



RM Apartments Limited
Short Let – Property Management

La Provvida, Karm Zerafa Street, Birkirkara
BKR 1719 – Malta – VAT: MT27495516
Registration: C96039

Forecast management Sample

Based on our pricing method and based on the analysis of the Cospicua area, we had the following results.

Obviously everything is linked to granting Red Malta access to the channels and complete freedom in price management, limits set with the owner, and from that moment for the duration of the contract all changes or direct bookings will be made through Red Malta and the Channel Manager Smoobu.

Pricing definition

We define the basic prices as if we were selling the rooms directly, therefore without commissions to the channels and without the 7% VAT, given that the owner is present. Secondly, we calculate the price to put on the channels with this criterion just defined.

Commissioni e VAT	%	VAT
Booking	19,1%	7%
Airbnb	19,1%	7%

These fees are applied to both the daily room rate, as well as cleaning and laundry costs, before being placed on the channels.

Obviously we calculate prices that will certainly be subject to discounts during the seasons **because a room sold at a lower price is better than empty**. This is our motto.

We usually define prices with the following rules:

- Prices defined per room (not per person)
- In the presence of a sofa bed, a defined surcharge is applied per person
- Variable prices based on the period and dates of local relevance
- Costs of cleaning, laundry and accessories to be paid by the guest (soap, toilet paper, etc.)

Prices are defined in 2 groups based on the months, and which we define as **Low Season** and **High Season**, and as a precaution we expect an occupancy of **40%** (Low Season) and **75%** (High Season) respectively.

Based on our experience, the annual average always falls within these numbers, also because August and July always exceed 80% and in some winter months we manage to stay on 50-60%.



RM Apartments Limited
Short Let – Property Management

La Provvida, Karm Zerafa Street, Birkirkara
 BKR 1719 – Malta – VAT: MT27495516
 Registration: C96039

Obviously these calculations are refined after a year of management, also to understand the real potential of the area, in addition to the seasons which are not always the same.

Cleaning and laundry

The cleaning cost in the canals is made up of the actual cleaning, the laundry costs and the cost of stock (warehouse) to supply toilet paper, soap and so on.

Based on the size of the rooms, a progressive cost is defined, from which the price to be inserted on the channels is calculated.

It is important that the cleaning price is well calibrated so as not to make the cost of the rooms rise too much in short stays, so we normally leave it at a value such that it is a service cost charged to the guest and there is no profit.

	Floor	Sleeping places	Rooms	Bathrooms	Cleaning hours	Cleaning cost	Common area cleaning fee	Laundry cost	Total cost for check-in	Price on the channel
Deluxe Queen Studio	1	2	1	1	3	30,00	6,50	10,00	46,50	58,00
Deluxe Queen Room	2	2	1	1	3	30,00	6,50	10,00	46,50	58,00
Apartment with balcony	3	2	1	1	3	30,00	6,50	10,00	46,50	58,00

Example of price and earnings calculation for double room

In addition to the period, we also define the prices for direct bookings, where we reserve 10% for any collaborator who procures the sale. We make use of some people who bring guests from Sicily during the low season.

This 10% commission is also counted in favor of the owner in case he finds direct guests.

In the event that Red Malta finds guests through its own channels, such as a website or collaborations for example with English schools or gaming companies, it will process a 10% commission for the sales work performed.

List Price 2023 Red Malta Apartments - Concetta Studio Apartments					Minimum stay					Days of behavior		
	Period	7 Jan - 31 Mar	1 Apr - 30 Apr	6 Apr - 9 Apr	May	June	July	August	September	October	1 Nov - 16 Dec	17 Dec - 6 Jan
Deluxe Queen Studio	Direct price with 10% for agent	€ 47,00	€ 50,00	€ 69,00	€ 53,00	€ 82,00	€ 74,00	€ 82,00	€ 65,00	€ 60,00	€ 51,00	€ 69,00
	Price for extra bed with 10% for agent	€ 12,00	€ 12,00	€ 12,00	€ 12,00	€ 12,00	€ 12,00	€ 12,00	€ 12,00	€ 12,00	€ 12,00	€ 12,00
	Price Booking Airbnb to the customer	€ 59,00	€ 62,00	Easter 2023 € 86,00	€ 66,00	€ 77,00	€ 92,00	€ 102,00	€ 81,00	Rolex Race - Birgu € 75,00	€ 64,00	€ 86,00
	Price for extra bed	€ 15,00	€ 15,00	€ 15,00	€ 15,00	€ 15,00	€ 15,00	€ 15,00	€ 15,00	€ 15,00	€ 15,00	€ 15,00

