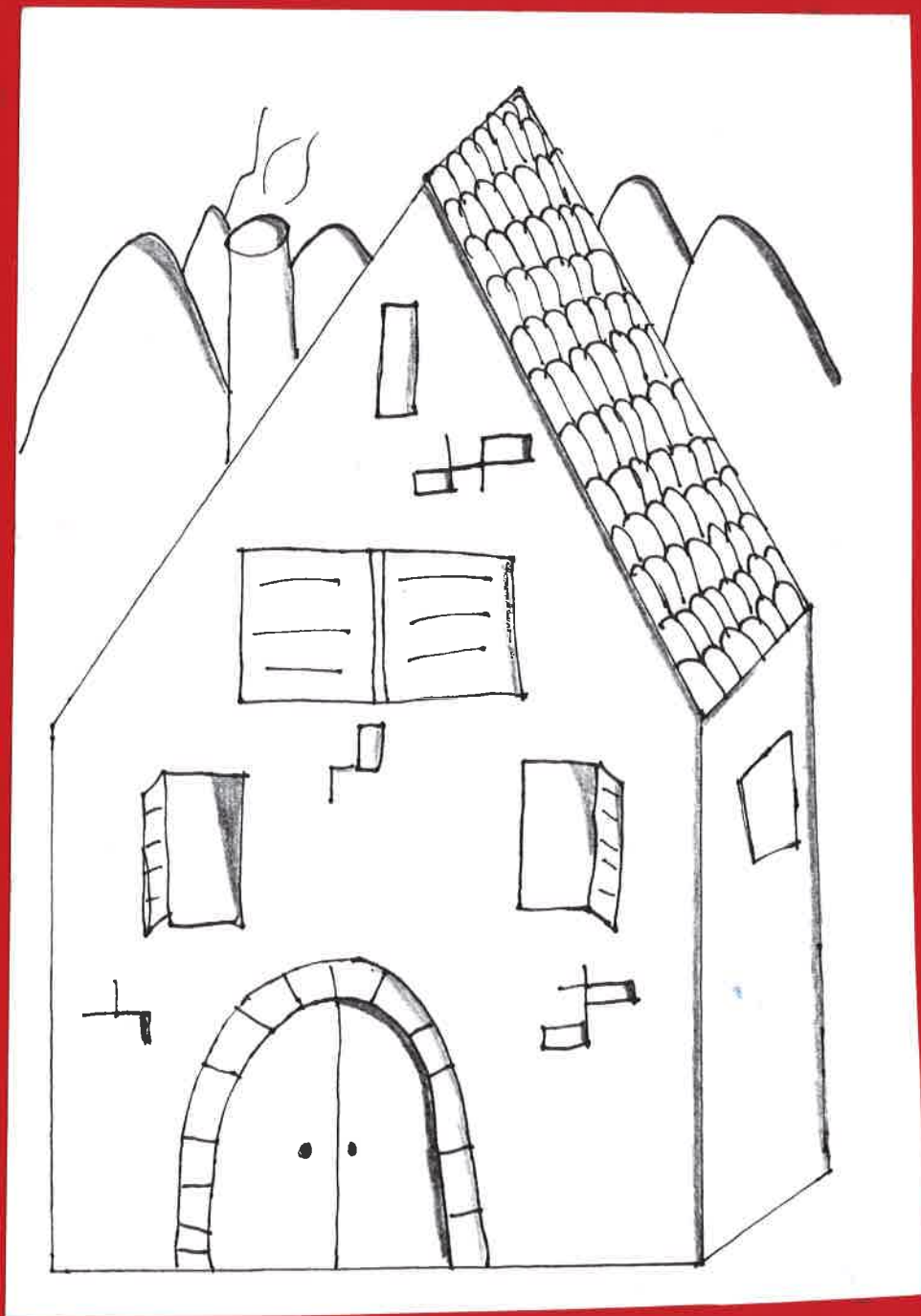


SCHOOL SANTA MAGDALENA SOFÍA

PROPERTIES



PUPILS 66

HOW MUCH IS A HOUSE?

INTRODUCTION

In this project the pupils from Santa Magdalena Soga School have compared the difference in property cost between Andhra Pradesh and Spain. Firstly we have made a comparison in the salaries in different sectors. One of the points to bare in mind is that in Andhra Pradesh the main sector is agriculture whereas in Spain the economy is driven by tourism and service sectors.

