

Tourism Development in the Context of the Real Estate Business

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Abstract The paper explores the relationship between tourism and real estate, particularly in the last three decades, focusing on the social interests of local and national communities. The concept of "residential tourism" is debated, with no consensus on whether it qualifies as tourism or its effects on tourism development. The study aims to intensify discussions on this relationship and its impact on the development of tourist destinations. It also investigates whether current tourism investments align with sustainable development goals, using the United Nations' Sustainable Development Goals as a framework, supported by a literature review and discussion.

Keywords: • tourism • real estate • tourism development • tourist destination • sustainable development goals

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1 Introduction

The development perspective of the tourism sector concerning the development of the real estate business represents an important issue in the management of tourist destinations in a theoretical and practical sense. Numerous pieces of research are aimed at examining the possibilities and limitations for the development of tourist activities in a destination that is also interesting from the aspect of real estate development. It is particularly important to consider certain issues related to tourism's sustainable development and challenges for managing tourist destinations in this regard.

The subject of the research of this work is the determination of the existence of significant influences of the development of the real estate business on the pace of development of the offer of hotel accommodation in a tourist destination.

The main goal of this paper is to provide an insight into the state of the pace of tourism development concerning the planned and expected development in the context of the impact of the development of the real estate sector.

As part of our research, we would like to check whether the current state of investment in tourism is oriented toward sustainable development. We took the position of the United Nations and the goals and checked how they fit with the current situation.

The main research question is: What is more important to develop - the real estate sector or the tourism sector?

The work is based on the method of using historical methods, secondary sources, and deriving general views to create a basis for some future research.

The paper consists of an introduction and two parts. In the introduction, the subject and goal of the work are stated, and the methodological framework and structure are described. The first part presents the theoretical background of the research subject. The second part presents a discussion through a certain reflection on the expressed theoretical views and concluding considerations and is focused on key evaluations of the considered relationship between tourism and real estate, as well as perspectives for further development.

2 The tourism sector and the real estate sector in the context of sustainable development

2.1 General notes

The relationship between tourism and real estate as economic activities or business sectors is very well defined by the conclusions of the 45th Aiest Congress in 1995, which mainly state the following (Keller, 1995):

1. Tourist accommodation capacity can only be defined in terms of tourist demand, that is, when a tourist by definition uses a certain type of accommodation, then it can be defined as tourist accommodation capacity. In the second case, if it is not a tourist, then that facility is not considered tourist accommodation, that is, as stated in the specific conclusion, the facility for the elderly, although located in a tourist destination, is not considered a tourist accommodation facility. There are two categories of accommodation (collective and private accommodation), where collective accommodation including hotels and couple hotels has a commercial character, while individual accommodation (houses and apartments) is used exclusively by the owner with occasional availability to family and friends without compensation.
2. The real estate sector, which is oriented towards tourism, does not show the same interest in all aspects of accommodation. In the foreground are the installation and facilities' planning and construction (and sale and rental, notes authors). The use of facilities is secondary and depends on the growth/decrease of tourist demand and the accommodation sector's profitability level.
3. In all tourist destinations, the real estate sector is seen as a driver of tourism development and thus of the economy as a whole, considering the agglomeration effects in less developed tourist regions or as an additional development impulse in developed tourist regions.
4. The real estate sector in tourism supports the formation of the accommodation capacity structure in a large number of tourist areas. A new type of competition has developed for smaller holiday hotels through various new types of accommodation. These types of non-hotel accommodations are labelled para-hotels in a negative context. However, these types of accommodation capacities are not marginal in terms of volume, on the contrary, they are, today, the dominant type of accommodation in a large number of destinations.
5. The hotel business has a major place in the minds of tourism planners and politicians because it offers greater added value and is more economical in the use of space compared to other types of accommodation. However, the fact is that the importance of the hotel sector is decreasing. In a large number of highly developed tourist countries with a long tradition of tourism, hotel capacities are significantly smaller compared to other types of tourist accommodation. For example, the share of hotel capacities in the total tourist accommodation capacity of France is no more than 5%, while in traditionally hotel-oriented Switzerland the same share is less than 15%.

6. The current situation in the accommodation sector can be linked to the popularization and democratization of tourist demand after World War II (mass tourism, note. author). In a larger number of tourist destinations, cheaper and less intensive types of accommodation facilities outnumber hotels, which are mainly designed to attract an affluent international clientele. »Para hotels« usually represent a »self-service economy« and the demand for this type of accommodation is expressed by tourists who have a lower level of income elasticity.
7. The real estate sector in the tourist market consistently used the advantages of combining different types of accommodation. Back in the 1970s, using the "aparthotel" formula, the tourist market was successfully offered the flexibility of vacation apartments together with the high-quality service of traditional hotels. Such a product proved to be very popular (Keller, 1995).

In the context of the relationship between the development of tourism and the real estate sector, it is very important to consider the UN Agenda for Sustainable Development, which clearly states that "We are determined to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations" (United Nations, 2018). In this sense, from the aspect of this work, it is a key goal "Goal 11. Make cities and human settlements inclusive, safe, resilient, and sustainable" (United Nations, 2018). that is, it is considered as the most important sub-goal "11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries" (United Nations, 2018).

The global expansion of tourism has resulted in a change in the business structure of many traditional tourism service providers for easier expansion into new markets, which includes the fragmentation of the core business through the separation of the real estate business from the business related to travel services (tourism, note.) (Bardhan et al., 2008). The authors note that this process opens the door to development and investment activities in the real estate sector, which implies various limitations faced by the tourism industry in the world. Although the real estate business, in the opinion of these authors, has a long-term perspective, some factors can slow down growth, such for example legal and institutional differences in certain areas of global business. The growing demand in the tourism sector and the specialization of companies in the real estate business in tourism represent a new challenge for long-term planning and investment (Bardhan et al., 2008).

In the works of certain authors, it is pointed out that real estate deals are hidden through the promotion of tourism (Xu, Wu, & Wall, 2012) considering the interests of local administrations and investors.

Erasing the borders between traditional identifications and categorizations of tourists and tourism is a consequence of the appearance of different forms of movement of people in today's world, i.e. a sudden increase in the number of recreational second homes (second homes) as a consequence of such forms of migration driven by consumption, which triggered fundamental socio-spatial changes (Wu, Xu, & Lew, 2015).

2.2 A brief overview of research on the role of tourism and the concept of a second home in the development of the economy

Liburd, Benckendorff and Carlsen (Liburd, Benckendorff, & Carlsen, 2012) have done a good periodization of the global development of tourism, which shows different understandings regarding the impact of tourism on the national economy and social development, especially in the context of tourism and quality of life.

The first period during the 1950s and 1960s is a period in which tourism is seen as an economic remedy for economic stagnation, i.e. tourism facilitates an "economic boom" (Rostow 1952 in Liburd et al., 2012) and promotes development in underdeveloped countries (Third World). In that period, the World Bank, the International Monetary Fund and the United Nations Development Program (UNDP) encourage tourism as a lucrative foreign exchange income with a significant multiplier effect.

During the 1970s and especially in the 1980s, theories were formed that are sceptical of the theory of modernization and capitalist penetration into the Third World, through the assertion that the rich countries of the First World became richer and the poor countries of the Third World became poorer (Frank, 1967 in Liburd et al., 2012). Tourism theorists (Cohen, 1978; de Kadt, 1979 and Britton, 1982 in Liburd et al., 2012) in their works emphasized the understanding that tourism, instead of benefiting peripheral destinations and contrary to popular belief, in many cases led to new forms of dependence and acculturation.

Especially in the 1980s, the search for knowledge regarding the ecological, socio-cultural and economic impacts of tourism on tourist destinations around the world stands out. In the centre of attention is the relationship between the costs and benefits of tourism development, where the basis is taken from the concept of carrying capacity of tourism (Miller and Twining-Ward 2005, pp. 29–30 in Liburd et al., 2012). The concept of carrying capacity is defined as "the maximum number of people who use the location without an unacceptable change in the physical environment and an unacceptable drop in the quality of the experience that visitors gain (Mathieson and Wall 1982, p. 21 in Liburd et al., 2012).

In particular, the process of acculturation is highlighted as "a change in culture that is initiated by the merging of two or more cultural systems" (Nash 1994, p. 184 in Liburd

et al., 2012), such as "Cocacolonization" and "McDonaldization" of the domicile lifestyle (Nunez 1989; Meethan 2001; Smith 2001 in Liburd et al., 2012).

The fact that tourism has not offered a cure for the struggling economy and, in general, for the economies of developing countries, has been taken for a long time. Satisfying the needs and desires of the developed world results in high import bills and repatriated profits that trickle out of the local economy, which is most beneficial to local and national elites but not to the wider strata of the rest of the population.

In this sense, the overriding importance of the tourist multiplier through its contribution to the gross domestic product and the general employment rate is especially taken into account. It is cautioned to realize that the impacts of tourism on the income and employment of the national economy can be quite misleading because the income from tourism in the input can be significantly dependent on imports, and the employment is based on a limited duration of time (seasonal employment), to which should be added the low level of wages and the low status of jobs in tourism (McAfee 1999; Deery and Jago 2009 in Liburd et al., 2012).

In the late 1980s, the research concept of tourism described as "soft", educational, responsible and green ecotourism dominates (Liburd et al., 2012).

Interest in researching the phenomenon of the second home as a concept of living has waxed and waned since pioneering works on the subject, such as research on the concept of a second home in the Stockholm archipelago before the Second World War (Ljungdahl, 1938; Wu et al., 2015) and research about cottages in Canada (Wolf, 1951 in Wu et al., 2015).

A second home is considered a property owned or rented through a long-term lease that is used as a temporary residence for a household that usually lives (permanently resides, notes authors) somewhere else (Goodall, 1987 in Wu et al., 2015).

