

Asked recently to write an article about the cost of living in Ecuador I wondered how I might start. Where to begin? Bargains are everywhere, so I thought I might just start by mentioning some of the things that have happened and are happening in my daily life.

At this time I live in Quito and work from my home. I do so to spend more time with my 6 year old son who lives with his mom here in the capital city. I see Luke every day or two and at the weekends. It's an arrangement that works out just fine for me, his mom and Luke.



My apartment building

If I take him to school in a taxi it costs me a \$1.50 for the 5-10 minute ride. You can get virtually anywhere in Quito for \$3 in a taxi and many places on a \$1 which is the minimum taxi fare. Because I drop Luke off to school at peak hours coming back from the school in a taxi means chugging along in peak hour traffic, so as an alternative to seeing the taxi meter click upwards I can hop on a bus for 25 cents, yes, you read that right – 25 cents (which will take me the length of Quito-15 miles- on other routes) or I can walk or ride my bike. Yes, sometimes I ride my bike with Luke on the cross frame. He's been used to that for years now.



Pillion passenger

I bought an 18 speed mountain bike made in Taiwan a couple of years back for \$300. The gears never quite worked right so recently I had the local bike shop in my street strip out the ball-bearings between the pedals and put in a closed Shimano assembly and also replace all the gear related cabling – the labor cost was \$10. Luke has a little bike too. Don't know how it happened but the inner tube of his back wheel was shredded so we replaced it at \$2.50. We go for rides in Parque Carolina at the weekend and afterwards it's a mandatory stop at the local ice cream parlor. There are Haagen-Dazs in Quito but not many people go there, they are overpriced and frankly the ice-cream is better at the local places. The coffee is exquisite too. Cones are 99 cents with fantastic flavors, the wealthy Quito folk arrive with their lap dogs and all told the ambience is just perfect for a Sunday afternoon. Isn't people watching informative and fun??!!



Plaza Americas

I'm an aficionado of good coffee, no, let's say an addict! The Plaza Americas mall is just 15 minutes away from my apartment where I live and there's a great coffee shop called 'Train Stop'. There the prices are less reasonable and I pay \$2.20 for a Starbucks-style coffee. Still, they have English language newspapers and magazines to read, free wireless to log into and apart from an array of enticing restaurants they also have the premium state-of-the-art gym in Quito (monthly membership runs \$100) and also a little play center with trampoline, water games, trapezes where I can leave Luke for an hour or so while I chat with a friend over my cappuccino.

This play center is a godsend as it stops Luke getting bored, gives me break for an hour or so and gets Luke inter-acting with other kids his own age – it's like a concentrated version of summer camp. The cost is \$6 for the first hour and then \$1 for every subsequent hour!

Last time we were there a phone call disturbed my cappuccino. "Just to let you know Luke fell but he is ok". On going to pick him up I found him complaining his arm hurts. On getting down from the trampoline the stool he stepped on collapsed. The receptionist didn't charge me. I saved \$7.

A day later Luke has to leave school and I pick him up and take him to the clinic. I pay \$29 a month health insurance for him so we go to the insurance company clinic. (My insurance, by the way, costs \$37 a month). We're attended rapidly first by a children's doctor, then we get x-rays and then an orthopedic surgeon examines the x-rays. No fracture but severe bruising of the elbow bone. Luke's arm is put in plaster and a sling. We are out of the spotless clinic in less than an hour. The charge - \$7!

This is how Ecuador works. The law doesn't function well here so any time you go to court it is a painfully slow, not to mention costly process. Perhaps for this and other reasons Ecuador is not a libelous society and prices stay low. If every parent whose kid had a mishap at the play center tried to sue then I'm guessing prices would rise to the point that there's be very few or no customers at all. I came out quits and Luke actually enjoyed the novel experience of having plaster on his arm.





