

# REAL ESTATE SITUATION REPORT.

## Villas in Sotogrande Costa 2007

Centro Comercial Mar y Sol, 28,  
Sotogrande

956.796.626

[www.teseoestate.com](http://www.teseoestate.com)

09/12/2007

A brief introduction into the real estate market in Sotogrande Costa.

This document should guide buyers in some of the most important issues regarding the situation of the real estate market for villas at this end of the Costa del Sol. The report highlights different aspects that customer take in account when considering buying a villa in Sotogrande Costa

## SOTOGRADE COSTA.

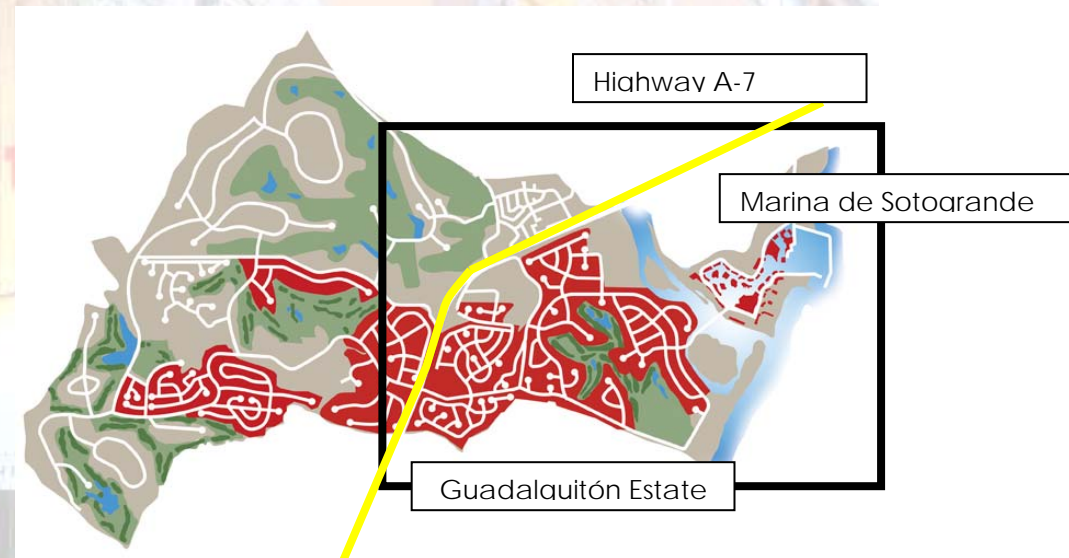
Sotogrande's lower part is situated south of the A-7 highway, bordered by the Mediterranean sea and from the south by the Guadalquiron's cork

The Andalusia residential complex was founded in the 60's by Mr. Mckmicking who transformed four independent but neighbouring predios dedicated to agriculture into one of the most luxurious residential complex in southern Europe, equipped with the finest golf courses, beach clubs and polo fields.

The Real Cub de Golf de Sotogrande is considered to be one of the best golf courses in Europe. It's situated in the core in Sotogrande Costa. The Avenida (avenue) Peaseo del Parque stands as a transport belt that sorrounds the golf course. This is the most important in Sotogrande in terms of traffic and suffers busy transit during the summer vacation peak days.

This avenue acts also as the border lines of other neighbouring areas in Sotogrande Costa. A second avenue of less importance is Avenida de Paniagua connects one of the main entrance of Sotogrande with Avenida del Paseo del Parque. Sotogrande Costa can be accesed via Avenida Paseo del Parque, Avenida de Paniagua or the Marina.

Besides the Real Club de Golf de Sotogrande, we find other leisure and sporting facilities such as the yachting club in La Marina de Sotogrande, El Octogono and El Cucurucho beach club or Santa Maria Polo Club wh Sotogrande Costa held during the last week of August.



EASY SOLUTIONS IN REAL ESTATE

Este documento es meramente informativo y no revista carácter contractual

### Sotogrande Costa sectors:

Regarding the real estate market we find the following independent areas in Sotogrande Costa. To distinguish them we have used the following arguments:

1. Size of plots
2. Number of plots with no construction. That is, the level of maturity of the sector
3. Average price per square meter (€/sqm) and average price per villa.

