a result we decided to integrate the individual and group coaching sessions and workshops in the regular TOLC services.

"It was really good, it helped me a lot to know what I would like to study, the tutorial sessions were fun because of the dynamics that were practiced. I would like to take it again"

"It was very good and fun and it helped me a lot and above all they supported me in my career decision process"

→ Scholarships

In 2023 we signed three agreements with high schools dedicated to offering internships in our hotel. Unfortunately we only welcomed one student from CONALEP, a vocational high school. Two university students cancelled last minute because they did not pass their courses. Our aim in 2024 is to receive more interns in our hotel. It is also part of our new scholarship program together with TOLC.

56 kilos of school supplies: Pack for a Purpose

Our collaboration with Pack for a Purpose paid off again. Pack for a Purpose encourages travellers to bring much needed school supplies for local communities. Through promotion on their and our website and social media, we received a total of 56 kilos of school supplies in 2023, brought by 26 guests in their suitcases.

With these donations, we were able to support many students of The Oaxaca Learning Center with new materials for the start of their school year, a gesture that was highly appreciated!



[Go to: 'Pack list'](#)
 Pack for a Purpose for
 Hotel con Córazon



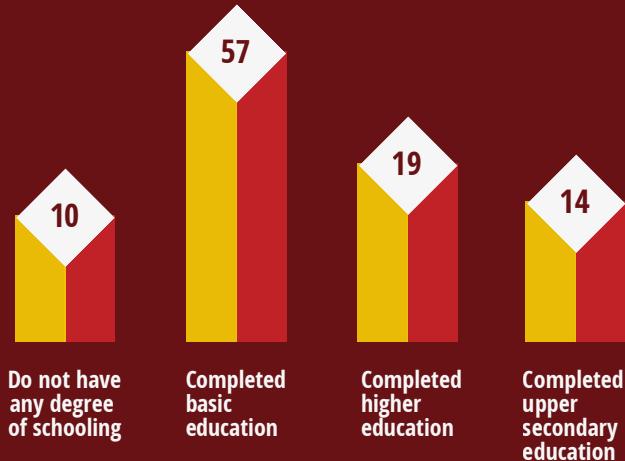
YEARS OF SCHOOLING IN OAXACA

In Oaxaca State, the average grade of schooling for the population aged 15 and over is 8.1 years, which is equivalent to just over the second year of junior high school, almost 2 years less than at national level. On average in the OECD, people can expect to go through about 18 years of education.

Sources: INEGI. Censo de Población y Vivienda 2020/OECD

www.oecdbetterlifeindex.org

Out of every 100 people aged 15 and over:



Anielka Auxiliadora Reyes Canales

Studies Nursing at the Central University of Nicaragua (UCN) | 20 years old

"Since I was a little girl it was always my dream to be a nurse and to be able to help people. I am part of the Corazón foundation since I was 10 years old, when they gave tutoring in the rural school of San Pablo, so I am a scholarship holder since 2015. I am currently in my third year of my Bachelor's degree in nursing and in the afternoons I teach children who are now receiving scholarships for their high school studies from the Hotel con Corazón foundation."



Nicole Vanessa Palma Pérez

Studies Public Accounting at the Central University of Nicaragua (UCN) | 19 years old

"In 2021 I started to be part of the educational project of Hotel con Corazón. I am studying public accounting at the Central University of Nicaragua (UCN) and I am currently in my 4th year of university, feeling very proud of myself for almost finishing my degree!

I tell young people to persevere with their dreams, to fight until they are fulfilled. There are opportunities that are given to us if you strive for your life goal, to continue studying and to improve ourselves."



Bryan Salazar

Studies Public Accounting at the UDM University in Managua | 19 years old

"I am studying for a Bachelor's degree in Public Accounting. I chose this career because in my last 3 years in high school, mathematics was the class that called me the most attention, and I decided to look for a career that I felt passionate about. I feel very excited about everything I have learned so far!"



A day with Gabriela, medical and surgical student

"Hello, my name is Gabriela, I am a 4th year medical and surgical student at the American University in Managua, Nicaragua."

"My day starts at 4:30 am every day, I wake up and get ready to go to the university. Very few times I have the time to have breakfast, because I have to be ready in time to take the bus at 5:30 am to Managua, 45 kilometers from home. My first class starts at 7 am, I receive my theory classes in the morning at the university, and in my first break I go get some breakfast to continue with the day. At 11 am I finish my theory classes, I look for something to eat for lunch or sometimes I bring food from home.

I am ready to take a bus to Masaya at 12 pm, to the Hospital Sermesa de Masaya where I do my clinical practice, where at this moment I rotate in the surgical area. After having marked my attendance at the hospital, I take a cab to go to the outpatient clinic which is located 20 minutes away from the hospital. Here is where my transition from medical student to pre-intern doctor is taking place.



