

ROI & Cap Rate Investment Analysis

1-Bedroom Condominium · 70 m² · Beachfront Building with Boutique Amenities

Property Overview

This 1-bedroom, 70 m² condominium is located in a beachfront building offering premium boutique amenities, including a rooftop pool and private beach club. While the unit itself does not have direct oceanfront views, the beachfront amenities significantly enhance rental appeal and nightly rates. The property is positioned for short-term rental (Airbnb/VRBO) targeting international travelers.

Investment Assumptions

Purchase Price: USD \$350,000

Rental Strategy: Short-Term Rental (STR)

Low Season Rate: USD \$180 / night

High Season Rate: USD \$300 / night

Target Market: International vacation rental demand

Estimated Annual Gross Income

Season	Estimated Income (USD)
High Season	\$36,000
Mid Season	\$22,000
Low Season	\$14,400
Total Gross Annual Income	\$72,400

Estimated Annual Operating Expenses

Expense Category	Annual Cost (USD)
Property Management (20%)	\$14,480
HOA / Maintenance Fees	\$4,000
Cleaning & Replacements	\$3,000
Utilities (Electricity, Internet, Water)	\$2,500
Insurance & Miscellaneous	\$1,500
Total Operating Expenses	\$25,480

Return Metrics

Metric	Result
Net Operating Income (NOI)	\$46,920 USD
Capitalization Rate (Cap Rate)	13.4%
Annual ROI (Cash Purchase)	13% – 14%

Investment Summary & Explanation

Based on conservative and market-aligned assumptions, this property delivers a strong net operating income and a cap rate above the average for comparable beachfront properties in Puerto Vallarta. The competitive purchase price combined with premium beachfront amenities allows the unit to achieve higher-than-average nightly rates despite not having a direct ocean view. This makes the property particularly attractive for investors seeking income-driven performance, liquidity, and long-term appreciation in a high-demand coastal market.