When compared to short-term tourists, users of second homes who are geographically and financially fixed in the destination, have a higher level of commitment and involvement in local issues. Also, users of a second home differ from permanent immigrants, given that they maintain a lifestyle in two cities (two destinations, resident and temporary, notes authors) and because of a special sense of belonging in both places. Ownership of a second home represents a significant financial investment and thus can be a determinant for connecting and forming a stable relationship with the destination (Wu et al., 2015).

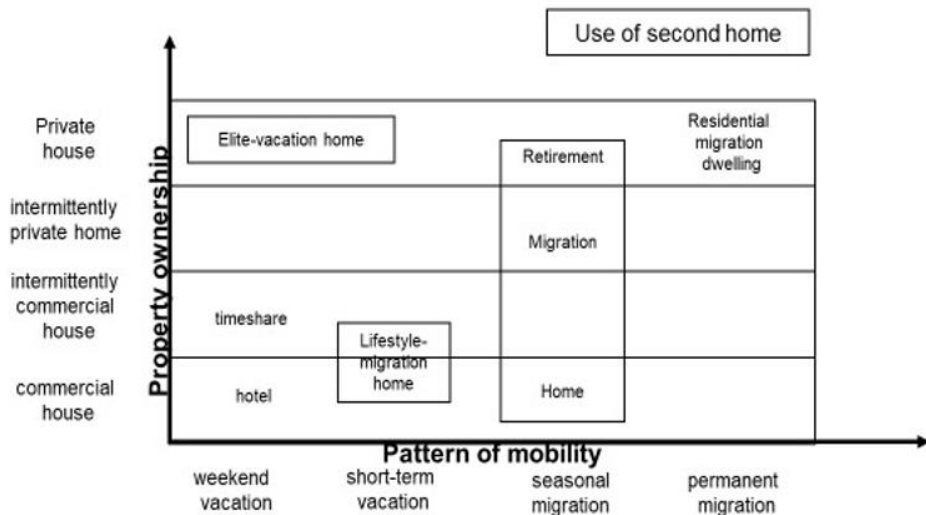
Based on the pattern of mobility and property ownership, the following typology of the second home was formed (Wu et al., 2015):

1. Pattern of mobility
 - a. weekend vacation
 - b. short-term vacation
 - c. seasonal migration
 - d. permanent migration
2. Property ownership
 - a. private home
 - b. intermittently private home
 - c. intermittently commercial house, and
 - d. commercial holiday home

Using the mentioned typology, three types of other homes are defined (see Figure 1) in which consumption-driven migrants live, such as (Wu et al., 2015):

1. Elta's holiday house
2. Life house-migration house
3. Home for pensioners and migrants

Figure 1: Typology of the second home



Source: (Wu et al., 2015).

The result of socio-spatial segregation under the influence of the second home phenomenon is expressed in the following (Wu et al., 2015):

1. Residential segregation expressed through the polarization of settlements into prestigious neighbourhoods where rich short-term and long-term migrants live and neighbourhoods where poor local residents live.
2. The social position of the dominant local population is inversely proportional to migrants with a higher socio-economic status, considering that the latter possess greater power to influence the development of the destination, especially from the aspect of land use, housing and resource allocation.
3. Migrant communities rely more on extra-local social networks than on local ones, especially in the situation of inconsistent self-identification of migrants after their settlement, which increases the heterogeneity of the community and the weakness of the socio-spatial pattern of the destination.
4. The expectations of seasonal migrants that the destination be arranged as a space for consumption and leisure is in contradiction with the desire of the local population to preserve their assets and develop in their local way.

2.3 The term and history of residential tourism

Residential tourism, as one of the main forms of tourism development, was characteristic of the Spanish part of the Mediterranean coast in the second half of the 20th century, in the early 1970s. (Demajorovic, 2011 in de Sousa, Matias, & Selva, 2016). It is about the activity of urbanization, construction and sale of residences, whose owners live permanently in other places, and the mentioned residences are used for occasional stays or vacations, which represents new forms of mobility and housing in modern society (Mazón e Aledo, 2005 in de Sousa et al., 2016). The dynamic character of the second home (residence), especially the change in the relationship between the first and second home, represents a challenge for identifying and determining the status of the first and second residence (Coppock, 1977 in Sousa et al., 2016; de Sousa et al., 2016). The mentioned difficulties in determining the status can be justified by the large number of terms used in the literature, such as "second homes", "holiday houses", "seasonal houses", "weekend houses", "houses", "recreation houses", "cottages" etc. (Rocca et al., 2009 in de Sousa et al., 2016). Spain is in first place in terms of the expansion process of building a second home, with 32% of the total number of properties of this type in Europe, followed by Portugal with 26.9%, Greece, 22.7% and Italy, 17.7% (Gili apud Anderaas, 2005 in de Sousa et al., 2016).

"Residential tourism as a development concept has been used since the late 1970s as a development model for the use of urban land to build real estate in tourist areas" (Hof & Blázquez-Salom, 2013). In the aforementioned model, different types of mobility and leisure time are combined, the nature of which varies depending on tourism as a lifestyle of migration to transnational citizenship and multi-residential strategies, which is often associated with the development of secondary homes and an increasing preference for the

suburban environment where it is developed more dispersive land use (Hof & Blázquez-Salom, 2013).

The alliance of real estate entrepreneurs with resorts is based on compensating for the slow return on capital invested in hotels or real estate projects on an isolated basis so that real estate valorization is provided through increased access to resort services with the added benefit of risk compensation and/or higher return on investment compared to traditional hotel management (apud Dória, 2007 in de Sousa et al., 2016).

Regarding the appropriateness of the term "tourist" when it comes to users of a secondary or residential home, there were significant controversies related to the touristic practice of a new type of mobility and residence (Mazón, 2006).

Individuals who purchase homes in foreign countries are commonly referred to as residential tourists (Demajarović et al., 2011 in de Sousa et al., 2016).

It is hypermobility that, with the development of technology, creates opportunities for an increasing number of people to relocate their centres of production, consumption/entertainment and reproduction and to create new social networks and new locations of residence, thousands of kilometres from the existing ones, especially when it comes to international migration movements of the elderly people, all of which leads to new ways of living and vacationing that cannot be simply determined through the existing definitions of tourism (Urry, 2002; Mazón, 2006).

Some researchers, contrary to this but also to the point of view of real estate developers and local or central governments, claim that residential tourism as such does not exist (Hall and Müller, 2004 in Mazón, 2006).

Since it is not easy to separate migration and tourism in Europe, then the interaction between tourism and migration is defined as "residential tourism" (RT) (O'Reilly, 2007 in Wong et al., 2017). The term residential tourism is used when it is necessary to indicate the coexistence between property ownership and short- to medium-term residences of Northern Europeans in the tourist areas of Spain. Residential tourists are defined as a rich group of people who treat tourism as a way of life and therefore form fluid, freestyles. of life between the place of living and the place of tourist stay, or they are labelled as tourists who ostensibly try to settle down even though they still somehow remain outside or above the community to which they have moved (O'Reilly, 2007; Rodríguez and Bustillo, 2010 in Wong et al., 2017).

Wong, Higgins and Wakefield observe a similar interaction of tourism and migration in the recent Australian trend of tourist migration, pointing out that the tourist trend that previously affected the real estate market in Europe is now also developing in the Asia-Pacific region (Wong et al., 2017). In question are wealthy entrepreneurs from Asia, who

play a major role in cross-border transactions with residential real estate, who are identified as "Highly Networked Wealthy Individuals" (HNWI) who embrace lifestyles that were previously exclusive to rich Western nations and are one of the main areas of investment. is the real estate market in Australia (Ibid., 2017).

Mazón notes that the residential tourism model offers a type of non-dynamic accommodation, given that secondary housing is largely used during the summer season and generates a minimal multiplier effect on the local economy, with significant negative effects on local employment (Mazón, 2006). Developing the thought, the aforementioned author emphasizes the urban collapse of coastal cities, although not necessarily and solely caused by the actions of real estate investors, but with the clear responsibility of local authorities when it comes to managing space and making urban decisions under the influence of investor initiatives for the sake of short-term realizable income from building permits (Ibid., 2006). At the same time, local politicians ignore the medium- and long-term urban interests of the community, which can result in a high-risk scenario, because newly built properties that bring income in the short term, later become the source of new costs due to the increased and even aggressive demands of local residents in the newly created urban situation. increased pressure on the existing infrastructure and the scope of public services. Solving the above-mentioned requirements generates an increase in expenditure and on the revenue side opens up a new challenge because instead of encouraging businesses with long-term realizable income, local governments opt for a real estate development model that some authors label as residential tourism (Mazón, 2006), and thus the magic circle closes.

Residential tourism could rather be associated with new migrations, either permanent or seasonal, led by retirees from the rich countries of central and northern Europe, in search of residential locations with a warmer and milder climate (Ibid., 2006).

Gascón and Milano see local peculiarities (structure of land tenure, degree of formality of ownership or local legislation) and characteristics of the tourist-real estate model (whether it is run by foreign transnational corporations or based on the participation of national capital) as key factors in the development of residential tourism (Gascón & Milano, 2018).

Summarizing the processes characteristic of the development and growth of residential tourism, the same authors formulate them in three phases (Gascón & Milano, 2018); In the first phase, residential tourism, in addition to initiating changes in land use (from, for example, agricultural to construction), also globalizes the market because market transactions with land are not only carried out by the characteristics of the local/regional/national economy but they are adapted and conditions on the international market. The result is the fact that land that was sold at prices in line with the local economic level is now in the hands of foreign real estate agents who represent a significantly higher level of purchasing power.

In the second phase, the land loses its basic characteristic of enabling productive reproduction, and prices higher than purchasing power limit market access for the local population. The emergence of new and international players causes an inflationary-speculative spiral because the price does not depend on the amount of land for the development of residential tourism and turns into a real estate bubble of expectations that turns the land into a capital reserve that offers the owner a differential rent without any productive investment.