We start attending patients asking why they came to the clinic and we are in charge of taking vital signs, doing physical examination and transcribing prescriptions with the supervision of a medical specialist. We ask the specialist questions about the patient's pathology and so on while we wait for the next one. Each pre-internship doctor gets a week in the operating room. If there is an emergency surgery we have the privilege of attending; I have been present in a few unusual cases.

This is my day to day, undoubtedly an adventure a little tiring, but full of many emotions, learning and beautiful experiences."

Javier Chávez

**6th semester agricultural technological
high school | 18 years old**

"The scholarship program was a great motivation for me to continue studying. It felt good because I have met extraordinary new people who in one way or another have made my life. Coming from so far away and having so many things happen during the day, I feel like sometimes I can't do it anymore, but when I get here and I am surrounded by my classmates, my friends and all of us who are part of the scholarship program, I feel very comfortable. The workshop leaders have been very kind people and have made us feel like family. Very few times I have been able to feel that atmosphere of being in a family as I feel here.

I have found the whole scholarship program to be extraordinary because I have learned about topics that I did not know. From my resume to coping with stress and anxiety. Also, how to organize yourself with your bullet journal was very good because I was very disorganized and now I have managed to organize my life and not be so forgetful. It has been an excellent program that I will continue to participate in.

I am currently about to enter university and would like to study for a degree in Forestry Engineering. I am very interested in sustainable forest management."





Astrid Tomás

6th semester high school | 18 years old

"I come on Tuesdays and Thursdays to math tutoring. I really like these sessions because I see the topics in a broader way than in school. I also take courses on Saturdays, which I like a lot because I am a very introverted person and at the Oaxaca Learning Center I get psychological counseling. The psychologist has told me that if I want to develop myself a bit more I can try to be more participative. The truth for me is that the Saturday courses help me, because I give my opinion on topics and I have never been teased or felt uncomfortable in the program.



I like the program a lot. I feel that it focuses on good areas, for example mathematics and physics. I also feel that the Oaxaca Learning Center gives you a lot of information so that you are informed and learn better. It teaches you a lot of study techniques and gives you many tools. The tutors and all the people I have met here are very friendly. I feel that they also reinforce the camaraderie between everyone.

The career I am choosing is business management engineering which is at the Oaxacan Technological Institute. I like this career because it is multidisciplinary so I can start working in various fields."

Camila Vicente Salinas

5th grade primary school | 10 years old

"I really like Mundo de Talentos because I am learning to be more social and work as a team, and I have a lot of fun. I am also learning about professions and crafts that I did not know about before. I have had fun in all the sessions but I have been interested in three in particular: podcasts, medicine, but the one that interested me the most is art. When I grow up I'm going to paint murals in tourist places and poor communities, something related to our culture. I would like to give workshops to teach children to draw and paint because I believe children should express what they feel. Art helps us to imagine and when we can express it we feel happy."



→ The Theory of Change



Activity	Who	# Beneficiaries	Result/Output	Effect/Outcome (short and midterm)	Social impact (long term)
Scholarship program	Junior High School Students	7	<p>4 students successfully passed their school year in urban private schools.</p> <p>1 student dropped out of school due to failing grades.</p> <p>2 students graduated from their last year.</p>	<p>Validation of the importance of continuity of studies (at all levels) and reduction of school dropout rates due to the diversification of academic offerings and study modalities.</p>	<p>Our intended impact is for young people to have better opportunities in the labor market and thereby break the existing cycle of poverty in their communities.</p>
	Students Children of Employees	4	<p>3 staff children completed their year in junior high school.</p> <p>1 staff member completed his 3rd year as an industrial engineering student.</p>		
	Technical Career Students	2	<p>2 students graduated successfully.</p> <p>1 dropout due to health problems.</p>		
	University Students	15	<p>9 students successfully completed their year.</p> <p>3 students finished university.</p> <p>1 student decided not to renew his scholarship for 2024 because he has a full time job and can pay for his studies himself.</p>		
Total		28			



