

# THE WALL STREET JOURNAL.

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## PRIVATE PROPERTIES

By TROY MCMULLEN

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YAHOO INC.'s former chairman and founding CEO, **Tim Koogle**, is partly focusing these days on south-of-the-border real estate. The 54-year-old venture capitalist, who took Yahoo from a six-staffer start-up, is selling residential property on 100 acres of oceanfront land he recently bought just north of Puerto Vallarta two years ago.

Plans for the development, called el Banco, include home and estate sites, beach villas and an all-suite boutique hotel, says Mr. Koogle. He bought the property two years ago but declined to disclose a purchase price. Three brokers who sell property there say prices for such land can vary widely.

Eight of the first 10 estate lots sold last month when the properties first hit the market, Mr. Koogle says. Estate lots measure between 1½ and two acres and start at \$4.75 million. The 14 beach villas for sale, to be completed by late next year, will be offered as finished contemporary-style homes and start at \$3 million.

Inexpensive labor and construction costs, along with the location, led Mr. Koogle to the project. He puts the cost of building the development at a third of a comparable project in his home state of California. "I ran the numbers," he says, and estimates the project could pull in more than \$100 million by the time it's completed. Since stepping down from his positions at Yahoo, Mr. Koogle has helped start such ventures as Friendster, a popular socializing Web site. Marc Sinanian and Alexis Burwell, at La Punta Realty, are handling sales for the development.

U.S. brokers who sell property in Mexico say soaring prices in many second-home communities north of the border have lured an increasing number of Americans south. That's sparked a price rise, they say. Under Mexican law, Americans wishing to buy property in many parts of Mexico must do so through a real-estate trust set up through a Mexican bank, which holds titles for foreigners.

Mr. Koogle's housing development will have substantial competition in the Puerto Vallarta area, including Costa Careyes, with a hotel and 92 homes, and the Four Seasons residence and resort in Punta Mita, about 26 miles south of the city. Starwood is planning a St. Regis Resort, including luxury villas, in Punta Mita for 2007.



Tim Koogle