Price cleaning and laundry		
Deluxe Queen Studio	Direct price to the customer	€ 46,50
	Price Booking Airbnb to the customer	€ 58,00



RM Apartments Limited
Short Let – Property Management

La Provvida, Karm Zerafa Street, Birkirkara
 BKR 1719 – Malta – VAT: MT27495516
 Registration: C96039

The fixed costs for water, electricity and Internet utilities are defined on a monthly basis per apartment, to facilitate their deduction in the monthly bill.

Owner average fixed costs	Unit of measure	Euro
Light and water	month	94,00 €
Internet TV box	month	9,00 €
Total	month	103,00 €

Definition of collections and commissions of Red Malta

The calculation of the respective earnings of the Owner and Red Malta is done in three steps:

1. channel commissions are deducted from collection
2. the following are subtracted from this value:
 - the average monthly fixed cost (electricity, water, internet))
 - the cost of the Channel Manager (Smooobu) which has a fixed monthly cost per apartment
 - the management cost of the reservation until arrival at the facility (car requests, self check-in, information of all kinds)
3. from this value the 20% commission for Red Malta is calculated

The following tables show the total projection of the 3 apartments in one year.

In the first table assuming never to use the extra seat and in the second table assuming that the extra bed is sold in 50% of bookings.

Table 1

Hypothesis of Property Management for Concetta Studio Apartments net of canals and cleaning							
Calculations with minimum occupancy (2 people)							
	Owner annual fixed costs	Total annual service costs RM	Annual income	Amount for RM management cost calculation	Management fee 20% RM	Net annual income Concetta	RM annual income
Deluxe Queen Studio	1.236,00	649,00	12.852,55	10.967,55	2.588,34	8.379,21	3.237,34
Deluxe Queen Room	1.236,00	649,00	12.852,55	10.967,55	2.588,34	8.379,21	3.237,34
Apartment with balcony	1.236,00	649,00	12.852,55	10.967,55	2.588,34	8.379,21	3.237,34
Total	3.708,00	1.947,00	38.557,65	32.902,65	7.765,03	25.137,62	9.712,03

Table 2

Calculations with maximum occupancy with extra bed in 50% of bookings							
	Owner annual fixed costs	Total annual service costs RM	Annual income	Amount for RM management cost calculation	Management fee 20% RM	Net annual income Concetta	RM annual income
Deluxe Queen Studio	1.236,00	649,00	14.082,55	12.197,55	2.878,62	9.318,93	3.527,62
Deluxe Queen Room	1.236,00	649,00	14.082,55	12.197,55	2.878,62	9.318,93	3.527,62
Apartment with balcony	1.236,00	649,00	14.082,55	12.197,55	2.878,62	9.318,93	3.527,62
Total	3.708,00	1.947,00	42.247,65	36.592,65	8.635,87	27.956,78	10.582,87



RM Apartments Limited
Short Let – Property Management

La Provvida, Karm Zerafa Street, Birkirkara
BKR 1719 – Malta – VAT: MT27495516
Registration: C96039

Based on our experience, the gain that comes closest to reality is an average between the two, also taking into account promotions and discounts necessary to fill bookings.