→ The Theory of Change



Activity	# Hours	Who	# Beneficiaries	Result/Output	Effect/Outcome (short and midterm)	Social impact (long term)
The Oaxaca Learning Center	6009	High school + University students	225	<p>105 students developed themselves socially, emotionally and academically.</p> <p>25 students improved their academic results.</p> <p>9 students were selected for this new program.</p> <p>Alumni: 2 certified A1, 5 A2, 1 B1.</p> <p>16 students got accepted in their chosen high school (5) or university (11).</p> <p>23 students continued in the regular integral formation program of TOLC.</p> <p>16 students developed ideas of what they want to study.</p> <p>60 primary school kids discovered their interests and abilities.</p>	Our students are taking a conscious decision about their next step in life. Based on their personal interests, talents and academic results.	<p>Our intended impact is for young people to have better opportunities in the labor market and thereby break the existing cycle of poverty in their families.</p> <p>Our students experience less financial obstacles to continue with their next step on their education path.</p> <p>Our students experience a strengthening of self-esteem and sense of belonging to the community.</p> <p>We stimulate collaborations between different local NGOs to strengthen and connect our education efforts.</p>
Integral Formation (PFI)			105			
Individual tutoring			25			
Scholarship Program			9			
Intercultural English			57			
Exam preparation			17			
Summer school Zaachila			35			
Pilot Professional Orientation			16			
Mundo de Talentos	220	Primary school students	60			
Total	6229		285			





IMPACT | EDUCATION IN NUMBERS | NICARAGUA

FUNDS AND EXPENDITURE

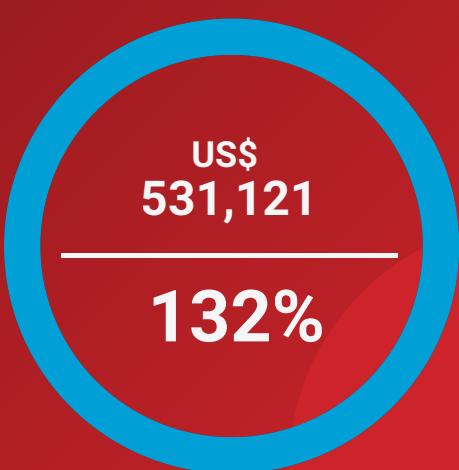
	2009-2020	2021	2022	2023	Total
Profit after tax	\$ 434,788	\$ -17,331	\$ -20,506	\$ 3,060	\$ 400,011
Funds to impact	\$ 464,625	\$ 21,747	\$ 26,385	\$ 18,365	\$ 531,122
Expenditure on impact	\$ 464,625	\$ 21,747	\$ 26,385	\$ 18,365	\$ 531,122

All amounts are in US\$

2023 EDUCATION PROGRAM COSTS

Personnel costs	\$ 4,154
Investment elementary school	\$ 652
Investment secondary school	\$ 2,090
Investment university	\$ 9,143
Other costs	\$ 1,450
Total education costs	\$ 17,489

PROFITS TO EDUCATION 2009-2023



All amounts are in US\$

IMPACT | EDUCATION IN NUMBERS | MEXICO

FUNDS AND EXPENDITURE

	2018-2020	2021	2022	2023	Total
Profit after tax	\$ 73,261	\$ 47,265	\$ 67,747	\$ 200,683	\$ 388,956
Funds to impact	\$ 53,288	\$ 35,128	\$ 46,472	\$ 128,068	\$ 262,956
Expenditure on impact	\$ 15,489	\$ 6,393	\$ 28,464	\$ 74,336	\$ 124,682

All amounts are in US\$

2023 EDUCATION PROGRAM COSTS

The Oaxaca Learning Center	\$ 28,212
Mundo de Talentos	\$ 23,529
Other costs	\$ 22,503
Total education costs	\$ 74,244