SALARY COMPARISON

In the grids below we can see that there is a huge salary difference between the two countries. In Spain salaries are much higher, as is cost of living, however it is also shown that there is a difference between men and woman

Salaries by occupation (monthly)	ANDRHA PRADESH				SPAIN			
	MEN		WOMEN		MEN		WOMEN	
	Rupees	€	Rupees	€	Rupees	€	Rupees	€
Salary agricultural laborer	3.000	43	2.400	34	84.618	1.209	958	67.052
Salary factory worker	5.400	77	3.600	51	114.397	1.634	1.160	81.215
Salary civil servant	20.010	286	20.010	286	104.897	1.499	1.205	84.343
Salary general practitioner	40.020	572	40.020	572	165.744	2.368	2.053	143.703

Source: Own findings

PROPERTY VALUE

In this comparison we have looked at the average property prices. In Spain there are many different types of properties and the price can vary depending on the location. To calculate the average property cost we take the average price by square metre and also we take into account if it a newly built property or second hand. In the case of Andhra Pradesh we have differentiated between rural and urban location and also by cheapest and most expensive options.
As we can see the cost of living is a lot higher in Spain.

ANDHRA PRADESH	1st Option		2nd Option	
	RUPEES	€	RUPEES	€
Rental and purchase value				
Purchase of rural hut	20000	285,714	30000	428,57
Rental of rural hut (monthly)	500	7,14286	700	10
Rental of city property (monthly)	3500	50	5000	71,429

Source: Own findings

SPAIN	€m2	RUPEES	70 m2		250 m2	
			€	RUPEES	€	RUPEES
Rental and purchase value						
Cost new property	2102	147140	147140	10299800	525500	36785000
Cost second hand property	1481,7	103719	103719	7260330	370425	25929750
Average cost rental property (monthly rent)	658	46060				

Source: Own findings



MONTHLY INSTALMENTS TO PRUCHASE A PROPERTY

If we take into account that in Spain the cost of property should not exceed 30% of the salary, we have calculated the number of months it would take on average agricultural laborer to pay for his house. Based on this same principal we have calculated it for Andhra Pradesh.

In Spain, although we have a higher quality of life we have to invest at a more time in paying for our properties. An agricultural laborer in Andhra Pradesh in paying it would be approximately two years compared to 30 years it would take to one in Spain

ANDRHA PRADESH

MEN	Total monthly salary		30% of salary for housing		1st Option	2nd Option
	Rupees	€	Rupees	€	months	months
SALARY BY OCCUPATION						
Salary agricultural laborer	3000,00	42,86	900,00	12,86	22,22	33,33
Salary factory worker	5400,00	77,14	1620,00	23,14	12,35	18,52
Salary civil servant	20010,00	285,86	6003,00	85,76	3,33	5,00
Salary general practitioner	40020,00	571,71	12006,00	171,51	1,67	2,50

Source: Own findings

WOMAN	Total monthly salary		30% of salary for housing		1st Option	2nd Option
	Rupees	€	Rupees	€	months	months
SALARY BY OCCUPATION						
Salary agricultural laborer	2400,00	34,29	720,00	10,29	7,50	2,25
Salary factory worker	3600,00	51,43	1080,00	15,43	5,00	1,50
Salary civil servant	20010,00	285,86	6003,00	85,76	0,90	0,27
Salary general practitioner	40020,00	571,71	12006,00	171,51	0,45	0,13

Source: Own findings

SPAIN

	30% of salary		70m2
	€	Rupees	months
Salary agricultural laborer	362,65	25.385,40	405,74
Salary factory worker	449,56	31.469,10	327,30
Salary civil servant	490,27	34.319,10	300,12
Salary general practitioner	710,33	49.723,20	207,14

Source: Own findings

DISPOSABLE INCOME IF RENTING

Below we show the left over income after paying for housing also differentiated by men and women.

MEN

Salaries by occupation (monthly)	Salary (monthly)		Rental				Disposable income			
	Rupees	€	Rupees	€	Rupees	€	Rupees	€	Rupees	€
			1st Option		2nd Option		1st Option		2nd Option	
Salary agricultural laborer	3.000	43	500	7	700	10	2.500	36	2.300	33
Salary factory worker	5.400	77	3.500	50	5.000	71	1.900	27	400	6
Salary civil servant	20.010	286	3.500	50	5.000	71	16.510	236	15.010	214
Salary general practitioner	40.020	572	3.500	50	5.000	71	36.520	522	35.020	500

WOMAN

Salaries by occupation (monthly)	Salary (monthly)		Rental				Disposable income			
	Rupees	€	Rupees	€	Rupees	€	Rupees	€	Rupees	€
			1st Option		2nd Option		1st Option		2nd Option	
Salary agricultural laborer	2.400	34	500	7	700	10	1.900	27	1.700	24
Salary factory worker	3.600	51	3.500	50	5.000	71	100	1	-1.400	-20
Salary civil servant	20.010	286	3.500	50	5.000	71	16.510	236	15.010	214
Salary general practitioner	40.020	572	3.500	50	5.000	71	36.520	522	35.020	500

As we have seen, in Andhra Pradesh people belonging to lower castes of society have to live in rural cottages and it is very difficult they can afford decent housing and also they haven't got money to cover basic needs. Although in Spain all households have running water, electricity... the cost of housing and/or rental is very high and many people lost their job and they can not pay their houses.