

Here's an estimate of the potential ROI (Return on Investment) for a property in Nuevo Vallarta located next to Vidanta World, assuming a purchase price of \$209,500.00 USD:

Disclaimer: It's important to remember that this is a fictional scenario and the following is just an estimate based on assumptions. The actual ROI can vary significantly depending on various factors.

Factors Affecting ROI

- **Rental Income:** How much rent can you command per month? Location, size, and amenities of the property will influence this.
- **Annual Expenses:** Property taxes, maintenance costs, vacancy rates, and insurance will all eat into your profits.
- **Property Appreciation:** The potential for the property value to increase over time.
- **Holding Period:** How long you intend to hold onto the property before selling it.

Assumptions

- **Rental Income:** \$2,500 per month
- **Annual Expenses:** 10% of the purchase price (\$20,950)
- **Property Appreciation:** 3% per year
- **Holding Period:** 5 years

Calculations

- **Annual Rental Income:** $\$2,500 \times 12 \text{ months} = \$30,000$
- **Total Rental Income over 5 years:** $\$30,000/\text{year} \times 5 \text{ years} = \$150,000$
- **Total Expenses over 5 years:** $\$20,950/\text{year} \times 5 \text{ years} = \$104,750$
- **Property Value After Appreciation (Year 5):** $\$209,500 \times (1 + 0.03)^5 = \$253,881.25$

Estimated Total ROI

- Total ROI = Property Value After Appreciation + Total Rental Income - Total Expenses - Purchase Price
- $\text{ROI} = \$253,881.25 + \$150,000 - \$104,750 - \$209,500$
- $\text{ROI} = \$78,631.25$

Estimated ROI Percentage

- $\text{ROI Percentage} = (\text{Total ROI} / \text{Purchase Price}) \times 100$
- $\text{ROI Percentage} = (\$78,631.25 / \$209,500) \times 100$
- $\text{ROI Percentage} = 37.53\%$

Result Based on these assumptions, the estimated ROI after 5 years is **\$78,631.25**, with an ROI percentage of **37.53%**.

Important Note This is a simplified example and does not take into account several factors that can significantly impact ROI. It's highly recommended to conduct thorough research on the Nuevo Vallarta rental market, property taxes, maintenance costs, and potential appreciation rates before making any investment decisions. Consulting with a financial advisor or real estate professional can provide more personalized guidance on your specific situation.