

SHORT TERM vs LONG TERM RENTAL ANALYSIS · LAS TERRAZAS DE CORTESIN **BON AIR**

PROPERTY OF REFERENCE: 2 BEDROOMS APARTMENT · PRICE: **438.000€**

**I. SHORT TERM RENTAL**

ADR (AVAILABLE DAILY RATE) RENTALS COMPARATIVE ANALYSIS

APARTMENTS ANALYZED	ADR x DAY												ADR AVERAGE IN THE YEAR
	JAN-23	FEB-23	MAR-23	APR-23	MAY-23	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	
CASARES BEACH	147 €	142 €	143 €	143 €	147 €	147 €	148 €	157 €	210 €	146 €	146 €	146 €	152 €
LA PERLA DE LA BAHIA	213 €	213 €	213 €	213 €	213 €	213 €	213 €	213 €	213 €	213 €	213 €	213 €	213 €
CASARES DEL MAR	561 €	376 €	376 €	678 €	551 €	756 €	1300 €	1900 €	1000 €	1000 €	561 €	561 €	802 €
CASARES DEL SOL	187 €	234 €	234 €	640 €	640 €	640 €	807 €	807 €	576 €	211 €	211 €	211 €	450 €
CASARES	292 €	292 €	292 €	409 €	424 €	424 €	536 €	536 €	477 €	361 €	292 €	349 €	390 €
EL PATIO DE DOÑA	662 €	671 €	671 €	1100 €	945 €	1000 €	1500 €	1200 €	924 €	869 €	759 €	800 €	925 €

Source: BOOKING

**ADR x DAY 489 €**

OCCUPANCY RATE x MONTH ANALYSIS

JAN-23	FEB-23	MAR-23	APR-23	MAY-23	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23
15%	20%	40%	45%	60%	75%	95%	100%	75%	60%	60%	40%

**X YEARLY AVERAGE 57,08%**

PROPOSED ADR	300 €
OCCUPANCY RATE	57,08%
DAYS OCCUPIED	208
GROSS REVENUES x YEAR	62.506 €
MANAGEMENT EXPENSES (25%) x YEAR	15.627 €
NET REVENUES x YEAR taxes NOT included	46.880 €
NET REVENUES x MONTH taxes NOT included	3.907 €
<b>Selling price of reference: € before taxes.</b>	<b>438.000 €</b>
<b>RATE OF RETURN x YEAR 14,27%</b>	

**II. LONG TERM RENTAL**

APARTMENTS ANALYZED	BEDROOMS	FLOOR	M² BUILT	PRICE x MONTH
FINCA CORTESIN	2	GROUND FLOOR	120	2.800,00 €
CASARES GOLF - CASARES DEL SOL	2	3*	135	1.400,00 €
URB. BENEFICIADO - ALCAZABA LAGOON - CASARES	2	1*	86	1.400,00 €
CASARES GOLF GARDEN - CASARES DEL SOL	2	--	120	1.100,00 €
MARINA DE CASARES	2	GROUND FLOOR	114	1.800,00 €
URBANIZACION BENEFICIADO	2	--	95	1.700,00 €
<b>This is the average of an old apartment</b>			<b>112</b>	<b>1.700,00 €</b>

Source: IDEALISTA & FOTOCASA

RENTAL X MONTH PROPOSED	2.500 €
GROSS REVENUES x YEAR	30.000 €
EXPENSES & COMMISSION 1 MONTH	2.500
NET REVENUES x YEAR taxes NOT included	27.500 €
NER REVENUES x MONTH taxes NOT included	2.295 €
<b>RATE OF RETURN x YEAR 6,85%</b>	

**III. SHORT TERM vs LONG TERM**

	SHORT TERM RENTAL	LONG TERM RENTAL	DIFERENCIA
GROSS REVENUES x YEAR	62.506 €	30.000 €	32.506 €
EXPENSES	15.627 €	2.500 €	13.127 €
NET REVENUES x YEAR taxes NOT included	46.880 €	27.500 €	19.380 €
NET REVENUES x MONT taxes NOT included	3.907 €	2.292 €	1615 €
<b>RATE OF RETURN per YEAR</b>	<b>14,27%</b>	<b>6,85%</b>	<b>7,42%</b>

This is a preliminary study of market for short & long term rentals, information purposes only.

✓RENTALS IN SPAIN. RENTALS CLIMB FOR FIFTH CONSECUTIVE YEAR IN SPAIN. The average annual rental yield in Spain equates to 5% of a property's value. Buy to let in Spain has proven a hugely successful investment for savvy investors. You can realistic expect to rent our nine months a year in Spain as a holiday rental, with huge landlord tax breaks of 70%, or more, on (rental) income tax. This lenient tax relief also extends to non resident landlords. The rental money can be used to offset overheads and maintenance expenses, such as mortgage repayments. No other investment is giving a 5% yield/year safely. But that is not all, it only gets better!!! Besides soaring rental yields, you also need to factor in the capital appreciation of property (the increase in value of real estate over time). Properties in Spain have seen their value increase over the previous 5 years at an average of 5% pa. (Source: Moody,s). When you combine both soaring rental yields and capital appreciation, you reach the conclusion that Spanish Real Estate is giving a safe two-digit return year on year. That's over a 10% yield every year safely. This is ideal if you are afraid of sharp stock market fluctuations and seek a save investment in bricks for your pension pot. (Source: Larrain Nesbitt Lawyers).

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