The third stage is rural migration. The speculative spiral causes significant problems for the performance of traditional economic activities on the land, threatening the sustainability of traditional economic sectors (Fuller, 2010; Gascón & Cañada, 2016; Milano, 2015 in Gascón & Milano, 2018). The short-term profit from construction land significantly exceeds the interest in long-term profit based on the use of commercial or agricultural land, which is additionally increased by the speculative-inflationary vortex. Only the tourism-real estate sector sees sustainability in this vortex by feeding on it: it attracts capital eager for quick profitable investments, and this means that the higher and faster the price growth, the greater the attraction to investing in real estate. The result is the migration of one part of the local agricultural population and another in search of stable sources of income or the adaptation of those who remain to the new economic pattern as low-skilled or unskilled labour (construction, services related to the needs of new foreign residents, etc.). Also, the rise in real estate prices makes it much more difficult for local residents and their children to stay in their place of origin (Ibid., 2018).

Mazón clearly claims "that this development model is merely a property development model. The tourism industry should not be mistaken for actions focused on the construction and promotion of households. The residential tourism model is led by property developers; the tourism industry and its experts do not take part in its development.

Obvious difficulties arise when integrating this kind of property supply and these new emigrants – called ‘residential tourists’ – in the various options and models related to tourist practices. However, many towns have, almost exclusively, based their tourism supply on the construction and sale of housing estates. Extensive property developments of villas, bungalows, semi-detached houses, etc., with varying quality and features, have been built to satisfy this new, booming demand. Extensive developments of villas, bungalows, semi-detached houses, etc., of varying quality and characteristics, have been built to meet this new, growing demand" (Mazón, 2006).

Spain, as an example of the impact of tourism and real estate development, is very characteristic considering the real transformation of the urban landscape and the built environment, in addition to the fact that this urban and demographic growth is disguised under the general term "tourism" by key participants, drawing attention to the sector that

is the pillar of the Spanish economy, especially at the local, municipal level" (Mantecón, 2010 in Hof & Blázquez-Salom, 2013).

The strong development of newly built secondary houses mainly took place in popular tourist destinations, where the main role in stimulating the aforementioned development was played by facts such as the entry of Spain into the EU, the decentralization of state administration, richer economic conditions in Germany, the Netherlands and Great Britain (Barke, 2007 in Hof & Blázquez-Salom, 2013).

Majorca is particularly interesting as a destination for illustrating the aforementioned phenomenon, as one of Spain's leading tourist destinations (approx. 5% share of the Mediterranean tourist market) and a world pioneer of mass tourism through the archetypal model of sun and beach since the 1960s. (Hof & Blázquez-Salom, 2013).

Since the mid-1990s, under the term "quality tourism", the tourism model of Majorca has been expanding with the proliferation of second homes, golf courses, yachts and cruise tourism ("Turismo de calidad"), that is, Majorca is positioning itself as a real estate market and adding the financial attraction of real estate to the traditional attraction for sun and sea tourism, which can be illustrated by the fact that in 2011, 90% of foreign direct investment (FDI) was accumulated in the construction and service sectors, where real estate services stand out (an average of 51.1% of FDI in the period 2004-2007 related to the construction of houses) (Ibid., 2013).

The influence of the acceptance of the neoliberal economic concept by conservative governments starting in 2011 additionally, through the deregulation of business conditions and the encouragement of entrepreneurship, increases the possibilities of investors and local elites to increase their gains in local tourism real estate markets. The measure of ex-post legalization of irregular houses built in the urban environment without urban planning permits is particularly noteworthy as the strongest measure of deregulation and solving the economic crisis, through the relaxation of regional planning (Ibid., 2013).

The result is the creation of a new urban fabric through an increased number and density of secondary homes in the housing stock and a new population influx in the municipalities where secondary homes were built (Ibid, 2013).

The concrete consequence of such development is the concluding facts that the authors state in their research, that "Tourists who used to come to Majorca for a stay in a hotel are nowadays increasingly renting accommodation in the real estate tourism sector, or maybe acquiring their second residences on the island. The real estate market gains profit from its exchange value, which is a way of capital accumulation through its secondary circuit. The improvements in accessibility through megaprojects of transport infrastructure contribute to this process of time-space compression within the European

real estate tourism market..... In fact, the phenomena of second home and real estate tourism are not captured by statistics because their impact in terms of urban and demographic growth is perceived as a side-effect of "tourism" and economic rejuvenation and modernization" (Hof & Blázquez-Salom, 2013).

2.4 Development of residential tourism in the mountain, ski and rural tourism destinations

The influence of the development of residential tourism in the destinations of mountain and ski tourism as well as rural tourism has been investigated by several authors (Vaccaro & Beltran, 2009; Clivaz & Nahrath, 2010; Keskinok, 2012).

In the area of the High Pyrenees, the process of urbanization stimulated by tourist attractions is particularly pronounced, which results in an increase in newly built houses (secondary homes) that are used during the weekend or for short periods during the summer vacation, while in the rest of the year these houses are not used so that in that period, many small villages are called "ghost communities" (Vaccaro & Beltran, 2009).

The same authors observe the consumption of rural space of a specific destination, as a result of a double and opposite flow: information and people. Although the increase in the tourism industry increases the number of local jobs and the retention of a part of young people, the owners of cottages, skiers and tourists, in general, do not significantly contribute to the reanimation of the social vitality of the local community (Ibid., 2009).

It is observed, as in many similar studies, that the owners of secondary homes do not contribute to the demographic potential and the daily social life of the villages, which are mostly characterized by empty houses and an ageing population (Butler, 1994 in Vaccaro & Beltran, 2009), moreover, through the action of the real estate market, they contribute to the increase of housing costs with harmful consequences for the local population (53% of houses in the Pyrenees area are used as a secondary home) (Ibid, 2009).

A special aspect to which the authors Vaccaro and Beltran pay attention is the development of ski centres and the impact of this development on the destination area. Considering the extremely large initial investments concerning the financial potential of the local community, the space in alliance with local elites is taken over by external institutions (corporations or consortia) where there is a conflict with the goals of sustainable development, because sustainable development policies are designed to preserve biodiversity (and cultural historical heritage, note D.L, A.R.) and ski resorts to earn money, which can turn into a destructive conflict in periods of economic crisis when investors, for example, go bankrupt and unfinished buildings remain in the area (unfinished Vall Fosca resort, closed Era Tuca ski resorts (Val d' Aran), Llessui and Bonavé (Pallars Sobirà) and Rasos de Peguera (Bergueda)) (Ibid, 2009).

The mentioned authors emphasize the dilemma: mass tourism=significant ecological footprint and significant economic effects or ecological tourism=small ecological footprint and small economic effects or a specific combination of these two models of tourism development (Vaccaro & Beltran, 2009).

Clarifying the inconsistency of the spatial planning system to the use of land in tourist destinations, Clivaz and Nahrath explain it through the convergence of several interdependent factors that link to the phenomenon of "growth coalition" (Clivaz & Nahrath, 2010).

These authors believe that the strong presence of real estate owners and real estate experts in decision-making processes related to spatial planning, and the fact that local political elites base their legitimacy on the development of tourism, mainly results through the implementation of a spatial plan where the primary availability of large construction zones is directed towards the establishment of a development model in which the value of exchange (construction and sale of secondary apartments) has priority over the value of creation-use (construction of facilities that generate long-term income such as the hotel industry) (Ibid., 2010).

Clarifying the history of residential tourism, the authors state that until the 1950s, the hotel was practically the only available form of accommodation in the Swiss Alps, and the situation is changing rapidly with the creation, as the authors say, of the "invention" of secondary housing, because the interest of buyers in this type of housing is rapidly increasing.

In the 1960s and 1970s, the number of beds in secondary residences overtook the number of hotel beds in most tourist destinations, which is still the case today (12% of the total housing stock in Switzerland). In tourist destinations, this share reaches between 50% and 80% (Ibid, 2010).

The authors formulate several measures to reduce the share of secondary apartments in the tourist destination's accommodation offer (Clivaz & Nahrath, 2010):

- Delimitation of the maximum share of secondary dwellings by municipality: the Swiss population should soon decide on the initiative called "Ending the unlimited construction of secondary dwellings", according to which it is required to impose an upper limit of 20% (linearly) on the number of secondary dwellings per municipality.
- Increasing the coefficient of use and/or occupancy of land for property projects aimed at creating paid beds (hotels, tourist complexes, etc.): With this measure, the owner is permitted to build a larger area on his plot of land. It is often used in the urban planning process due to its very practical nature as it allows the state to create the value of land and property "for free" which can then be used for compensatory transactions, to restrict or restrict rights. owner as a result of spatial planning actions.

- Restriction of the right to use the property: according to this, the owner of the property is obliged to guarantee that his building will be used for commercial purposes to prevent the increase of unpaid beds.
- Tax incentives: they can take different forms such as a single tax on the purchase of a secondary residence, the introduction of a secondary residence tax or connection fees (drinking water, wastewater, energy). However, the manoeuvring space of the commune is relatively limited because the amount of these taxes should not, in principle, discriminate against owners of secondary apartments.
- Masterplan: implemented in the resort of Engelberg, this instrument is more precise than the normal zoning process because a visual idea of the construction can be obtained when it is completed. In this way, the construction can be more harmoniously integrated into the village and achieve a higher architectural standard.
- Purchase and exchange of land: municipalities can follow an active property policy and prefer to set up projects to pay for guest accommodation or create state infrastructure. However, this measure is difficult to implement when the state of public finances is poor and property prices are high. Moreover, its effects will be felt only in the long term, while the problem of secondary housing requires a quick approach.

Examining the correlation between legal benefits for the purchase of real estate and increased construction in the rural area of Kalkan (Turkey), Keskinok found the following (Keskinok, 2012):

- Despite the established volume of planned land available for urban planning, the increased sale of real estate to foreign citizens, due to the inflow of money from citizens of developed countries and the increase in speculative demands for urban and rural land as well as locations in protected areas (agricultural land, olive groves), led to an increase unauthorized construction activities.
- The number of villas built for foreign nationals has increased.
- The number of real estate agencies that are in partnership with foreign companies has grown rapidly, and the number of architectural bureaus that, in addition to designing and managing projects, have also been involved in real estate marketing has also grown.
- Many hotels have been converted into apartments.