Views from my Quito apartment

I'm sitting in my apartment now writing this article. I have a fantastic view – how much is such a view worth? - And I'm drinking freshly brewed Ecuadorian Italian roast coffee I bought yesterday from the nearby Supermarket. My weekly shopping bill yesterday was \$40.12 - that filled up 5 carrier bags. The 1 lb bag of coffee was \$3.89 and I bought a Chilean Merlot for \$4.85. A dozen large eggs cost \$1.65, a pound of organic tomatoes for \$68 cents, a bunch of organic cilantro for 38 cents, a pound of ginger (you can't buy smaller amounts in the supermarket – need to go to a local market to do that) at 67 cents, 9 large bananas for \$1.10, 100 peeled cloves of garlic for \$1.48, apples at 50 cents a pound, a head of broccoli at 26 cents. Most of these ingredients I'll use to make a delicious chicken soup which will last me days and as you can imagine I might not make it through all the garlic and ginger before I have to throw them out. Skinned chicken breast works out to \$2.20 a pound.

So is there any bad news amongst all these cheap prices? Well, yes, anything that is imported tends to be more expensive than you'd find in your home countries. Chevy assembles cars in Ecuador but those models assembled in the States and other manufacturer's cars tend to cost at least 50% higher than they do in the USA. On the other hand running costs are very cheap with insurance, gas and vehicle registration fees all a snip of what they might be in the States. For example gas is subsidized at \$1.80 a gallon and diesel is just \$1.05 the gallon. Those cars which are assembled here are much cheaper and a range of compact-sized cars and also a little SUV called the Vitara are very popular here.

Similarly electro domestic goods, if not assembled in Ecuador can be expensive, but many of the brands assembled in Ecuador are of excellent quality using components from Asian countries; for example a stove/oven may cost \$300-600, fridges from \$400 to \$1200 and washing machines about \$400-500. On the other hand you can order custom hand-made furniture here and furnish a 2 bedroom condo for \$5000 with exquisite dining tables and chairs, coffee tables, executive desks, beds, bedside cabinets and sofas included in that price. I know someone who has done just that in Cotacachi!

Local tradesmen can be expensive here, relatively speaking; it's all a question of contacts. Yesterday a plumber came to fix my mal-functioning toilet. The new parts cost \$21 and he rounded his one hour

labor cost up to a total of \$40. This was on the pricey side and I'm sure I could have got it done for cheaper by searching a little harder. But hey! We all know that plumbers cost us an arm and a leg whatever country we are in. On the other hand, when I moved down to Quito from Cotacachi I needed to rent a small truck with driver to move all my belongings. Driver, truck, lugging of belongings and furniture and two hour journey cost me just \$100.

EMPRESA ELÉCTRICA QUITO S.A.

Factura No. 001-006-3369328

Adversario: 001-0000000

Fecha de emisión: 25/09/2009

Fecha de vencimiento: 25/09/2009

INFORMACIÓN DEL CONSUMIDOR

SUBSCRIBIDO: 26222 - E MALDONADO JORGE GRAL

Cédula P.R.B.C.: 0000001 E

Dirección servicio: GUANDUATINOLA AL BARRIO CLASERO LA BATA

Dirección postal: QUITO

Fecha de inicio: 02/09/2009

Parámetro: 22.84.196

Tarifa: 00000000000000000000

OTROS VALORES A PAGAR:

CONCEPTO	SISTEMAS LOCAL	VALOR
ALIBRAMIENTO PÚBLICO	Ordenanza Municipal y Resolución COMELEC	0.94
IMPUESTO MUNICIPAL	Ley de Defensa Contra Inquilinos	1.89
VALORES PENDIENTES DE PAGO POR SERVICIO ELÉCTRICO	Consumo Municipal	3.59
TOTAL OTROS VALORES A PAGAR (S)		6.42

TOTAL A PAGAR

Valor servicio eléctrico (1)	12.49
Otros valores a pagar (S)	3.93
TOTAL (1) + (2)	16.42

La Empresa se reserva el derecho de modificar los precios de los servicios.