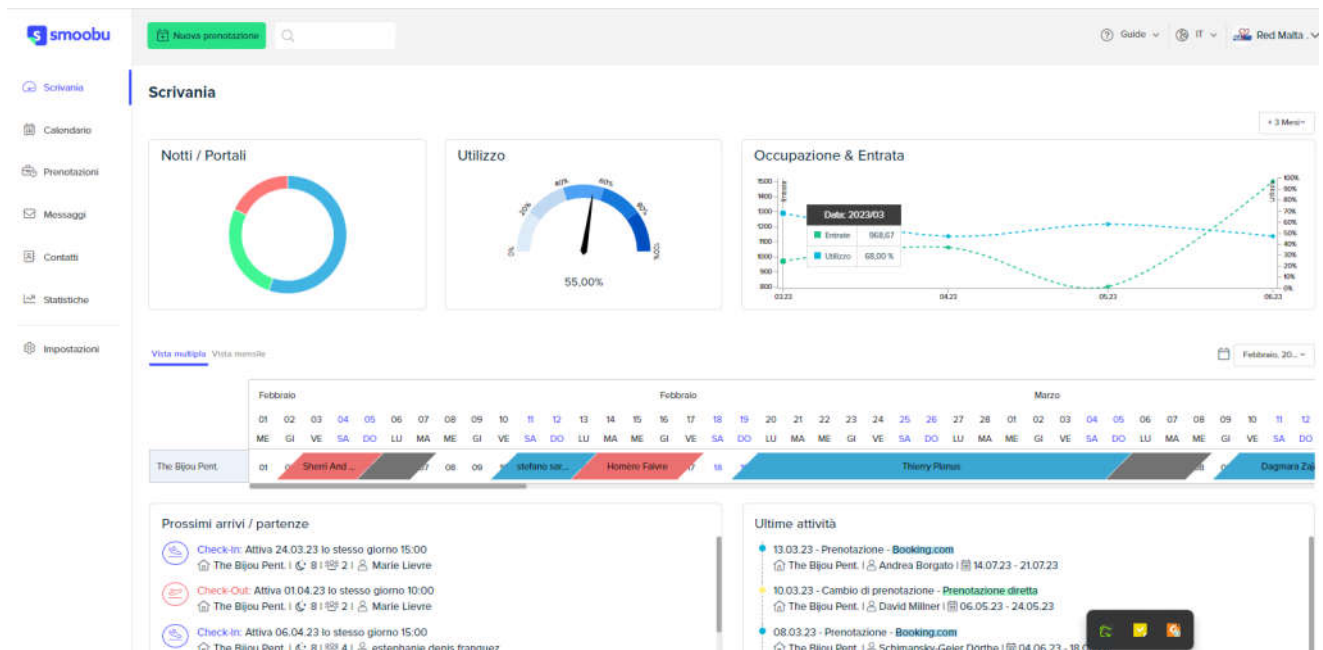
The assumed economic gain is positioned in the gap between the two values			
	Min	Max	Average
Concetta	25.137,62	27.956,78	26.547,20
Red Malta	9.712,03	10.582,87	10.147,45

Conclusions

Obviously this is a forecast and therefore there will certainly be variations in the various periods, both improving and decreasing in terms of collection, but from our experience, if there are no impediments or periods of forced closure, these fluctuations can be a maximum of 10-15% .

However the proportion is this.

Access to the Smoobu Channel Manager is obviously given for checking receipts and bookings. Here is a real example.





RM Apartments Limited
Short Let – Property Management

La Provvida, Karm Zerafa Street, Birkirkara
 BKR 1719 – Malta – VAT: MT27495516
 Registration: C96039

Thierry Planus

Data di prenotazione

Data	Febbraio 19, 2023 → Marzo 05, 2023
Notti	14
Proprietà	The Bijou Pent.
Prezzo	489,16
Check-in	15:00
Check-Out	10:00
Numero di ospiti	Adulti 2
ID Prenotazione	33758180
Aggiungi note	Numero di prenotazione: 3322408728

Messaggio dall'ospite: ** THIS RESERVATION HAS BEEN PRE-PAID ** BOOKING NOTE : Payment charge is EUR 5.38076

Indirizzo: 27 quai Paul cunq
 34250
 Palavas
 FR
 Maggiori informazioni: booker_its_genius
 Accounto: 489.16EUR

Link guida per ospiti: <https://panel.smoobu.com/?i=4w233fa3e66a=33758180>

Cronologia conversazione:

- Thanks (04/03/23 09:21)
- Good morning Thierry, ok no problem. Please leave ano copy of keys in the box. Pw 5147. Thanks a lot (04/03/23 11:31)
- Hi Thierry, sorry I made a mistake. Feel free to leave the keys on the shelf where the internet modem is. I hope you had a good time. describe the B" northem in the room. I betuvmatale is (05/03/23 08:52)
- Marked as no reply needed (05/03/23 12:12)

Rispondi all'ospite:

Modella: Empty Mail

Destinatario: booker_its_genius@red-mal.com

This is a sample of statistics from January to April 2023 from our home in San Pawl II-Bahar. As can be seen, we are well over 40% in the low season, with zero cancellations and it shows how the reservations are distributed.

Statistiche