All amounts are in US\$

PROFITS TO EDUCATION 2018-2023





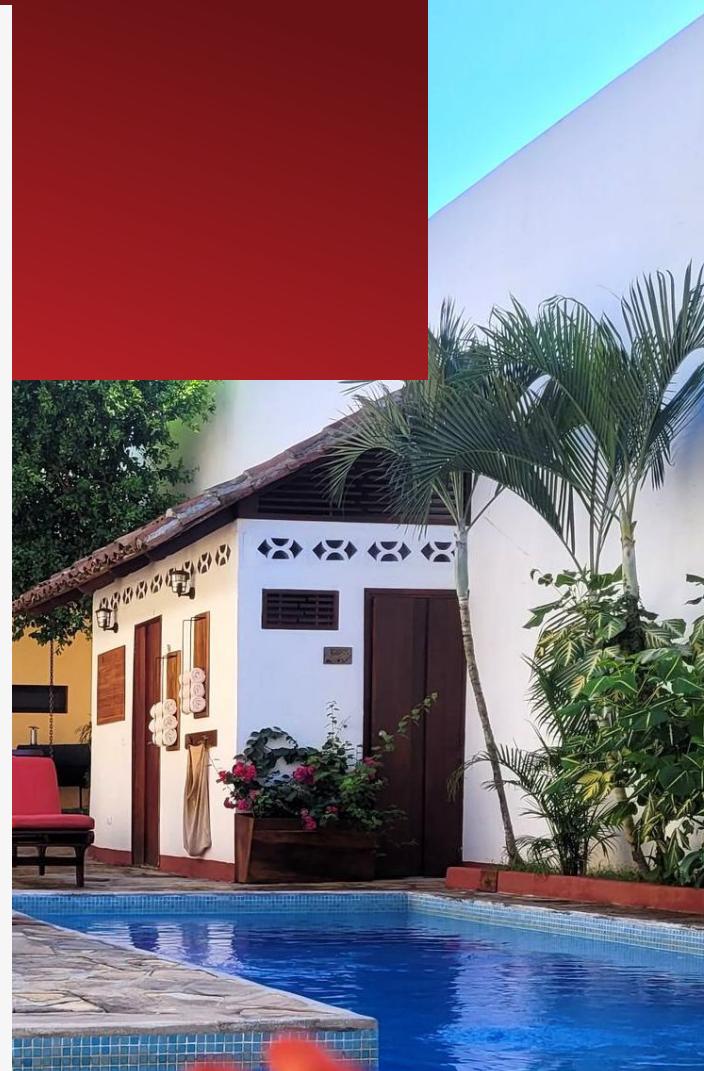
HOSPITALITY | NICARAGUA

→ The Year in Brief

Our year went very well, as we ended with an occupancy rate of 50% exactly as foreseen. Tourism in Nicaragua is coming back after difficult years. Airlines have opened more flights so international tourism (especially European) has increased considerably.

This year, after several years, we achieved our first operating profits again. The necessary staff was hired to ensure quality operations for our guests. We also invested a modest amount in renovating our rooms. This was done in order to offer a better comfort and at the same time has allowed us to gradually increase our rates.

In 2023 we also celebrated our 15th anniversary! Co-founder Onno Oostveen joined in this special celebration where we invited scholarship holders and former scholarship holders, staff and former staff, suppliers, partners and hotel friends to celebrate with us the effort, dedication and achievements that we have built together.





HOSPITALITY | MEXICO

→ The Year in Brief

2023 was an extremely good year for our hotel in Oaxaca. We witnessed the tremendous increase in the popularity of Oaxaca since the pandemic, and the great interest from all over the world in visiting the city. With an average occupancy of no less than 91%, we experienced our best year since the hotel opened in 2018. It took a lot of hard work and motivation from our staff to keep up and meet the high expectations created by the online reviews. But we made it through, and once again this year many guests have expressed exceptionally appreciative comments about our great service, the beautiful installations, the helpfulness of the staff, the excellent breakfast and last but not least our highly valued social focus.

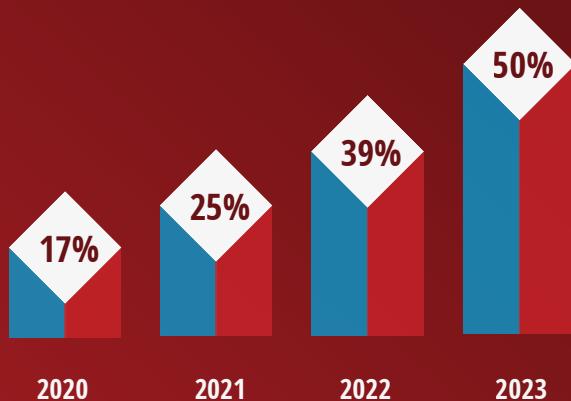
This year was also an important year for us as we celebrated our fifth anniversary in June. With a lavish party for our staff, suppliers and friends, the moment did not go unnoticed!

We are pleased with our 2023 results and we are confident that we will continue to make our guests feel happy and at home while supporting our social mission.

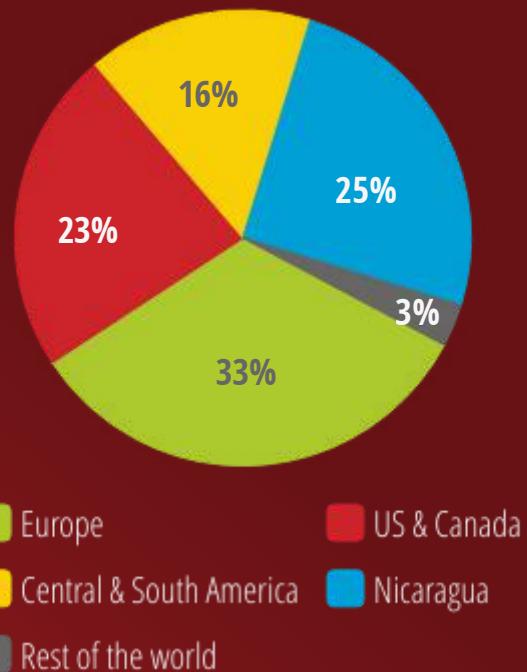


HOSPITALITY IN NUMBERS | NICARAGUA

Occupancy Rate



Where were our guests from



Guest Ratings



Excellent experience all around. I moved here after staying my first couple nights at another (more expensive) hotel close by and immediately wished I had booked my entire Granada vacation here! Everything from the friendly, professional staff to the very clean room and pool area was fantastic. The room was minimalist, but had everything needed and was very comfortable (it appeared like perhaps it had been recently renovated). The breakfast was solid and service was fast. I wish every hotel in Nicaragua had the same standards. I highly recommend staying here.

