

06_Communication of Results

November 6, 2024

1 COMMUNICATION OF RESULTS

1.1 ANALYSIS CONTEXT

We have selected the city of La Coruña as a candidate to search for properties to invest in with the goal of achieving profitability through long-term rental housing.

To do this, we will first conduct a Discovery analysis that allows us to identify strategies or lines of work to help direct our property search. At the same time, we will create a dashboard that provides a clear view of the characteristics of this market and a filter to identify potential properties that align with our investment criteria.

1.2 OBJECTIVES

- Locate the districts with the highest percentage of gross profitability.
- Filter the provided property list by setting an upper limit for initial investment capital. For this calculation, we estimate an 80% mortgage financing rate.

1.3 EXECUTIVE CONCLUSIONS

- Properties larger than 150 m² should be excluded.
- It is recommended to search for properties with a maximum of 5 rooms.
- It is recommended to search for properties between 51 and 100 m².
- Focus should be placed on the districts of Elviña - A Zapateira and Paseo de los Puentes.

1.4 DETAILS OF MAIN RESULTS

1.4.1 Properties larger than 150 m² should be excluded

- The estimated rent for each property is calculated using the following formula: average price per m² of the district x property size in m².
- This leads to an incorrect rental price calculation for properties with statistically atypical sizes (over 200 m²), distorting subsequent analyses.
- Since the 75th percentile for property size is 140 m², we will only consider properties smaller than 150 m² (applying the discretization ranges).

Exhibit 1.5.1

	min	25%	50%	75%	max
m2_disc					
01_up_to_50_m2	392.0	457.50	510.0	576.0	700.0

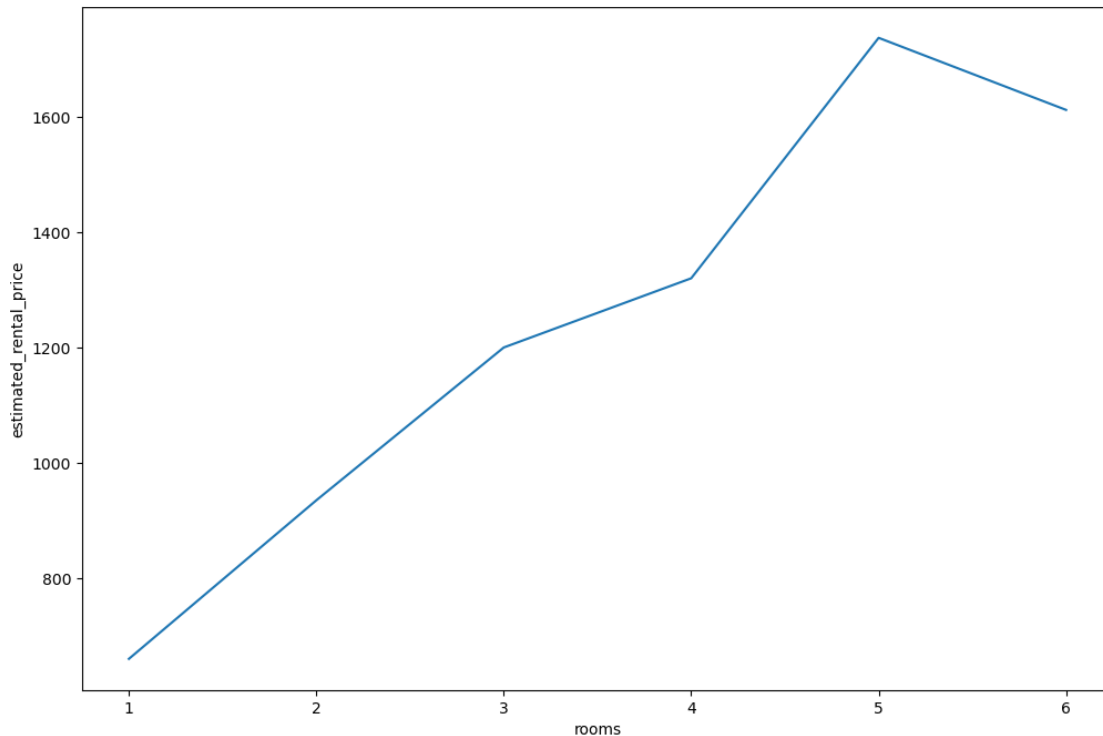
02_between_51_and_100_m2	550.0	758.25	900.0	1034.0	1400.0
03_between_101_and_150_m2	1020.0	1234.00	1430.0	1708.0	2100.0

	min	25%	50%	75%	max
m2	28.0	74.0	93.0	117.0	150.0

1.4.2 It is recommended to search for properties with a maximum of 5 rooms

- There is a linear progression between the number of rooms and the rental price, with prices starting to decrease after 6 rooms.

