



## AIRBNB 5 YEARS FINANCIAL PROJECTION ON BSK CITY 2 BEDROOM PREMIUM HOME WITH SWIMMING POOL (630 SQUARE METER) --- VALUED AT \$150,000

Annual Appreciation: The property's value is projected to appreciate annually by 3%. This means that the initial investment of \$150,000 is expected to grow steadily, providing a foundation for capital appreciation.

Steady Rental Income: The property will be utilized for short-term rentals through Airbnb, generating a robust rental income of \$91,250 per year. With an assumed occupancy rate of 3 times per week, the steady flow of rental revenue is a reliable source of income.

Effective Cost Management: Operating expenses, estimated at \$40 per night, have been considered in our projections. This meticulous cost management ensures that the investment remains profitable, optimizing the balance between revenue and expenses.

Total Value: Combining the annual rental income (Net Operating Income) with the appreciating property value results in a compelling Total Value over the 5-year horizon. The property's value is expected to reach approximately \$173,870 at the end of the period, considering both capital appreciation and NOI.

investment opportunity demonstrates a comprehensive strategy that capitalizes on the property's value growth and generates substantial rental income. The calculated Total Value showcases a compelling return on investment.

## Given parameters:

• Rental Rate: \$250 per night

• Operating Expenses per Night: \$40

• Occupancy Rate: 3 times per week (52 weeks per year)

Year	Monthly Revenue	Annual Revenue	Monthly Operating Expenses	Annual Operating Expenses	Net Operating Income (NOI)
1	\$3,000	\$36,000	\$480	\$5,760	\$30,240
2	\$3,000	\$36,000	\$480	\$5,760	\$30,240
3	\$3,000	\$36,000	\$480	\$5,760	\$30,240
4	\$3,000	\$36,000	\$480	\$5,760	\$30,240
5	\$3,000	\$36,000	\$480	\$5,760	\$30,240

## Total Revenue over 5 years:

\$30,240 X 5 = **\$151,200** 

## Projected house value over 5 years:

Year	Initial House Value	Annual Appreciation Rate	House Value at Year End
1	\$150,000	3%	\$154,500
2	\$154,500	3%	\$159,135
3	\$159,135	3%	\$163,907
4	\$163,907	3%	\$168,818
5	\$168,818	3%	\$173,870