The main consequence of the aforementioned processes is the increase in unregistered tourism and activities in the real estate sector controlled and managed by foreign owners of luxury villas, which leads to unequal competition between certain tourist and real estate activities, and ultimately results in the emergence of a tourism economy that is realized on a larger scale without the participation of the local population and the majority of income flows abroad (Keskinok, 2012).

According to the mentioned author, the tourism economy of this type is defined as "villa-tourism organized abroad", as "a fruitful basis for unregistered and untaxed tourism activities of foreign real estate owners" (Keskinok, 2012).

In particular, the phenomenon of converting hotels into apartments is seen as a very profitable and short-term entrepreneurial venture, which is seen as a survival strategy in changing market conditions and crisis conditions (Ibid., 2021).

Through the case study of Kalkan (Turkey), Keshinok opens a discussion on several topics when it comes to relations between the tourism and real estate sectors (Keskinok, 2012):

1. Equal distribution of benefits from tourism activities between domestic (local) and foreign participants in the tourist offer. In the tourist area of Kalkan, the decreasing level of economic benefits, increasing dispossession and even displacement of the local population hinder or limit the integrative aspects of tourism activities. The economic effects of tourist activities do not benefit the local population and the tourist destination, and the cultural and social aspects of tourism do not come to the fore.
2. Changing the perspective of tourism development planning. Planning is moving from a comprehensive integrative regional planning framework to an ad hoc/local planning framework determined by market and demand. In the example of Kalkan, the elimination of parameters, criteria and goals of comprehensive-holistic and integrative planning led to market-oriented ad hoc planning, which generates more complex and critical issues when it comes to less developed tourist destinations or developing destinations.
3. In addition to the purchase of real estate abroad, as a real problem shown in the case of Kalkan, deregulation/liberalization of the national real estate market in an uneven economic context can also be observed.

2.5 Different connections and influences of real estate business and tourism

In the presentation of the monograph based on the papers of the AIEST conference on residential tourism, Korstanje (Korstanje, 2009) notes several different effects in the development of the tourist destination generated by the development of the real estate business.

The influence of low-cost airlines is expressed in the increase in demand for residential tourism and investment in secondary residences (second home concept) as a safer form of investment in times of high inflation and uncertainty.

The arrival of expatriates from neighbouring countries with high purchasing power can and often increases the demand for houses in urban centres (gentrification process, etc.

authors), which consequently increases real estate prices and affects the movement of local residents to peripheral residential areas.

The increased growth of residential tourism also leads to an increase in conflicts with domiciled indigenous communities in Third World countries, because the plans of investors/"developers" put their resources at risk, which represents ecological and social degradation.

Case studies from Germany, Switzerland and Finland indicate the transformation of traditional tourist destinations in cities based on investment in real estate, considering that urban areas are very interesting for investors. The basic parameter is the relationship between the negative effects and the benefits resulting from the improvement of the destination.

It is generally considered that the concepts of real estate development are not based on a solid ethical basis because they are focused on the market demand for profitable business and not on other important issues (important for the development of tourism, note authors), although, as M. Korstanje believes, in most of the works in the collection are based on naive positivism, which is expressed in the belief that real estate owners will recognize the development perspectives of the tourist destination (Ibid., 2009).

The attractiveness of a tourist destination as a destination for a good vacation is an important parameter for evaluating the investment decision in addition to the costs of acquiring foreign real estate (Rodríguez and Bustillo (2008) in (Fereidouni & Masron, 2011). Additional factors for attracting foreign direct investment in the real estate sector in tourism are the level of general and communal infrastructure and the size of the GDP, i.e. the size of the market, as well as the purchasing power of the population. Research shows that tourist agglomeration contributes positively to the expansion of foreign investments in the real estate of the host country (Fereidouni & Masron, 2011).

Foreign direct investments (FDI) in a cause-and-effect relationship generate the development of tourism, according to research (Fereidouni & Al-mulali, 2012), because they provide the infrastructure and tourist facilities that the destination lacks, such as hotels, theme parks, better traffic infrastructure, etc. Another aspect of this relationship is the flow of business trips expressed through the arrival of a greater number of entrepreneurs and managers who are looking for opportunities to invest, promote and maintain business in the host country, which can be explained by the generation of a cyclical effect through business research of the destination and vacation, which ultimately results in an increased number of tourist visits (Ibid., 2012). In their empirical research, Fereidouni and Al-mulali (Ibid., 2012) found that there is a long-term and two-way relationship between foreign direct investment in real estate (FDIRE) and international tourist arrivals (TOURA), an inflow of foreign direct investment in real estate (FDIREI)

and (TOURA), and outflows of foreign direct investments (FDIREO) and international tourist departures (TOURD).

The same authors state that the key implications for tourism policymakers can be greater attention to the development of the tourism sector in terms of attracting foreign tourists to simultaneously recover and/or develop the non-residential sector. They suggest to OECD countries that they need to attract more international real estate investors which, in their opinion, could result in more foreign tourist arrivals, citing the successful example of Singapore (Fereidouni & Al-mulali, 2012).

Real estate investment (FREI) represents a very significant share of foreign direct investment (FDI) of many countries such as China (more than 20%), Spain (almost 40%), India (another source of FDI), Mauritius and Vietnam (more than half of FDI) and a very significant component of FDI in countries such as France, UK, Germany, Japan, Greece, Singapore, UAE and South Korea (Brown & Matysiak, 2000; Economist Intelligence Unit, 2008; Rodríguez & Bustillo, 2010; UNCTAD, 2017 in (Gopy-Ramdhany, Seetanah, & Bhattu-Babajee, 2021)).

Some authors start from the belief that a continuous increase in FREI has a favourable effect on the tourism of the country in which the inflow of investments is realized, considering that the expected step after buying real estate is a more frequent trip to the host country caused by the fact of ownership of a certain innovation (Rodríguez and Bustillo, 2010 in Gopy-Ramdhany et al., 2021).

Buying houses abroad is motivated by various reasons, such as a second home for retirees or diversification of the investment portfolio or moving for educational purposes or because of more favorable living conditions, which is defined as residential tourism, i.e. it is considered that individuals who buy houses in foreign countries are in the position residential tourists (Conover et al., 2002 in Gopy-Ramdhany et al., 2021).

As a result of globalization, many multinational companies transfer their activities (subsidiaries) to foreign destinations to take advantage of the location and business costs, which, in addition to residential tourism, also affects the increase in business tourism (Keller & Bieger, 2008; Bardhan et al., 2008 in Gopy-Ramdhany et al., 2021).

FREI very often includes investment in the construction of hotels, according to the authors who support the concept of common interest in real estate and tourism, which consequently leads to a greater number of visitors because foreign investors are expected to activate their own sources of demand towards the host country, but foreign investors are also expected to and investment in significant improvement or new construction of infrastructure capacities (roads, airports, marinas, etc.) and construction of new tourist attractions (Craigwell & Moore, 2008; Perić and Nikšić Radić, 2011; Yazdi et al., 2017 in Gopy-Ramdhany et al., 2021).

The authors who promote common interests, benefits and even the symbiosis of the tourism and real estate sectors, additionally emphasize that FREIs lead to the establishment of brands and international standards in the host country based on the business of international hotel and restaurant chains, which in turn positively affects the international acceptance and positive image of the destination as well as improving the quality of the destination product, but also access to international distribution networks and marketing (Barrowclough, 2007; UNCTAD, 2008 in Gopy-Ramdhany et al., 2021).

A recent study confirmed the positive relationship between FDI and tourism growth, based on the observation of annual data in the period from 1995 to 2016 in 14 countries of the wider Mediterranean region (Tecela et al., 2020 in Gopy-Ramdhany et al., 2021).

Using the econometric model of determining the factors that influence the relationship between tourism and real estate, Gopy-Ramdhany, Seetanah and Bhattu-Babajee determined the following (Gopy-Ramdhany et al., 2021):

- Foreign direct investments (FDI) in real estate (FREI) have a long-term positive impact on the development of tourism.
- Other forms of foreign direct investments (NONFREI/Total FDI-FREI) are shown to be an important element of tourism development, that is, such FDI has a greater impact compared to FREI.
- The increase in productivity and competitiveness due to the transfer of skills, technologies and standards is more significant in developing countries, often in the early stages of tourism or FDI.
- The development of tourism leads to a consequent impact on FREI in developing countries, i.e. the existence of a bi-causal link in the relationship between FDI-tourism implies a positive effect of strengthening the links between the two variables and suggests that there may be a benefit for tourism from FREI in the long term.
- It takes a certain amount of time in the long term for the effects of FREI to be reflected in the development of tourism.

The development of tourism real estate (TRE) projects in Vietnam is the subject of a study conducted by Nguyen, Dang, Le-Hoai and Luu, in which they formulated several interesting observations regarding risk factors that could lead to legal problems in the development of a tourist destination and concluded that there is a positive relationship between the practitioner's experience in the real estate industry, knowledge of legal issues with risk assessment; and that there are differences in the assessment of legal risk between different participants (stakeholders) of the project (Nguyen et al., 2021).

2.6 The Chinese model of tourist real estate

Special attention in the literature is devoted to the relationship between tourism and real estate in China (Xu et al., 2012; Liu, et al., 2013; Tsai et al., 2015; Wu et al., 2015; Kong,

et al., 2017; Sun & Fu, 2018; L. Yang, 2019), in terms of compatibility and synergistic effects for the development of the tourist destination, so that attitudes about the symbiosis of these two sectors are also formed (Sun & Fu, 2018).

