

RESORT OPERATORS & CONDOMINIUM MANAGEMENT COMPANIES

CURRENCY EXCHANGE – IMPROVING CASH FLOWS AND ADDING VALUE FOR YOUR CLIENTS

In this case study we look at how an Algarve based resort operator and condominium company are saving money and providing additional services for their property owners, as well as dramatically improving their cash-flow and cutting their own costs.

Background

During a meeting with an established resort operator to explore how Premier FX could assist their property owners with currency exchange solutions, an interesting problem for the operator came to light. Owners are billed on a regular basis for their property management, maintenance, property taxes and running costs by the resort. Over a period of time, managing the collection of these charges had become a tiresome and hugely time consuming task, with arrears, incomplete payments, payments in numerous currencies and monies received in various ways, be that bank transfers, cheques, cash or a combination of all. This was costing the management division extra overheads for staff, collections and bank charges which, of course, was having to be passed back to the owners in the form of increased condominium charges. The resort was desperate to solve this ever-increasing problem.

Solution

Premier FX proposed that all payments from non-Euro based owners, approximately 80% in this case, be made at regular intervals directly to their client account in London, from where Premier FX would make immediate transfers in Euros to the resort operator's Portuguese account.

The benefits to the owners would include:

- a. More competitive exchange rates
- b. No bank charges or commissions
- c. Faster and simpler transactions
- d. Lower management charges due to reduced overheads

The benefits to the resort operator would be:

- a. Regular receipts, on time
- b. Lower administration costs
- c. Improved cash-flow
- d. Faster transactions
- e. Providing added value to the owners
- f. More time to spend on more productive tasks

The proposal was accepted by the operator and, with input from Premier FX, communicated to the owners by letter and e-mail.

Result

Take up by the owners was around 20% within 2 months and had risen to 35% after 4 months, which is at the time of writing. It is expected to be over 50% at the 6-month mark and to have achieved the target 80% by the end of the first year.

Already the resort have seen a substantial reduction in the workload associated with collections and processing of payments, with those payments now arriving far sooner than before and with the corresponding cash-flow improvements. Owners are also happier with the stress-free payment method and enjoying the extra cash the better exchange rates have given them.

Additional benefits

Once the owners have established their trading account with Premier FX, they can of course use this for all their other currency exchange needs, such as topping up their Portuguese bank accounts, paying other bills directly, financing the purchase of boats, cars and other items - all at extremely competitive rates and with no charges or commissions.

Meanwhile, for every owner signing up to the scheme, Premier FX pays the resort operator a commission on *ALL* the transactions made by the client, not just the property charges. This provides a further revenue stream for the operator contributing to improved profits and corresponding shareholder returns.

This model is just one example of the many ways that Premier FX is working with its partners and clients to find creative solutions to a wide range of problems. Not only does professional currency trading expertise result in better exchange rates for individuals, it can help all businesses address many different issues as well as add genuine value for their clients and partners. Premier FX does not charge for these services so why not let one of the professional account team apply some creative thinking to your business?