- Devin

Guest Reviews

Incredible hotel experience and all the proceeds go to scholarships and other help for students. You can feel really good about spending your money here. Rooms are minimalist and zen-like, and property is well maintained and beautiful. Staff is all very courteous and helpful. Really grateful to have found this place.

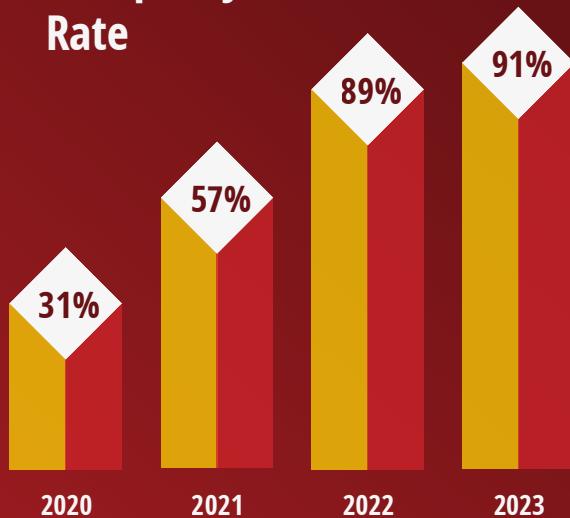
- Daniel

Very nice, well-kept hotel in a central location. Delicious, extensive breakfast is included. The rooms are spacious, with hot water and air conditioning. The reception team is very friendly and helpful. One of the best hotels on our trip. I can highly recommend it.

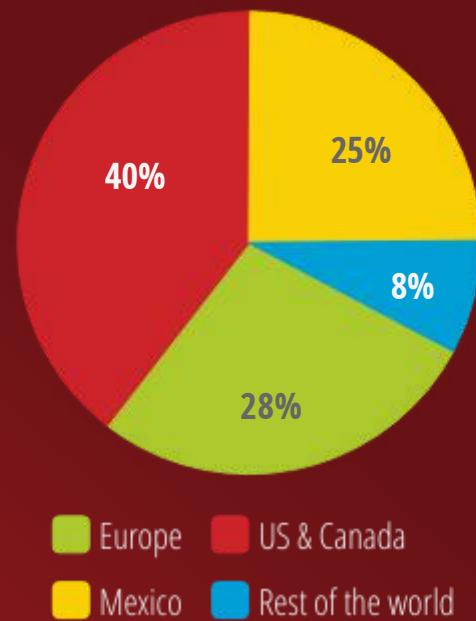
- Maria

HOSPITALITY IN NUMBERS | MEXICO

Occupancy Rate



Where were our guests from



Guest Ratings



I would recommend this place to anyone. It's got a fresh modern feel with very comfortable beds and nice spaces for relaxing. The breakfasts are delicious, substantial and lovingly presented. But above all, it's the warmth of the people who work here that make it different from so many other hotels. You can tell they care about the hotel and its educational projects and that the hotel in turn cares about them. It feels very simple and homely – everything you could need (and nothing you don't). The location is also great...

- Paul

Guest Reviews

We had a great vacation to Oaxaca and most of the credit for that goes to Hotel con Corazón. Rooms were gorgeous and clean; staff were friendly and flexible; A/C in our room; breakfast was outstanding and the coffee was good. Walkable to city center. We booked multiple tours and cooking classes through the hotel, and had positive experiences at each one. They took great care of us, while re-investing in their community through education programs.

- Will

Great hotel, wonderful staff, and super eco friendly. Breakfast provided daily that is local, fresh, and unique. Neighborhood is close to everything but still quiet. Highly recommend. You will be supporting educating kids in the local community.

- Dar



HOSPITALITY | A DAY WITH ... HOUSEKEEPER CELESTE

Hello, my name is Celeste
de los Ángeles Pineda Briones.
I work in housekeeping at
Hotel con Corazón
in Granada.