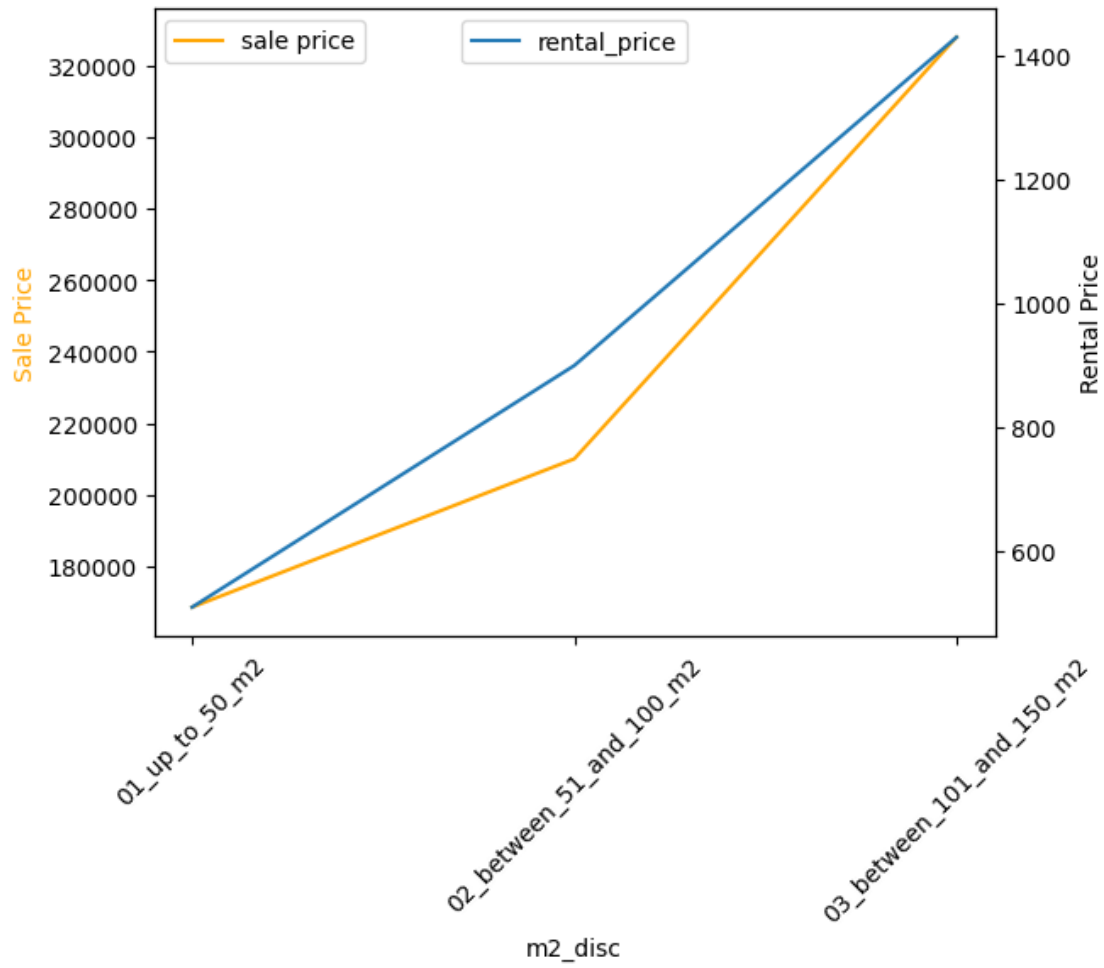
Exhibit 1.5.2



1.4.3 It is recommended to search for properties between 51 and 100 m²

- These maximize the relationship between rent and purchase price.