The concept of tourism real estate in tourism research was first introduced by Chen (Chen, 1996; Tsai et al., 2015). Tourist real estate as a business represents a new industry that combines tourism and real estate through the integration of planning and design, construction and marketing, hotel management and other aspects (Sun & Wang, 2002 in Tsai et al., 2015) and can be defined as "a way of real estate development and marketing for free travel or vacation" (Yu and Zhao, 2003, pp. 74 in Tsai et al., 2015). The role of tourist real estate can be extended beyond the tourist function because as a unique integration of residential and vacation real estate, it can also have the purpose of residential stay of the local population (Shen, 2001 in Tsai et al., 2015).

Tourist properties differ from traditional residential properties based on three key characteristics (Fang, Zheng and Peng, 2009 in Tsai et al., 2015):

- Environment. Tourist properties must be located within or near tourist areas and attractions.
- Function. Tourist properties provide a wide range of functions that meet the needs of tourists.
- Work. The business model of tourist real estate differs from the model of traditional real estate.

Tourist real estate differs from traditional residential real estate in that it is characterized by the development of large, purpose-built tourist resources (e.g. resorts and theme parks) together with residential facilities in anticipation of an increase in real estate value (Chen, 1996 in Tsai et al., 2015).

The term tourist real estate includes various types of real estate such as hotels, timeshare facilities, conference centres, exhibition halls and training centres in tourism, which are further characterized according to different criteria (location, property rights, function and purpose of development (Ibid., 2015).

The China National Tourism Administration CNTA classifies the following tourism products that can be integrated with real estate development: leisure tourism, medical tourism, rural tourism, industrial tourism, travel for the elderly, historic cities and commercial districts (China National Tourist Administration CNTA, 2014, Zou, 2014; Tsai et al., 2015).

Tourist real estate as the integration of tourism and real estate in the Chinese tertiary industry can be defined as the possibility of increasing the value of the real estate by using tourist activities and surrounding resources, but on the other hand, the possibility of real estate development can create a better tourist framework and improve the image of a

tourist destination, that is, tourist real estate represents a combination the function of tourism, vacation and stays in a way that increases the investment value of the real estate, thus opening a new direction for the development of the tourism industry (Wang, 2007; Chen, 2011; Zhu, 2005; Lin, 2012 in Tsai et al., 2015).

Investment in tourism real estate development represents 1/5 of all real estate investment in China in 2012 (Chinese Tourist Academy, 2012 in Tsai et al., 2015).

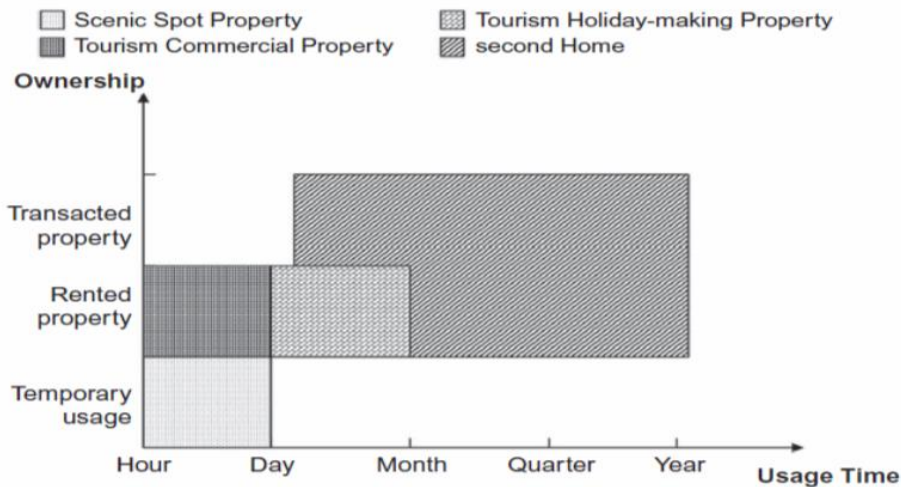
The history of the joint development of real estate and tourism begins at the end of the 19th century when the development of the railway coincided with the retirement of the middle class and the discovery of coastal locations along the coast of Britain (for example, Bournemouth and Torqua) and France (for example, Brittany and the Mediterranean coast) and the construction of villas as real estate for a vacation after retirement. Furthermore, through the time-share approach in the 1960s, the use of vacation villas in the French Alps became popular, which indicates the readiness of the tourist market for real estate (Zhang and Wen, 2009 in L. Yang, 2019).

According to the state of ownership and length of use, four evolutionary types of tourist real estate were identified, which is shown in Figure 3 (Xu et al., 2012):

1. Real estate is located in picturesque places. These are properties built especially for tourists and represent the initial form of tourist properties. They are located near the main attraction, which provides tourists with opportunities for new visits, entertainment and recreation. The advantages of natural and cultural resources are used.
2. The development of real estate in picturesque places has resulted in the growth of commercial tourist real estate's such as souvenir shops, commercial (for shopping, note authors) streets, restaurants, bars, entertainment complexes and conference centres. They were built inside or outside the existing tourist area to provide additional tourist services and content. Commercial tourist facilities are being built following the pace of diversification of attractive tourist locations to transform the market from sightseeing tourism to vacation tourism.
3. Vacation real estate, the rapid growth of which begins during the 1990s in Chinese cities, with the transition of the sightseeing tourism model to the vacation tourism model. These properties provide accommodation, recreation and entertainment to vacationing tourists. Creative forms of accommodation services such as boarding houses, hostels, hotels, resorts and time-share properties have been developed through the initiated diversification. Most often, these are serviced accommodation facilities for short-term rent, not for sale.
4. Secondary residences (second homes) were developed in the late 1990s as properties that are owned or rented on a long-term lease for temporary residence for people who usually live elsewhere ((Xu et al., 2012). Most secondary residences are owned by individuals and purchased for vacation, retirement or investment purposes. The development of the second home concept creates new opportunities for development

and short-term economic growth in underdeveloped areas but drastically transforms the urban landscape.

Figure 2: Typology of tourism real estate



Source: (Xu et al., 2012).

An increase in the level of consumer demand for leisure-related investments, along with a decrease in business confidence in investments in traditional real estate markets, has led to increased interest in tourist real estate (Yu and Zhao, 2003 in L. Yang, 2019).

Tourism real estate development in China is considered a booming industry of the 21st century, which has brought a significant impact on tourism destinations (Xu et al., 2012; L. Yang, 2019).

Four driving factors for the integration of tourism and industry in China are seen as technical innovation, national policies, market demand and market competition (Sun and Fu, 2018 in L. Yang, 2019).

One of the earliest and most prominent examples of tourism real estate development is Overseas Chinese Town (OCT) in Shenzhen, where revenue from tourism real estate has already exceeded revenue from the tourism business since 2011 (OCT Annual Report, 2011 in Tsai et al., 2015).

Interactive real estate and tourism development is thought to have started in Shenzhen, China in the 1980s, with OCTC (Overseas Chinese Town Corporation) using tourist

demand to develop housing around its theme parks (China Folk Culture Village, Splendid China and Window of the World) and incorporated residential areas for both permanent residence and residence for rest and recreation (tourism, note authors) (Zhang and Wen, 2009 in L. Yang, 2019).

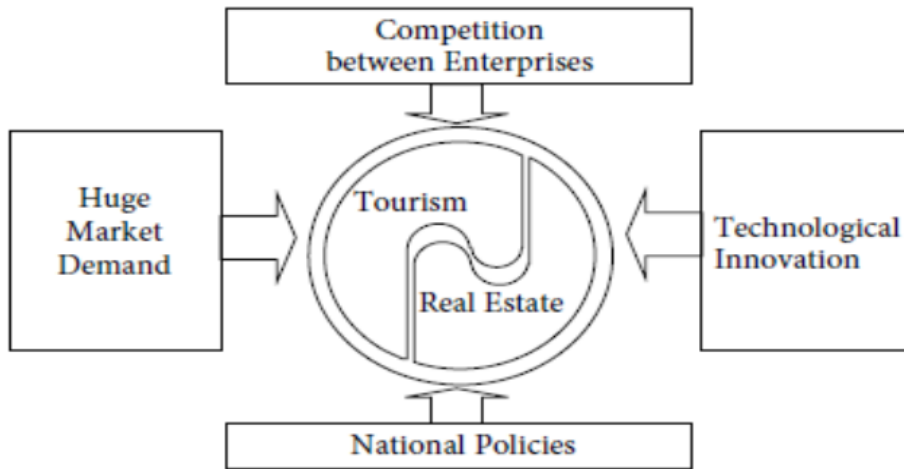
Tourist real estate as a business, i.e. dealing with real estate in the function of tourism as a new business has appeared in China since the 1990s and has become one of the fastest-growing business sectors in the leisure market (Tsai et al., 2015).

Emphasizing the positive and negative effects of tourism real estate development, Yang (2019) cites the transformation of small towns through the construction of new urban areas, the attraction of new businesses and the diversification of the economy as positive effects; but also the high prices of renting and buying residential and commercial space, environmental defects due to the overcrowding of the destination during the season, social friction between non-residents and the local population and visual pollution as negative effects. The same author notes that in the off-season, tourist real estate locations resemble "ghost towns", believing that special attention should be paid to strategies that have long-term sustainability (L. Yang, 2019) i.e. that the policy of promoting tourism as a means of urbanization should be carefully designed and revised to avoid the strong development of the real estate sector in the name of tourism (Xu et al., 2012 in L. Yang, 2019).

L. Liu, Wang and He consider tourist real estate as an important segment of tourism and an inevitable trend of future development (Liu et al., 2013).

In their research, Sun and Fu focus on the possible symbiosis of the tourism and real estate industries (Sun & Fu, 2018) emphasizing that there are several areas in which Europe, the USA and some Asian countries have the possibility of integrating the tourism and real estate sectors is being investigated, such as Timeshare, Time-Sharing Hotel, Resort Real Estate, Recreational Property, Recreational Real Estate and Resort Property. The most frequently used form for academic research in connection with the mentioned subject is certainly the Timeshare business concept (Ibid., 2018).

