

ZEN VILANEIRA

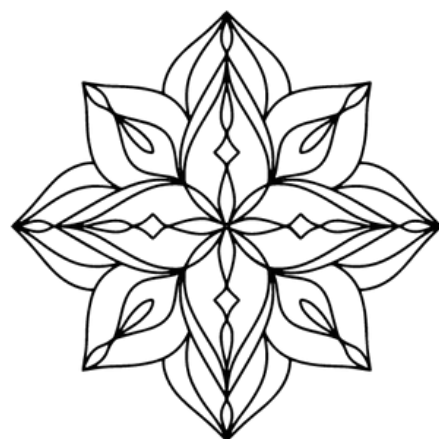
VILANEIRA OÜ

CORTES DE PALLÁS RESERVOIR

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Welcome to the extraordinary project in the captivating town of Cortes de Pallás, Spain, where ZenVilaneira Real Estate is set to create an unparalleled development. Nestled amidst the breathtaking natural beauty of the area, this project combines the allure of a luxurious hotel with the exclusivity of private villas, offering an unparalleled living experience.

INVESTOR

The investor would contribute a total of **€2,500,000**, starting with **50%** of the amount. At this stage, they would receive the property purchase agreement. The remaining amount would be paid in installments based on work certifications. As the project progresses and technicians certify the completion and quality of the work, the corresponding percentage of funds would be released by the investor. The final **10%** would be paid upon completion, allowing the investor to obtain the property with a clear title and the granted activity license. The building would have an approximate area of **1,600 m²**, and the investor would have exclusive rights to use a plot of around **3,500 m²** surrounding the hotel, where amenities such as the pool and terraces would be located. The entire property covers approximately **33,000 m²** and follows a horizontal property structure, where each building and its respective terraces are solely owned without limitations. The remaining land (access, parking, etc.) is co-owned.

TENANT/PROFITABILITY

Once the construction is completed and the necessary license is obtained, the tenant would begin operating the hotel. Typically, a few months of rent abatement, usually around 3 months, would be granted. A long-term lease agreement would be established between the parties, and the tenant would then pay:

- A fixed monthly rent paid in advance.
- A variable rent based on revenue.
- A mixed system combining a fixed and variable rent.
- A delegated rent in which the owner receives the entire revenue, except for a percentage allocated to the tenant.

The profitability would not be lower than **7%** annually in the case of a fixed rent. However, if a variable or delegated rent system is chosen, the profitability would logically be higher.

The operating company selected for the hotel must have demonstrated experience in the hotel industry, with a focus on the professional background of its directors and partners. The approval of all parties involved is required. In Spain, there is a robust and extensive network of industrial and professional entities in the tourism sector.



TAXES ON THE INVESTOR

The taxes applicable to the investor will depend on the specific legal form chosen, particularly if it involves a resident company. The investor can deduct the property's depreciation over a period of 20 years, along with all annual expenses, including financial costs. Profits would be subject to taxation ranging from 15% (special cases) to 20% as the standard rate.

HOTEL FURNISHING

The agreed price does not include the furnishing of the hotel rooms, but it does cover the kitchen, bar, and all related facilities. Depending on the profitability and duration of the lease, it may be possible to negotiate with the tenant for their contribution towards a portion of the furnishing costs.

DEVELOPER BUSINESS - 160 HOUSES

Initially, we did not plan to engage in this business venture with partners. However, if it becomes necessary for the success of the operation, we could potentially allocate up to 15% to 25% of the business to partners. In such a case, the partners would pay for their share based on the value in terms of the constructible surface area. For instance, if a house has a 50 m² buildable roof and there are 160 houses, the total buildable area would be 8,000 m². If a partner participates with a 20% share, they would be responsible

Furthermore, the project's strategic location offers a multitude of business opportunities. The stunning natural attractions in the area attract tourists, nature enthusiasts, and adventure seekers year-round. With limited accommodation options available, our development will enjoy a substantial advantage in catering to this growing demand, making it an ideal investment for astute business-minded individuals.

Come and join us on this incredible journey as we create a landmark development in a truly unique setting. Embrace the possibilities, seize the moment, and experience the extraordinary with our project in Cortes de Pallás, Spain.