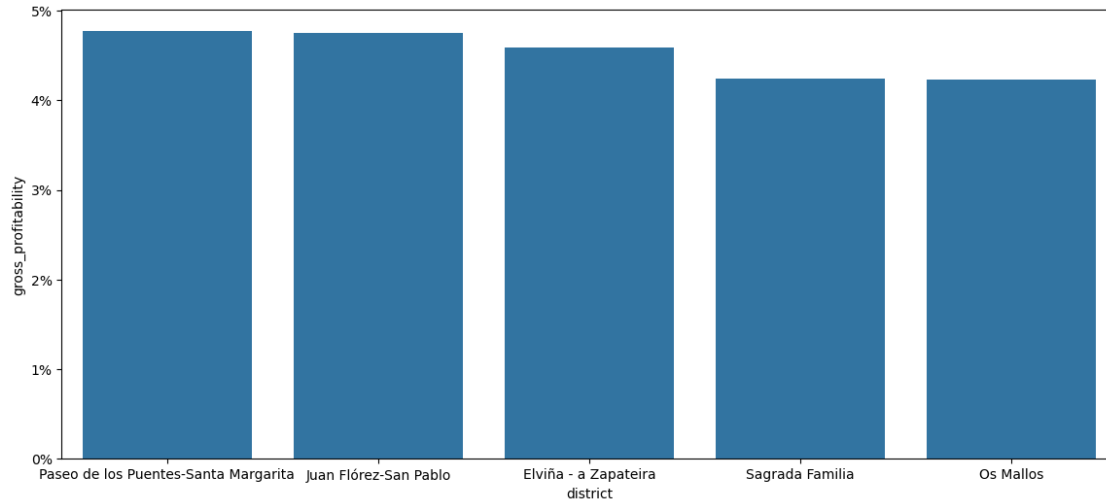
Exhibit 1.5.3



1.4.4 It is recommended to focus on the districts of Elviña - A Zapateira and Paseo de los Puentes

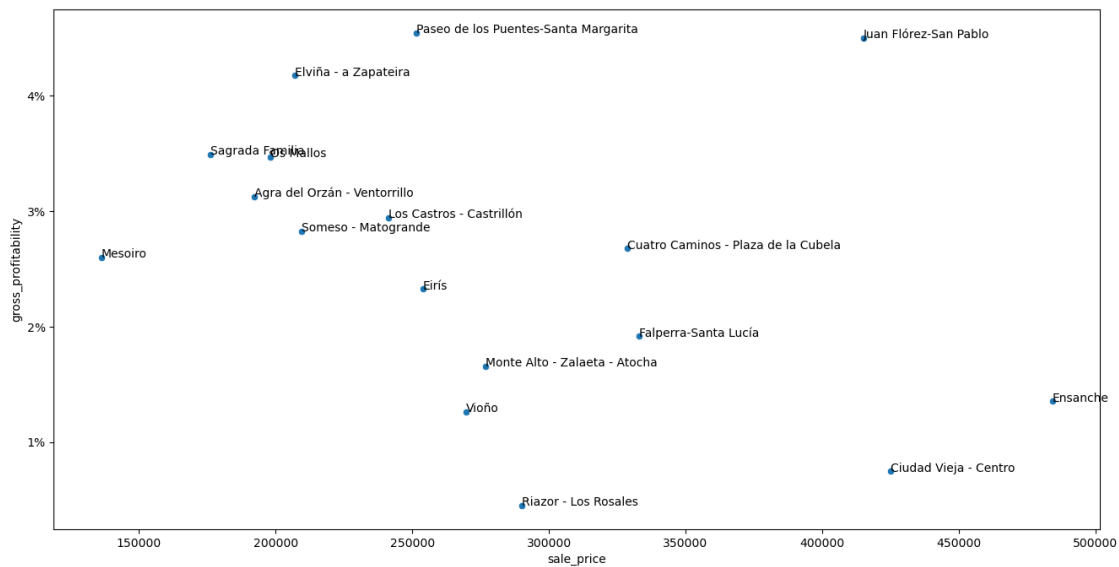
- Focusing exclusively on gross profitability, we should look for opportunities in the following districts.

Exhibit 1.5.4



- However, if we take into account the goal of achieving the highest profitability at the lowest possible purchase price, the scenario changes, with Elviña - A Zapateira and Paseo de los puentes - Santa Margarita emerging as the best options.

Exhibit 1.5.4



	district	m2_disc \
33	Paseo de los Puentes-Santa Margarita	03_between_101_and_150_m2
12	Elviña - a Zapateira	02_between_51_and_100_m2
32	Paseo de los Puentes-Santa Margarita	02_between_51_and_100_m2

	gross_profitability
33	5.0%
12	5.0%
32	5.0%

- Although we can find exceptions in other districts that provide similar profitability with a lower selling price.

	district	m2_disc	gross_profitability
31	Os Mallos	03_between_101_and_150_m2	5.0%
39	Sagrada Familia	03_between_101_and_150_m2	5.0%