



# Buying an Investment Property in Marbella

- Everything you need to know about investing in Marbella.
- Rental Demand
- Interest Rates
- Capital Growth

# WHAT DOES MARBELLA HAVE TO OFFER TO INVESTORS?



## Strong Rental Demand

Luxury properties are in high demand, it has become a very attractive spot for wealthy individuals who can expect to see a good return on their high-end investment. For example, in Puerto Banús for a short-term let, an investor can expect to see at least €400 a day in rental income.

## Low-Interest Rates

Low-interest rates in Marbella have made borrowing money and making real estate investments easier and more inexpensive for both individuals and businesses. Successful economic expansion has raised borrowing demand and driven down interest rates as lenders compete for customers. In comparison to the current 7% in the UK, interest rates in Marbella are currently around 2.5% as of Q1 2023. Marbella's low-interest rates have made it a desirable market for borrowing and real estate investment. This is shown by the fact that 10.8% of all Spanish real estate sales in 2021 were made by foreigners. British buyers represented 11.01% of all foreign buyers in 2021.



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## Capital Growth

Marbella offers a strong equity market and huge potential for capital growth. According to data from 2021, Marbella had the biggest number of sales in the previous 14 years, up 30.15 percent over 2019, demonstrating how the city keeps expanding despite The Pandemic or off-season conditions.

Property prices have increased dramatically as a result of the surge in demand for luxury residences and the lack of supply caused by development restrictions and lockdowns. This demand-driven increase in prices is not anticipated to lessen anytime soon. Particularly in Nueva Andalucía.



**Strong Rental Demand**



**Low-Interest Rates**



**Capital Growth**

# THE PROS OF AN INVESTMENT IN MARBELLA



## Growing Tourism Industry

Marbella is a popular tourist destination, already boasting an average of 30 million tourists annually, Marbella has a stable flow of tourism which continues to rise. The increasing tourism rates drive demand for local goods and services and provide significant employment opportunities. The soaring tourism rates have created a high demand for both long and short-term rentals, investing in Marbella would enable investors to capitalise on the popularity of the area and benefit from a high occupancy rate throughout the year.

Marbella's popularity as a tourist destination has already helped to boost property values, as the demand for rentals continues to grow, investors will see a long-term price appreciation. Furthermore, the tourism industry can create a diversified economy, reducing the risk of economic shocks, and making Marbella a more attractive and stable location for investment.



## High Demand For Luxury Properties

Marbella is known for its luxury lifestyle, which attracts wealthy and high-net-worth individuals for long-term stays, these types of properties also attract holidaymakers who wish to get a taste of the luxurious lifestyle Marbella has to offer.

# THE PROS OF AN INVESTMENT IN MARBELLA



This high demand can create a good cycle of growth, attracting more development and investment to the area, further increasing its affluence and appeal as a location for luxury properties, while also driving property prices up.

## Attractive Cost Of Living

The high standard and attractive cost of living make Marbella an attractive destination for ex-pats and retirees. There is a high number of people who visit Marbella in winter due to it being significantly cheaper than other European locations. This can include lower housing costs, lower taxes, and lower prices for goods and services.

This, in turn, can lead to increased economic growth, further improving the stability and prosperity of the region, and making Marbella a more attractive destination for investment. The lower cost of living also attracts visitors all year round to Marbella, meaning there is a low chance of investors having many void periods even in the winter months.



## Stable Political And Economic Environment

A stable political and economic environment in Marbella provides investors with a sense of security, predictability, and reliability, which is

# THE PROS OF AN INVESTMENT IN MARBELLA



crucial for making informed investment decisions. When the political and economic conditions are stable, investors are more likely to have confidence in the local government and its policies, which can help to attract more investment to the area. Additionally, a stable economy means that there is a lower risk of economic shocks or instability, which can reduce the risk of losses for investors and increase the potential for long-term gains. A stable environment can lead to increased property values, rental income, and overall returns on investment, making Marbella an attractive and secure location for investors.

## Developing Infrastructure

Improved infrastructure is making Marbella more accessible, attractive, and functional for both residents and visitors, driving economic growth and creating new investment opportunities. Additionally, the improved infrastructure can help to support new businesses and is attracting new industries, further diversifying the local economy and reducing the risk of economic shocks. By investing in infrastructure, Marbella's quality of life is improving therefore becoming more appealing as an investment location, providing investors with a stable and thriving environment for their investments to thrive.



# THE CONS OF AN INVESTMENT IN MARBELLA



## Seasonal Fluctuations

The large influxes of international tourism from holidaymakers in Marbella are highly seasonal, which can lead to fluctuations in property prices and rental income however, Marbella is a popular destination all year round for national tourists as well as ex-pats due to the good weather all year round and attractive cost of living. Although the summer months will allow investors to receive the most rental income as this is when demand is at its peak, Marbella rarely experiences a reduction in visitors due to the various benefits it offers tourists.

## Competition For Properties

With the high demand for properties in Marbella, competition amongst potential investors for buy-to-let properties can be intense however, that is where our team can help, we have properties varying from apartments to luxury mansions allowing us to cater for every investor's desires. We are committed to helping investors find their perfect investment on an individual basis as we know that no two clients have the same investment goals.



# THE CONS OF AN INVESTMENT IN MARBELLA



## Investors Often Want A Hands-Off Investment

Often investors wish to have little involvement in their investment and investing overseas can be difficult to find a property management company. We are able to offer property management for our Spanish properties, meaning investors don't have to worry about finding management themselves and can enjoy a hands-off investment.

## Investing Can Be A Lengthy Process

The process of investing in Spain can be a lengthy process however, we can facilitate the whole process of the investment for our clients, from sourcing the property to appointing the solicitors, to selecting the mortgage adviser, investors don't have to worry as we will ensure your investment is a smooth process.





# Invest In A Thriving Economy Today!

We can help you make profitable investments in this thriving city.

We specialise in sourcing the very best property investments specifically to meet our client's needs. Every client is unique and has different investment goals and we firmly believe a tailored approach on an individual basis works best over a 'one-size fits all' consultancy service.



**Off-Plan Specialists**



**Pay Returns All Over The World**



**Personal Account Management**