



20/11/06

Guaranteed and Variable Rental schemes available at 'Medina Elvira Resort'

There are two schemes available for those wishing to rent out their property at any of the complexes on Medina Elvira Resort. Firstly there is the **guaranteed rental scheme** with a yield of 5% of the purchase price of the property which is **index linked**. The contract lengths are 2, 3, 5, or 10 years renewable twice, so potentially you could have **30 years guaranteed rental** on a property in Medina Elvira. With this scheme you will not be able to use the property because potentially it could be rented out 52 weeks a year.

The **variable scheme** has the opportunity of providing you with a much higher return, however, it is not guaranteed. The figures in the ['Property Management & Rental Services'](#) document you will see the company are projecting between 10-15% returns. The figures are based on the previous two years rentals in Granada 2003-2005 and are projected to increase by 2008/9 when Medina Elvira is complete. Again the contract lengths for this scheme are 2, 3, 5 or 10 years renewable twice. With this option you can use your property; you will be given access to a database for your apartment and thus have the ability to block off various weeks a year for your personal use.

If you wished to sell your apartment before a 'rental contract' has ended you would either have to sell the apartment with the contract attached or come to some agreement with the management office onsite to see if anyone is waiting to change onto either of the rentals schemes. Once your contract period has ended you can change to either the variable or the guaranteed scheme, you are not fixed to continue with the same type of contract. AGS has personally been recommending clients to take out a 'guaranteed' contract for 2 years. Then review the figures for the variable and change over schemes once the development is established.