The aforementioned authors formulate their thesis through the model of four key driving forces: technical innovation and national policies as macro and market demand and market competition as market factors, as shown in Figure 3.

Figure 3: Driving force model for the integration of tourism and real estate

Source: (Sun & Fu, 2018).

- Complex geographical consequences and the construction of social networks in contrast to typical migrant enclaves and fortress cities formed by labour migrants.
- Circulating migratory pattern of movement with a variable choice of residence during the life cycle.

It is very often emphasized that local governments in China are very dependent on real estate development in connection with the realization of local revenues so urbanization has become a political agenda (Deng & Huang, 2004; Logan, 2002; Ma, 2002; Qian, 2007; F. Wu, 2002 in Xu et al., 2012).

There are numerous effects due to the impact of tourist urbanization through the construction of tourist real estate.

Most of the tourist properties are used as secondary residences where the owners come on vacation during the tourist season or they are investments that are not used and in that case, bring very little benefit to the local economy. The construction of facilities of this type on a large scale deprives the local population of their space for production and housing (Xu et al., 2012).

In locations of exceptional cultural heritage, problems in the relationship between local residents and new owners of secondary homes are expressed. Local entrepreneurs are pushed out by newly arrived entrepreneurs, especially in tourism development zones, which is well illustrated by the fact that in the old city of Lijiang, since 2004, about 70%

of the 1,600 houses in the main streets have been converted into business premises by non-local people (Tao & Chen, 2006 in (Xu et al., 2012), i.e. that in 2004, 72.6% of shops in the main street were intended for tourists, 19.6% served both tourists and local residents, and only 8.8% were specifically used by the local population (C. H. Yang, 2005 in Xu et al., 2012).

Clarifying their model on the example of China, the authors note the following (Sun & Fu, 2018):

- **Market demand is significant.** Moving away from the usual place of residence and going to a secondary residence to spend the weekend and holidays has emerged as a new demand in the real estate industry. The alleged appearance of new demand is the result of the improvement of the standard of living and the general improvement of the way of life, which has significantly promoted the integration of the tourism and real estate industries.
- **Competition between companies.** Searching for new areas of competitive advantages of companies in the field of tourism and real estate, through observed complementary advantages and mutual benefits, they found a new form of activity, which is tourist real estate, as an expression of the driving force for the integration of these industries.
- **Technological innovations.** Significant progress, recently, in the development of new building materials, energy-saving technology, environmental protection technology, network information management technology, virtual reality technology (VR, AVR), Internet of Things (IoT), artificial intelligence (AI) and of other technologies has significantly improved the status and added value of projects in tourism and real estate, through the constant promotion of the integration of the aforementioned sectors in the form of top products for the market.
- **National policies.** The perspective of tourism was given an important impetus by the National Leisure Tourism Program (2013-2020), announced by the competent State Council of the People's Republic of China in 2013. In 2014 and 2015, through several opinions on the improvement of reforms and development of tourism, it gave clear instructions to the Ministry of Land and Space, the Ministry of Housing and Urban-Rural Development and the National Administration for Tourism Development, which jointly issued an opinion in 2015 on the improvement of reforms and development of tourism in terms of land use for new tourist formats.

In the field of real estate, the Ministry of Finance, the State Administration for Taxes and the Ministry of Housing and Urban-Rural Development jointly formulated in 2016 the "Notice on the Adjustment of Preferential Tax Policies for the Tax on Real Estate Business Act", which prescribes the latest tax policy for non-residents (except Beijing, Shanghai, Guangzhou and Shenzhen), and from February 22, 2022. tax breaks are available for buying houses in China.

The authors believe that with the action of the four driving forces, the tourism industry and the real estate industry with a strong correlation in action and realized high added value, will merge into a new industrial mode - tourist real estate (Sun & Fu, 2018).

It is believed that the Chinese tourist real estate industry has shown a trend of rapid growth, although in the previous period, there were both successful and unsuccessful investments, there are even about 1,000 projects in this area (Kong et al., 2017).

One of the significant reasons for the emergence and rapid growth of the tourism real estate industry in China is the formation of a special social group, colloquially known as "Just Got Rich", which is made up of individuals with high disposable incomes and considerable opportunities to use their free time (Wu et al., 2015).

The aforementioned group expresses a high ability to migrate, which significantly changes the traditional pattern of social mobility in China in such a way that the phenomenon of travelling and settling in places outside the place of permanent residence is considered quite common among members of this group (Ibid., 2015).

The authors, based on the available research, state three characteristics of the mentioned migration (McHugh 1990; Aronsson 2004, 79; Grey 2006 in (Wu et al., 2015):

- Higher socioeconomic status of the mentioned group compared to low-skilled workers.
- Complex geographical consequences and the construction of social networks in contrast to typical migrant enclaves and fortress cities formed by labour migrants.
- Circulating migratory pattern of movement with a variable choice of residence during the life cycle.

It is very often emphasized that local governments in China are very dependent on real estate development in connection with the realization of local revenues so urbanization has become a political agenda (Deng & Huang, 2004; Logan, 2002; Ma, 2002; Qian, 2007; F. Wu, 2002 in Xu et al., 2012).

There are numerous effects due to the impact of tourist urbanization through the construction of tourist real estate.

Most of the tourist properties are used as secondary residences where the owners come on vacation during the tourist season or they are investments that are not used and in that case, bring very little benefit to the local economy. The construction of facilities of this type on a large scale deprives the local population of their space for production and housing (Xu et al., 2012).

In locations of exceptional cultural heritage, problems in the relationship between local residents and new owners of secondary homes are expressed. Local entrepreneurs are

pushed out by newly arrived entrepreneurs, especially in tourism development zones, which is well illustrated by the fact that in the old city of Lijiang, since 2004, about 70% of the 1,600 houses in the main streets have been converted into business premises by non-local people (Tao & Chen, 2006 in (Xu et al., 2012), i.e. that in 2004, 72.6% of shops in the main street were intended for tourists, 19.6% served both tourists and local residents, and only 8.8% were specifically used by the local population (C. H. Yang, 2005 in Xu et al., 2012).

Due to the strict security surveillance, many local residents are deprived of the possibility to use or even to approach the locations that they used to use previously (Ibid., 2012).

The researched case studies link tourism development, urbanization and land development in China and show that land development policy plays the most important role in China's urbanization and tourism development. Tourism as a segment of the local economy is often used by local authorities and investors to hide the intention of real estate development and land use (Xu, 2005 in Xu et al., 2012), or as the authors themselves specifically claim "social, economic and environmental consequences are induced by real estate development that takes place in the name of tourism development", and in this sense suggest that "policies and policy proposals to promote tourism as a tool for urbanization should be carefully designed to avoid large-scale real estate development in the name of tourism" (Xu et al., 2012).

2.7 The effects of tourism on the real estate market

The impact of inbound tourism on the real estate market is taken as a reference ratio in assessing the effects of these two business sectors.

Using the DSGE model (dynamic stochastic general equilibrium model, npm. authors) and three decision makers such as incoming tourists, domestic (Icelandic) households and entrepreneurs, Zhang and Yang investigated the impact of incoming tourism on residential real estate markets in a specific destination using the example of Iceland (Zhang & Yang, 2020). The starting point is a competitive equilibrium that is achieved when all three decision-makers optimize their objective functions subject to different constraints.

The results of the research showed that house prices and rents increase when faced with a sudden increase in tourist demand in such a way that higher tourist demand increases the consumption of tourist goods and complementary accommodation, which leads to an increase in the price of rent. Higher rents encourage more property purchases by entrepreneurs, resulting in higher house prices. More rental properties will crowd out supply in the housing market, leading to further increases in house prices (Zhang & Yang, 2020).

In the relationship between tourism and real estate in the urban area, it is observed through the increase in the value of the real estate and the phenomenon of gentrification (interpreted as the retreat or retreat of the local population from more attractive and expensive parts of the urban area due to the increased interest of the real estate business and the immigration of wealthy owners), which is expressed through the phenomenon that the local community and young people can no longer afford to buy/rent real estate due to rising prices, which causes many apartments to remain unused for many years and the owners do not care about their maintenance, which leads to their deterioration. Also, the increase in property value generates "touch and go" type tourism due to the high prices of accommodation (Nocca, 2017).

The increased demand in the real estate market is considered one of the consequences of the development of tourism, which is expressed through increased renting or buying of apartments, and the result is a higher price of real estate (Noordeloos, 2018).

An interesting aspect of the relationship between real estate and tourism can be seen in the research that deals with the trend of specialization of the historical core of urban space (old towns) in the offer and services for vacations, where the housing stock is transferred from the traditional real estate market (sale and rental) to the tourist market (hotels and/or holiday homes) (González-Pérez, 2019).

At the same time, the "Airbnb syndrome" is mentioned as a reflection of the tensions between the new real estate market, the local real estate market and the decline in the financial power of local residents who are unable to compete in the new and highly competitive market, which encourages real estate owners to seek supplemental income through short-term rentals (Mermet, 2017 in González-Pérez, 2019).

Plans for the urban regeneration of old city centres as a public approach are losing, as the authors emphasize, "political protagonism", in favour of more influential business strategies as a private approach, as a reflection of relations in the post-crisis neoliberal period, while concluding (González-Pérez, 2019):

1. During the economic crisis, eviction and gentrification are mutually reinforcing phenomena. Households with medium and lower incomes have difficult access to the housing stock of the old city core and are directly or indirectly evicted. A link between vacation homes, a reduction in the supply of traditional rental accommodation and higher real estate prices (for sale and rent) can be hypothesized.
2. In the old city centre, the offer of hotels near regenerated, upgraded and recreational districts is increasing. Settlements with high heritage value and comprehensive development plans (PERI) are attractive for this type of investment. Although it may seem that these two types of tourist offers (hotels and vacation homes) compete with each other for locations, in reality, they act in tandem in creating a tourist area. Gentrification in this sense is a movement to return to the city, albeit capital rather than people (Smith, 1996 in (González-Pérez, 2019).