- **Kings and Queens.**

It's the first sector in Sotogrande to be built due to its proximity to the seaside and to the golf course. It was developed and subdivided into individual large plots of 2000 sqm minimum, following the original idea of Mr. Mckmicking of having luxurious breathtaking villas constructed in Sotogrande. Although the area is closed to all main amenities it lacks of view due to its plane topography

The maximum size that can be constructed in these plots is 1 sqm every 3 sqm of plot. Not only the vegetation and green areas around this sector is notable but also the width of the streets and avenues.

The area is almost fully developed (88%) and considered the most exclusive in Sotogrande.

The majority of owners are Spanish families that use their properties only for small periods of time (summer and Easter vacations).

Prices per square meter go up to 6.000 € and the average Price for a villa ranges from 2.000.000 € to 3.000.000 €

The following subareas are to be found in The Kings and Queens area:



Sotogrande with prices over 7.000 €/sqm. Only half a dozen plots are still available empty and to be build.

- o Paseo del Parque

In certain areas along this avenue the traffic is intense and thus the average price per square metre is lower (5500 €/sqm) than the previous one. On the other hand those villas looking on to the river have a higher Price (6000 €/sqm) due to its unique location and possibility to have a private berth.

- o El Polo

This area is limited by Paseo del Parque, Santa Maria Polo Club, Paniagua, Marina de Sotogrande and the A-7 highway. The topography is plane and is still an area where there is a high demand for villas. The prices here is lower than the previous ones ranging from 4.000 €/sqm to 4.500 €/sqm. Also it's important to mention that those properties bordering or near the new commercial centre and the A-7 highway have suffer a slight stumble in prices due to the noise produced in these sites.

- o R.C.G.S

It holds those properties situated in first line golf course. Not many properties in this area can be found for sale in the market. This feature plus the fact that they have a privileged location makes them have an average total price higher than any other in

EASY SOLUTIONS IN REAL ESTATE

Este documento es meramente informativo y no revista carácter contractual



- Sector B

This sector along with the A sector, is next to the highway and it's inhabited mostly by people who live all throughout the year in Sotogrande. The development of this sector was accomplished some years after the foundation of Sotogrande and its reflect the difficult economic and financial situation of that time. Plots were designed smaller ranging from 1.000 to 1.500 sqm. The average price per sqm is roughly 3.300 €/sqm. The average price per villa is no higher than 900.000 €.

Today a great number of villas for sale can be found in this area. The market is very dynamic due to its moderate prices and the mobility of its owners: passersby that work and live in this area for no more than 5-7 years. The sector is highly mature with only a few plots empty available.

- Sector A

EASY SOLUTIONS IN REAL ESTATE

Este documento es meramente informativo y no revista carácter contractual



Opposite to the B sector, across Avenida de Paniagua can be found this sector characterized by its proximity to Guadalquítón estate, a huge estate protected by the Andalusian Authorities. Plots in this area are highly valued as many of them have cork trees within their boundaries. Plots size start from 1.500 sqm to 2.000 sqm

and so the average size of the villas in this area is larger than the ones in the B sector. The average price in this sector is 1.800.000 € per villa. Higher if they are next the Guadalquítón and lower if they are near Paseo del Parque or the A-7 highway. The average price per square meter is 4.800 €/sqm. In terms of real estate market this has proven to be a less dynamic sector than B.

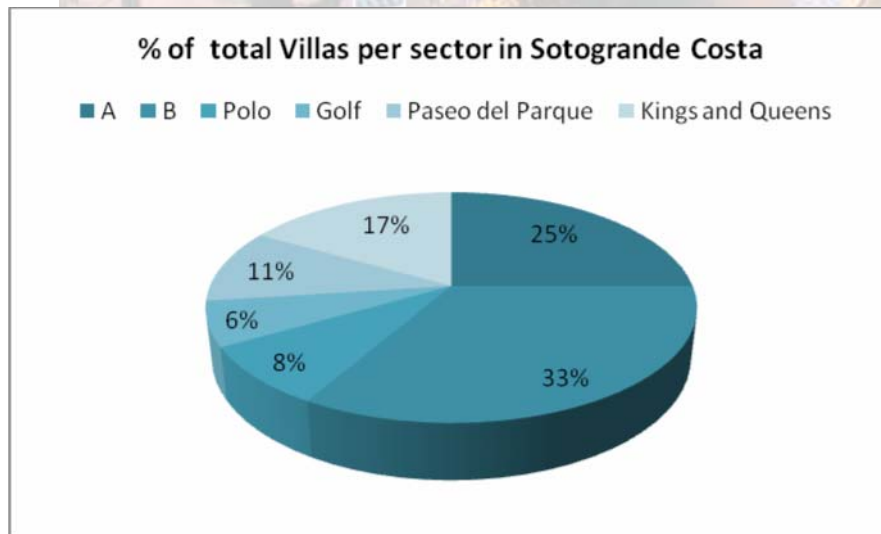
Both sector A and B are hilly and so views onto the sea or lower Sotogrande Costa can be seen from some villas.