(1) BASE PARA RETENCIÓN 1%: 03.44

Pagar hasta: 25/09/2009

6-283-000

26791

25-1082289C

60151-6052/69180

611000-700-155-200

STEVE

QUITO

EN EL SELLO DE CANCELADO, NO TIENE VALOR

Electric bill

Before I went to the supermarket yesterday I paid August's electric bill at \$16.42. Sure, I crossed town to pay it and the taxi fare was \$1. Today I have to pay the phone bill; I'd be surprised if it costs more than \$20. I forgot to mention that my 2 bedroom furnished 1,500 sq feet apartment costs me \$380 a month. It's in one of the nicer streets in Quito with world class views.



Building opposite me on my street

An on-demand gas heater heats the water and I go through one tank of gas a month at \$2.50. Trucks with gas bottles pass a dozen times a day and beep their horns as they drive slowly along the streets. I have two bottles so when one empties it's time to replace it – a case of cocking my ear to the street sounds and then running to the front-side balcony and shouting out “gas” as a truck passes. The driver or his helper hauls the full tank up the 2 flights of stairs on his shoulder, collects the empty, and that's another little facet of Ecuadorian life over within 2 minutes.

Every two or three weeks Sara, a local cleaning lady comes by the apartment and works her socks off for \$15 for the day. I don't make her work that way, it's just her nature. In Cotacachi, I used to pay \$10 but here in the big city things are a little more expensive!

Clothes can be expensive or cheap depending on your inventiveness. If you want to buy brand name clothes from stores in malls then expect to cover their import duties and store rental costs when you buy there. Followers of fashion in Ecuador need to be inventive. I just got off the phone with my girlfriend down in Guayaquil. She and her sisters and mom have been out buying luxury material at bargain prices and then visiting their favorite dressmaker who will make a full length dress for \$20. So what might be \$150/300 in the States or the mall will likely cost \$35/40 here.

These local tailors and dressmakers are everywhere in Ecuador. There are two in my street and one in Cotacachi can measure you for made to measure tweed suits for \$80-120. You only have to cut out a design from a magazine or print off a design from the internet, source the material and hand over to the dressmaker or tailor and hey presto! ... You have made to measure design clothes at a bargain price. The savvy entrepreneur could even turn this into a small business opportunity selling high end designer clothes to clients back home.

My healthcare tends to be preventative more than anything else. There's a little store down in Colonial Quito that is a wholesaler to all the other health stores. There I can pick up vitamins, minerals and herbal remedies at a quarter of what they cost me recently in a discount store in Britain. For example I can buy a month's supply of Milk Thistle for \$6.

A long-established dentist has just opened a new laser-dental practice in Bolivar Street in Cotacachi. I stopped in and asked him his prices; \$10 for a filling, \$120 for a porcelain crown and \$60 to whiten all your teeth!



New dental practice in Cotacachi



Spotless dental surgery with laser



Experienced dentist

The Sol de Vida alternative health clinic recently shut down in Cotacachi but in its place another clinic has opened with an array of treatments to cure complaints such as arthritis and rheumatism. Many expats have used these clinics and the cost per treatment is just \$4.

I have seen people claim to live on \$400 a month in Ecuador and I do agree that if you live frugal and simple life style and own your own home then as a single person that could be possible. But my costs living what I'd call a normal life style, paying \$450 a month for rent and bills, eating out and travelling in Ecuador probably comes closer to \$1000 a month. Having said that, I feel like I'm living very well and enjoying Ecuador to the full. Being a homeowner can only bring down your cost of living even further as property tax is shockingly low – nearly always below \$100 per year, and HOA fees are low as well.

Perhaps the best value in Ecuador are the views. I've mentioned it before but I never tire of the views as I travel through the Andes up to Cotacachi from Quito. The bus journey costs \$2 or \$50 for a two hour *Sunset over Cotacachi village*

taxi journey – and I'm treated to views like these below:



Cayambe majestic over Andean countryside



Imbabura volcano and San Pablo Lake



Cotacachi volcano



Sunset over Cotacachi village

Living in Ecuador not only saves you tens of thousands of dollars per year in living costs, year after year after year, but also offers you a healthy lifestyle in a climate often described as 'Eternal Spring'. Can you afford not to retire in Ecuador? See photos below of our Cotacachi condos.

Jahua Pacha Photos