3. Urban regeneration plans (PERI), although adopted before the beginning of the gentrification process (in the 1980s and 1990s), did not stop this process, but perhaps favoured it. It may be due to insufficient caution in planning and a poor assessment of the social and urban impact, or it may be the prevailing understanding that real estate investments and tourism development are key tools for the regeneration of old city centres.
4. The intensity of the tourist gentrification process in the context of the economic crisis and the increased level of social inequality initially generates opposition from the local population, and then additional regulation of hotel business and especially holiday apartments through new regulations and laws. The challenge in regulation is the future impact on the housing market and the levels of traditional residential rents.

Cunha and Lobão note in their work that the liberalization of the transfer of real estate use from housing to tourism without additional formal requirements (e.g. commercial or serviced permits for that property) leads to an increase in housing prices, i.e. each percentage point increase in the share of short-term real estate rental (STR) in for example municipalities in Lisbon and Porto, leads to an increase in housing prices of 27.4% and 16.1% (Cunha & Lobão, 2021).

2.8 Models of integrated tourist-real estate complexes and tourism development

Second residence tourism or second home tourism emerged over time from the emergence of new residential formats, mobility and leisure formats (Aledo, 2008 in (de Sousa et al., 2016), the influential proliferation of real estate phenomena worldwide (Matteucci, 2011 in (de Sousa et al., 2016), and re-urbanization of rural areas (Contreras, 2010 in de Sousa et al., 2016).

In Brazil, starting in the 1990s, especially along the northeastern coast, a "boom" of new forms of tourist facilities called tourist real estate complexes (TREC) began, inspired and initiated by large international investment groups and developers, mainly European ones. The motivation for the mentioned investment momentum is heavenly beaches and low costs compared to the market in Europe. The increase in the value of the specific area results in the development of tourism for the so-called "tourist elite", which leads to various social, cultural and economic contradictions in development (Coriolano et al., 2012 in de Sousa et al., 2016).

A sudden progress of the new standard of tourism can be observed, which is no longer caused by the isolated influences of traditional and residential tourism, but it can be said that the aforementioned progress is increasingly based on the merging of these two models of tourism. The new model (TREC), significantly increases the financial return of investors, although on the other hand, it has significant negative consequences for local indigenous communities (de Sousa et al., 2016) and to such an extent that it can be

considered a form of social segregation (Marcelina, 2001; Silva et al, 2012; Coriolano et al, 2012 in de Sousa et al., 2016).

The term "tourist real estate complex" (TREC) refers to mega-companies of the conglomerate type that "frame their systematically organized structures to combine resorts, residences, golf courses, marinas and other leisure facilities into a single tourism product, which complement each other to take care of leisure needs. and free time, as much a traditional tourist as a residential tourist, thus assuming a fusion of the tourist element and the real estate element" (de Sousa et al., 2016).

The main source of this new model of tourism venture is the commercialization of the second home, based on the constant and growing expansion of the real estate market for profitable and attractive business, especially in times of crisis (de Sousa et al., 2016).

The authors note several implications of the development of TREC projects on the northeastern coast of Brazil (de Sousa et al., 2016).

They determined that approximately 5% of the most sought-after and strategically important area of the northeastern coast is in the hands of 47 entrepreneurs, i.e. that only two investors (Invest Tur Brasil, today Brazil Hospitality Group – BHG, and Ecocity)

own 2.5% or approximately 162.6 km² a very attractive area where there are extremely important areas of environmental protection, traditional communities and a significant part of the Northeastern historical and cultural heritage (Ibid., 2016).

Taking into account the potential for creating jobs and income, it is necessary to identify and prevent the strong socio-ecological impact that the implementation of TREC projects has on the fragments of the traditional community of the Northeast coast, given the excessive concentration of strategically important spaces for the sustainable development of the Brazilian Northeast, by several international entrepreneurs engaged in speculative business very sensitive to variations in global financial markets (Ibid., 2016).

The development of real estate tourist activity can be considered a new form of colonization of the northeastern Brazilian coast through the influx of investments mainly from the Iberian Peninsula, which represents a replica of previous flows motivated once again by the search for the expansion of highly mercantile business, except that this time it is a question of promoters and investors of tourist real estate (de Sousa et al., 2016).

A tourism development model based on large projects (residential golf resorts, for example) in a single area, without an adequate land use policy and adequate land taxation instruments, as well as local self-government financing that is focused on the construction of facilities, leads to spatial conflict between different participants (stakeholders) in the tourist destination (Almeida et al., 2017).

Starting from the definition of a resort as "a full-service accommodation that provides access to or offers a range of amenities and recreational facilities to enhance the leisure experience" (Brey, 2009, p. 2 in Martins & Cavaco, 2017), which significantly affects the area of the location, considering the size, but also from the statement that this term can include different types of settlements depending on the regulatory framework (Carvalho, 2015; in: (Martins & Cavaco, 2017), Martins and Cavaco focus their research on a specific type of resort, namely » one-property development settlement (OPDR)«, i.e. to the type of resort settlement that was established as a concept in 2008, implying one project development operator with a significant real estate component (Martins & Cavaco, 2005 in Martins & Cavaco, 2017).

The development framework for the resort represents the trend in the development of second homes in Portugal, where in the period between 1991 and 2011, the number of second homes increased by 198% and the number of conventional apartments by only 40%. Tourist accommodation capacities such as tourist settlements, tourist apartments and tourist hotels also showed a growth of 59% in the same period and in 2011 they make up 31% of the total accommodation offer (Bezerra & Clementino, 2012 in Martins & Cavaco, 2017).

A special boost to the development of the mentioned type of settlement in Portugal comes from the generally accepted neoliberal pattern of economic development, starting in the 1980s, which is expressed through the strengthening of private property rights, free market and trade, and the flexibility of public policies to better adapt to private interests (Healey, 1997; Healey, 1997 in Martins & Cavaco, 2017).

With the adoption of the National Strategic Plan for Tourism (PENT), integrated resorts (OPDR) gain strategic importance for Portugal's national tourism, that is, residential tourism and integrated resorts are considered one of the ten strategic tourism products of Portugal (Martins & Cavaco, 2017).

The international trend of migration of pensioners from the countries of Northern Europe to narrow coastal and rural destinations with top facilities, as a trend of overlapping tourism and migration, supplemented the expectations of increased demand for this accommodation offer (Ibid., 2017).

The Global Economic Crisis (GFC) of 2008 resulted in a financial crash and a significant drop in demand and a halt in investment in the tourism and real estate sectors, which generated a large number of unfinished OPDR projects that turned from assets with expected capital gains into assets that generate liabilities, whereby the failure of public policies is emphasized through their lack of effectiveness in the regulation of tourism-driven urbanism (Martins & Cavaco, 2017).

2.9 Characteristics of the development model based on residential tourism

Investigating the development model based on residential tourism in Spain, Mazón defines the positive and negative characteristics of this type of development (Mazón, 2006):

I. Positive characteristics

- a. **High loyalty towards the tourist destination.** Tourists who own a second home show high loyalty to their vacation destination, because they choose it as a long-term binding vacation destination. Residential tourists were previously frequent, loyal visitors who are very familiar with the destination and are ready to become more permanently attached to it.
- b. **Positive effects on the finances of local governments.** A large number of coastal cities in Spain base their budgets on property tax revenues, which is one of the main reasons for the lack of planning. Both local self-governments and investors see urban planning as an obstacle or a brake for the constant and rapid growth of profits achieved by real estate construction.

II. Negative characteristics

- a. **Strong seasonality.** Residential tourism is a model of urban and tourist development that has a seasonal pattern of activity, mainly in the summer, while in the rest of the year, the accommodation facilities are mostly empty ("ghost town"). The degree of occupancy of the mentioned capacities is from 32 to 66 days per year (Exceltur, 2005 in Mazón, 2006), with a small multiplier effect on the local economy.
- b. **Undeveloped attractions.** The real estate business is based on property speculation through the construction and sale of houses, and in the residential tourism model, it is expressed through the lack of suitable tourist attractions. The construction of tourist attractions such as golf courses and marinas improves the offer of attractions, but primarily to increase the value of built real estate and achieve higher prices on the market.
- c. **It is not easy to market a tourist product.** The structure of the offer of residential tourism is poor because secondary homes do not officially enter the tourist market (eg the Tourism Agency of the Valencia Region registered 17,725 apartments in the province of Alicante, while only in the coastal area of this destination 237,493 residential units were listed in 2001). Due to the lack of an adequate control mechanism, the offer of secondary homes (tourist housing) is one of the main competitors to the Spanish hotel sector. The use of free accommodation (relatives and friends of property owners) is expressed to a significant extent when it comes to international tourist traffic (21.1% of foreign visitors in Spain in 2004) (Exceltur, 2005 in Mazón, 2006), which in addition to low-cost airlines transport generates segments of tourism demand with low purchasing power, rigid behaviour and weak contribution to the economy and employment in the tourist destination, which ultimately contributes to excessive tourism and the collapse of infrastructure and image decline.