EASY SOLUTIONS IN REAL ESTATE

Este documento es meramente informativo y no reviste carácter contractual

### Prices and how they are influenced

At the end of 2007 there were from 60 to 70 villas for sale in Sotogrande Costa. More than 60% of that lot belonged to both sector A and B. In particular it's outstanding the fact that more than half of that percentage belongs to villas from the B sector.

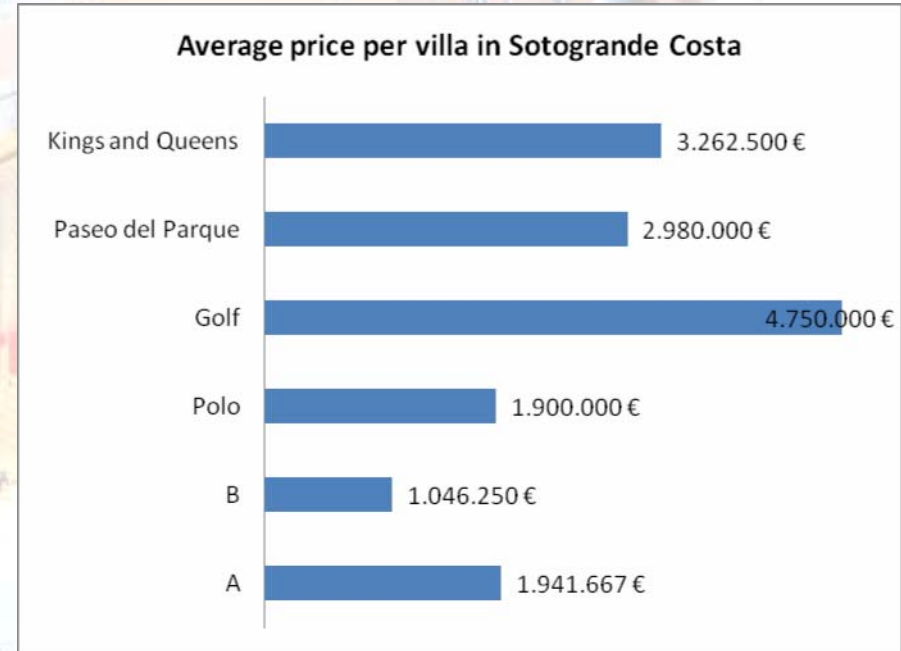


The main reasons for this are:

1. The sizes of the plots makes their prices more affordable
2. Smaller plots means smaller villas and thus lower prices. The average price per villa is no higher than a million Euros, making it easier for more people wanting to buy a permanent or temporary residence in Sotogrande
3. The majority of the inhabitants in this sector are families with small children whose parents work in the Sotogrande area or within 30 kms away. Once their period of working time is finished they tend to put their property for sale.

Others fact found in this report is that Orices in sector A are higher than those in B but still moderate.

The sectors with the more reduced number of villas for sale is the Golf sector. Prices in this sector vary from 3.500.000 € to 8.000.000 € depending on their location and state. The high prices has made number of villas sold in this sector during 2007 plunge.



As seen in this chart the the Kings and Queens sector prices are slightly over The Paseo del Parque sector not only in prices per square metre but in average villa price as discussed previously.

The lack of privacy in some parts of Paseo del Parque and the level of noise produced by the traffic especially in the summer time, makes potential buyers tend to look more for properties in the Kings and Queens or the Polo sector

EASY SOLUTIONS IN REAL ESTATE

**Este documento es meramente informativo y no revista carácter contractual**