I get up at 5:00 in the morning, brush my teeth, then I get ready to go out to do exercise, I return home at 6:00 and I freshen up a bit taking a bath, I get ready, have breakfast, brush my teeth again and leave my house at 6:40 to be at work at 7:00.

When I arrive I wish my coworkers a good morning, and I proceed to perform my corresponding tasks: cleaning public areas, helping my coworkers in the kitchen, assisting customers, serving breakfast and washing dishes. When I finish helping them, I go to my area to clean the rooms, either for departure or stay.

At 10:30 I clean the breakfast area, bar and tutoring area, at 12:30 I have lunch with my colleagues, we finish lunch, I wash the dishes I used, I go to the laundry to wash and fold the bed linen and towels.

Then at 3:00 pm I clean the public areas and leave everything in order. My shift ends at 3:30 pm.

After I get home, I freshen up a bit and get ready to bring my little brother to school, he leaves at 5:30 pm. I am a big fan of practicing sports, so in the evenings I play soccer for an hour or so and then I go home to have dinner, watch TV for a while and then go to sleep!



HOSPITALITY | A DAY WITH ...

RECEPTIONIST PAULINA

**Hello, my name is
Paulina Vera Cruz.
I work in the afternoon
shift as a receptionist at
Hotel con Corazón
in Oaxaca.**



My day starts between 6 and 7 in the morning. When I wake up, the first thing I like to do is to contemplate the tender rays of the sun from my window and sit down to write down all my tasks and activities for the day, that is, my routine, from eating breakfast to work in the hotel.

Part of my morning routine is to have breakfast, clean my room, embroider and make beaded bracelets because I love handicrafts, make accounts of my finances and attend to a social and environmental project that some friends and I do in a kindergarten in the community of Atzompa. I do laundry, do some graphic design and update the social networks of the Huertonitos Urbanos (Urban Vegetable Gardens) collective of which I am a part.

In the early afternoon I start getting ready to go to the hotel, where my shift starts at 3:00 pm. I shower, take my backpack and my bicycle - my main means of transportation - and leave home at 14:50, because I live near the hotel and it takes me less than 10 minutes to get there.

When I start my shift, my morning reception colleague shares with me the details and pendings of the day, I count the petty cash and check how many reservations are still to arrive; I review and answer emails, as well as any request or question from our guests or future

guests who contact us through the platforms or call us on the phone.

Every other week on Mondays, at the beginning of my shift, I participate in the English class for the staff, offered by the hotel.

After that, I usually take some time for lunch, then I clean up my area according to the schedule, go up to the terraces to check that the water stations are stocked, the chairs arranged, and take care of the herb garden if necessary; I greet guests for check-in and tell them along the way about the hotel's mission and how they support the local community.

And so at 8 pm, it's my turn to greet my night watch colleague, with whom I also exchange details of occupancy and pending things.

From 9 pm onwards I start closing my shift by making the day's bar charges to the respective room accounts. I close the card charge account via a report, count petty cash, print out the list of overnights for the night watch and the next day's checkout list for the morning shift. Then I write down the last indications in the log book, and at 10 pm I go home, to rest lying down reading a book or consulting my cell phone for a while until I fall asleep around 11 or 11:30 pm, thus recharging batteries for a new day.



FINANCIALS | NICARAGUA

PROFIT AND LOSS GRANADA		2023	2022
Occupancy		50%	39%
REVENUES		\$ 140,580	\$ 100,386
Cost of sales		\$ 18,328	\$ 9,564
Utilities		\$ 15,536	\$ 11,788
Financial expenses		\$ 5,071	\$ -1,359
Maintenance expenses		\$ 6,522	\$ 4,656
Operating expenses		\$ 14,150	\$ 6,633
Staff cost		\$ 46,974	\$ 40,886
TOTAL EXPENSES		\$ 106,579	\$ 72,167
GROSS PROFIT		\$ 34,001	\$ 28,219
Extraordinary costs		\$ 19,379	\$ 38,708
Depreciation, interest & tax		\$ 11,562	\$ 10,240
NET PROFIT		\$ 3,060	\$ -2,729

All amounts are in US\$

The recovery of tourism in Nicaragua is reflected in our figures. With occupancy reaching 50% and room rates steadily increasing, our operating profits are starting to improve. Unfortunately, we still have some overdue projects in terms of maintenance, renovation and improvements, which is reflected in the extraordinary costs. It means the hotel is still not able to contribute enough to the education projects, but we expect this to change next year.



