

## Title:

Panama Real Estate Bubble Bursting Update 07/05/07

## Word Count:

408

## Summary:

Today La Prensa Newspaper reported that a project named Park 32 in Coste del Este has announced it is failing to complete.

## Keywords:

asset protection, offshore banking, offshore bank account

## Article Body:

Today La Prensa Newspaper reported that a project named Park 32 in Coste del Este has announced it is failing to complete. Reportedly the project was sold out which leads us to believe the builder engaged in pre-sale marketing to flipper speculators who bought in early on at a low price. This of course removes the incentive for the developer to push forward to completion since he could start another project on the same site at much higher prices. This is similar to what happened with Ice Tower becoming the smaller Iron Tower. We can not state that this is what the case is with Park 32 at this time.

Park 32 was supposed to be a very striking high rise of about 50 floors. The apartments were large as far as modern condos go with many being presented at 230 sq. meters. Coste del Este is built on a landfill of some sort between Panama City and Tocumen Airport. It is about five minutes from the city with no traffic. There are numerous other high-rise condos under construction or planned in Coste del Este.

Refunds - Our law firm is wondering how the refund process will take place. If the original owner sold the unit to another at a higher price taking a chunk of cash down and this fellow in turn sold it to another speculator again pocketing some cash how will the refunds play out in terms of the down payments the buyer payed to the previous buyers. The developer is only responsible to refund the amount he received, no more. Now if the buyer is in country one and the seller is in country two will he execute a refund or simply keep the money seeing the impracticality and expense of being sued in his own country for a Panama contract on real estate especially if he has no assets or identifiable assets in Panama? Our law firm is waiting for the phone calls to start coming in from people who did not get their money back from the previous buyers. We have no

reason to believe the developers will not refund the money they have taken in. They of course will want to construct another project on the site or sell the site and will not want the legal complications and loss of reputation so refunds are expected from them.

Updates - Check back often to our website as we will be updating with real estate developments as they occur.