BALANCE SHEET GRANADA

(Real estate and hotel company together)

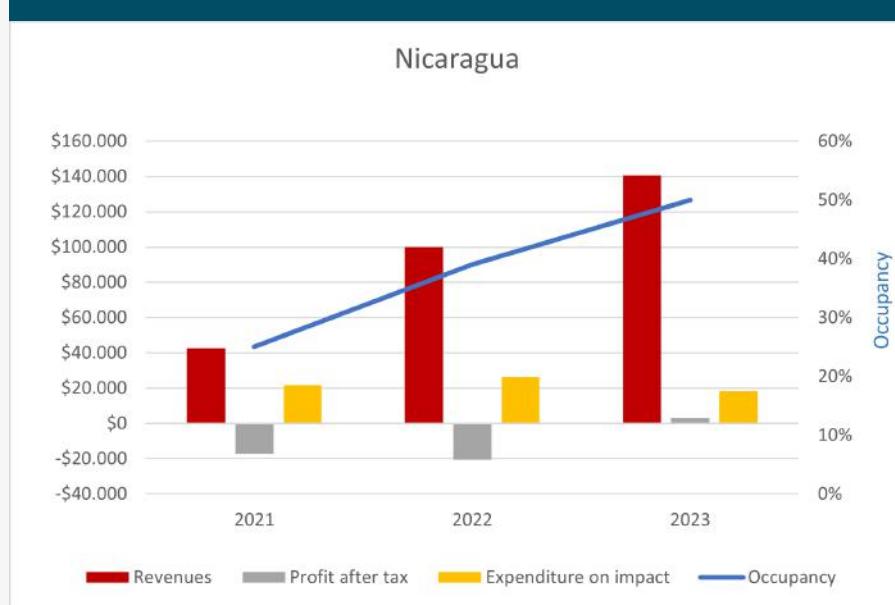
ASSETS	2023	2022
Building and other tangible assets	\$ 37,100	\$ 45,042
Current assets	\$ 30,883	\$ 34,472
TOTAL ASSETS	\$67,983	\$79,514

EQUITY & LIABILITIES	2023	2022
Equity	\$ 50,975	\$ 76,038
Liabilities	\$ 17,008	\$ 3,476
TOTAL	\$67,983	\$79,514

All amounts are in US\$

FINANCIALS | NICARAGUA

GRANADA AT A GLANCE



FINANCIAL OUTLOOK GRANADA		2024
Occupancy		56%
REVENUES		\$ 204,685
Cost of sales		\$ 23,606
Utilities		\$ 20,010
Financial expenses		\$ 6,531
Maintenance expenses		\$ 8,400
Operating expenses		\$ 18,225
Staff costs		\$ 63,133
TOTAL EXPENSES		\$ 139,905
GROSS PROFIT		\$ 64,780
Extraordinary costs		
Depreciation, interest & tax		\$ 14,742
NET PROFIT		\$ 50,038



FINANCIALS | MEXICO

PROFIT AND LOSS OAXACA		2023	2022
Occupancy		91%	89%
REVENUES		\$ 656,181	\$ 444,517
Cost of sales		\$ 56,970	\$ 42,666
Utilities		\$ 10,005	\$ 6,017
Financial expenses		\$ 23,682	\$ 18,610
Maintenance expenses		\$ 7,539	\$ 11,640
Operating expenses		\$ 141,256	\$ 119,272
Staff costs		\$ 139,046	\$ 112,244
TOTAL EXPENSES		\$ 378,498	\$ 310,449
GROSS PROFIT		\$ 277,682	\$ 134,068
Extraordinary costs			\$ 36,235
Depreciation, interest & tax		\$ 77,074	\$ 30,068
NET PROFIT		\$ 200,608	\$ 67,747

All amounts are in US\$

After a record breaking 2022, this past year showed an even better performance. Oaxaca continues to be one of the top tourist destinations in Latin America, which is noticeable in our occupancy and room rates. Increases in room rates and the three additional rooms we built in early 2023 have contributed to revenues. It required a small increase in housekeeping and kitchen staff, but, as can be seen, the profit margin has increased significantly.



BALANCE SHEET OAXACA

(Real estate and hotel company together)

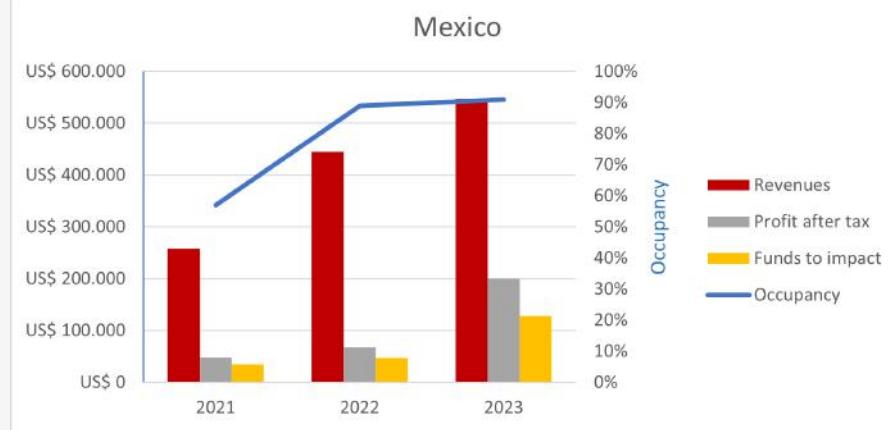
ASSETS	2023	2022
Building and other tangible assets	\$ 553,998	\$ 501,429
Current assets	\$ 102,774	\$ 85,154
TOTAL ASSETS	\$ 656,772	\$ 586,583

EQUITY & LIABILITIES	2023	2022
Equity	\$ 390,352	\$ 258,651
Liabilities	\$ 266,420	\$ 327,932
TOTAL	\$ 656,772	\$ 586,583

All amounts are in US\$

FINANCIALS | MEXICO

OAXACA AT A GLANCE



FINANCIAL OUTLOOK OAXACA		2024
Occupancy		91%
REVENUES		\$ 688,990
Cost of sales		\$ 60,388
Utilities		\$ 10,606
Bank costs		\$ 25,103
Maintenance		\$ 7,991
Operating expenses		\$ 149,732
Wages & employees costs		\$ 147,389
TOTAL EXPENSES		\$ 401,208
GROSS PROFIT		\$ 287,781
Depreciation, interest & tax		\$ 79,386
NET PROFIT		\$ 208,395



All amounts are in US\$



2024 OUTLOOK

2024 will be outperforming 2023 levels in both Mexico and Nicaragua. 2023 was already better than before the pandemic, and the trend continues.

EXPANSION

For the Monteverde hotel in Costa Rica (hotel number 3) we expect construction to be completed in January 2025, with the hotel scheduled to open on April 1. At the time of writing, all three buildings are taking shape, with the three story main building being the priority.

We are currently evaluating different options for hotel number 4. Given the steady increase in tourism and success of our current hotel in Oaxaca, we are considering a second hotel in that city. In parallel, we are evaluating opportunities in San Cristóbal de las Casas in the neighboring state of Chiapas, as well as a beach hotel on the coast of Oaxaca.





2024 OUTLOOK

MEXICO

Our work with partner The Oaxaca Learning Center continues to be very fruitful. After 3 years, in June they will complete the renovation of their building and will be fully operational again with functioning classrooms, a computer space sponsored by Hotel con Corazón, office space for staff and recreation space for the students. Their goal of reaching over 200 students will easily be exceeded this year. We are excited with our extended partnership in Oaxaca with NGO Mundo de Talentos. They are expected to start a second cohort of students in a village outside of Oaxaca in September 2024, growing from 60 to 80 students.

At the hotel, the first 5 months of 2024 are showing strong occupancy and booking levels, in line with record levels in 2023. We expect revenues to reach US\$ 725,000 and net profits of US\$ 208,000.

In early 2024, it became clear that water scarcity would become an urgent problem in Oaxaca and would only increase in the future. Therefore, in May 2024, we will install a water treatment plant to irrigate our plants with treated water instead of drinking water. Once this plant is fully operational, we also expect to install gray water treatment later in 2024, adding another element to our responsible operations.

For the first time in our operations, we expect to pay a dividend to our investors who contributed to the construction of the Oaxaca hotel. It makes us extremely proud, as it is a sign that we have transformed from a nonprofit to a social enterprise.



2024 OUTLOOK

NICARAGUA

At the end of 2023 several of our students graduated and others were no longer eligible for scholarships, either because their financial situation had improved or because their motivation had dropped to unacceptable levels. We recruited more students and started 2024 with 32 students, 18 of whom are university students, thanks in part to increased hotel profits.

With the resumption of flights to Managua from major U.S. airlines, there are now 16 international arrivals per day, a sign that international tourism is clearly on the mend. We are benefiting from many Costa Rican tour operators adding Nicaragua to their group itineraries. In summary, 2024 will produce revenues surpassing US\$ 200,000 and operating profits of US\$ 60,000.



CONCLUSION

It's great to be able to say we are doing well and growing in our two locations. We are having a social impact in both Mexico and Nicaragua, touching the lives of hundreds of families. And we are doing it in a sustained way with healthy profits from our hotel operations. We are also working to add a third operation next year in Costa Rica. We are eager to further expand our impact and our business, and we are preparing for the next steps.

BACK TO TOP ↑

COLOPHON

**This is the 2023 annual report
of Hotel con Corazón.**

Copy: Hotel con Corazón

Photos: The Oaxaca Learning Center,
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