- d. **Lower tourist consumption.** Low turnover and lower consumption is a characteristic of residential tourism because residential tourists stay at home more and are less committed to spending (e.g. the average daily consumption of hotel guests is 93.4 Euros, and residential tourists spend an average of 33.9 Euros if they rent a home and 17,1 Euro if they own it). In contrast to residential tourists, traditional tourists who spend a limited number of days in a destination usually spend beyond their means because they have saved or used credit for their trip. Residential tourists spend less on leisure because they have the opportunity to prepare meals at home, use their car more often and know the local market better so their shopping habits are similar to the shopping habits of local residents (Torres Bernier, 2003; in Mazón, 2006).
- e. **Strong impact on the environment.** The model of residential tourism, due to rapid and unplanned growth, caused an extreme impact on the environment of the cities on the Spanish Mediterranean coast, which threatens their socioeconomic future (Gartner, 1987; Vera Rebollo, 1987; Grenon, 1990 in Mazón, 2006). The main negative effects are (Almenar et al., 2000 in (Mazón, 2006): landscape degradation, reduction of local biodiversity, deforestation and increase in forest fires, loss of vegetation, erosion and desertification, increase in edaphic, acoustic and water pollution, as well as surface as well as groundwater, and eutrophication of continental waters. The negative effects are caused by the spread of concrete and asphalt cover, which activates the mentioned processes of waterproofing, erosion and desertification (Aledo, 1999 in (Mazón, 2006), as well as the reduced ability of the local government to control, manage and reduce negative impacts due to the level of concentration of secondary (tourist) homes (e.g. in the location of Torre Vieja, Spain; the number of inhabitants quadruples during the period of maximum occupancy, and the collection and treatment services of household waste and wastewater treatment plants are not designed for such a large number of inhabitants because it is not rational for the local self-government to invest in larger infrastructure which would only be used for a few months of the year).

The use of land has been increasing in the last few decades, in the absence of adequate urban and tourist planning, most often for real estate speculation, which leads to the depletion of the most important destination resource, namely land, as Mazón says, in terms of the relationship between the tourism sector and real estate, explains, in such a way that "the cycle of residential or real estate tourism is reduced to the purchase of land, the construction of houses and the sale of the latter." Tourism business as such does not exist" (Mazón and Aledo, 2004 in Mazón, 2006).

Mazón also observes that appropriate facilities for tourists, such as hotels, have not been developed in parallel with this strong expansion, and the presence of hotels in the researched locations is minimal even though it is the most important sector in the tourism industry (Mazón, 2006). The construction of hotels, unlike the construction of residential

tourism facilities, is characterized by the concentration of capacity in space, as a result of rationality; less damage is caused to the environment, the number of clients increases, a specific location is promoted, intensive economic activity is created throughout the year and numerous permanent and seasonal jobs are created (Mazón, 2001 in Mazón, 2006).

Mazón identifies, in addition to real estate agents, the local political elite as those who create, maintain and make a profit from the residential tourism model, which is why local governments encourage the development of this type of tourism, stating that "when the property process reaches a late stage of development, the environmental and socio-economic crisis in municipalities that focus on this type of offer. This situation is more evident when the life cycle of the tourism product ends and, due to the lack of available land on which to continue the expansion model, the said model is exhausted" (Mazón, 2006).

Considering the theoretical approach and their own research results regarding the realization of interests in the construction of real estate (second home), in the tourist region of the Caspian Sea, Alipour, Olya, Hassanzadeh and Rezapouraghdam concluded the following (Alipour et al., 2017):

- The views of the community were not considered in the process of developing the projects of the second home, i.e. local administration officials considered themselves legitimate parties for making decisions without the consent of the local population.
- Laissez-faire approach in the concept of real estate development as a second home with a lack of planning creates conditions for neglecting the consensus of participants (stakeholders) (Hanna, 2005 in Alipour et al., 2017).
- If the interested public does not participate in the process of planning the development of a tourist destination, opportunities are created for the domination of the process by government officials and real estate agents (Burby, 2003 in Alipour et al., 2017).
- In the case of the development of second home projects in the Caspian Lake region, it was shown that the said development was very desirable for real estate agents and their partners in terms of making a profit, but from the point of view of the local population it was much more important that the said development stimulated the improvement of the economy, the development of human resources, employment, education and recreational opportunities, improved infrastructure and environmental protection on a sustainable development concept.

2.10 The influence of the real estate business on the image of a tourist destination

Pacific real estate and tourism campaigns by offering a vision of paradisiacal landscapes encourage the commercialization of land in the hope of experiencing a tropical paradise, as seen in the example of the destination Vanuatu where tourism and real estate are

intertwined, creating images in the mind of the foreigner that are projected onto physical locations and they rekindle the imaginary (Kahn, 2003, p.307 in McDonnell, 2018).

McDonnell argues that the visual images produced to promote real estate in tourism "create visual references to 'paradise' and 'virgin', uninhabited landscapes, which visually displace indigenous inhabitants, effectively obscuring the tensions associated with contemporary land dealings and tourism." The visuals offer the illusion of paradise, begging the viewer to buy into the imaginative narratives associated with the descriptions of the landscape" (McDonnell, 2018).

Regarding the economic motives of advertising real estate in a tourist destination, using the example of the destination Vanuatu, McDonnell emphasizes that »advertising tourism and real estate is economically motivated by the constellation of interests of investors that intersect in these related sectors. In this context, Vanuatu becomes a destination framed by colonial imaginations of a treasury with land deals ripe for plunder and supplies of cheap black labour. The land transactions financed through these offshore accounts are the border between the global forces of capital, the injected local and the idealized "fiscal paradise" (McDonnell, 2018).

3 Discussion and Conclusion

The main research question of our research is: What is more important to develop - the real estate sector or the tourism sector? In particular, this issue arises in the context of the UN Agenda for Sustainable Development and one of the key goals such as Goal 11. "By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries".

Considering the relationship between the tourism sector and the real estate sector from the aspect of the development of the tourist destination, it is necessary to set a key limit in the increasingly intense blurring of the same through the already mentioned trends. Namely, it is clear that the "symbiosis of tourism and real estate" (Sousa et al., 2016; de Sousa, et al., 2016; Sun & Fu, 2018), especially through the term "tourist real estate" (Xu et al., 2012; Liu et al., 2013; Tsai et al., 2015; Wu et al., 2015; Kong et al., 2017; Sun & Fu, 2018; L. Yang, 2019) and that the merger of these two sectors opens up new business perspectives. However, in a theoretical but also a practical sense, the need for a very clear border between these two sectors is strongly emphasized when it comes to the impact on the development of the tourist destination and the level of social benefit for the local community.

Properties that are designed as facilities for the accommodation of tourists such as apartments, raise the average prices of real estate (Nocca, 2017) and thus limit the possibilities of local residents to buy real estate for their own housing. The average length of stay in second-home facilities is very short (Mazón, 2006), which indicates a low level

of effects on the local economy. Real estate in the form of a second home is very often bought for speculative reasons, without the intention of living in it or renting it out, which means that it is a question of "dead capital" from the aspect of tourism, from which only speculator investors benefit.

The research mentioned in the theoretical part of the paper quite well suggests the positive and negative consequences of the joint development of tourism and real estate through the model of residential tourism (Mazón, 2006), where the individual in relation to the social interest is particularly emphasized, which is also confirmed by other research (Alipour et al., 2017), especially when it comes to tourist real estate complexes (de Sousa et al., 2016).

The interest of the administration of local self-governments and businesses can conflict with the long-term interests of the local community when talking about the directions of economic and social development. If priority is given to the interests of local or national political elites and businesses in relation to the general interest of the community, then real estate development will be encouraged as a primary and tourism development as a secondary direction of investment activities.

Interestingly, blurring does not only refer to the mitigation or even the perspective of erasing the boundaries of these two sectors through some new activities in the future but this term can also be applied in practical business activities such as the promotion of investment projects.

The promotion of the real estate business in the name of tourism, i.e. the urbanization of the area in the name of tourism or highlighting the attractiveness of the tourist destination as a basis for investing in real estate (McDonnell, 2018), is very visible in the case of Montenegro and the initiation of large investment ventures (e.g., Porto Montenegro, Luštica Bay and Porto Novi). Key messages placed for the needs of the local and national community, through well-designed public relations (PR) activities, contain an invitation to support the development of tourism through criteria such as, for example: "strategic importance of tourist investments", "global recognition of the tourist destination", "new tourist image", "elite tourism", "employment of young people in tourism" and similar. However, when comparing pre-and post-investment promotional messages, a difference in focus can be clearly seen when it comes to the type of activity.

We can see the differences between what investors promise and what happens in the end, in the example of the aforementioned investments in Montenegro (Porto Montenegro, Luštica Bay and Porto Novi). Although in their PR activities, they indirectly or even directly promise that there will be large investments with a focus on the construction of hotels, this is still not realized. Residential settlements are created, which, especially in the off-season, are often referred to in the literature as "ghost towns" (Mazón, 2006; L. Yang, 2019) or "ghost communities" (Vaccaro & Beltran, 2009). It is a matter of days

before investors will start leaving such neighbourhoods and when the price of their real estate will start to fall.

Post-investment messages, especially in the field of advertising, are dominated by messages encouraging the purchase and rental of real estate, such as, for example: "Choose your new residence on the Mediterranean and move in immediately" (Porto Novi); »Residence and playground, settlement and refuge, Porto Montenegro promotes beauty, culture and adventure, encourages lifelong learning and promises a better way of life for all.« (Porto Montenegro); »Refined, authentic and vibrant coastal living. Home, exclusively yours.« (Luštica Bay) and similar. Although they built a very nice, although not yet finished, complex there, it is an empty dead town for most of the year.

The following questions are asked: Why in the pre-investment period is it insisted on highlighting the development perspective of tourism as a basic investment motive? Why is the real estate aspect very cautiously mentioned in the second plan? Why is the main investment motive highlighted, which is not it?

The answer to the above questions lies in the domain of creating an image of the social utility of a specific investment and the positive attitude of the targeted political public.

Data on the ratio of the number of permanent employees and the volume of investments in specific investment projects in Montenegro show that the level of social utility is significantly below the level of individual benefit, while temporary and short-term inflows in the budgets of local self-governments do not significantly change this observation.

The dominant business orientation is also clearly visible through the business focus of the main operators of the mentioned projects (Adriatic Marinas, for example) whose main managerial organizational structure is directed towards the real estate and construction sector and not towards the tourism sector (there is no post of director of tourism and hotel industry or similar).

Based on certain investments in Montenegro (Porto Montenegro, Luštica Bay and Porto Novi), which can be considered significant for the execution of certain positions, it is evident that the type of tourism marked in the literature as "residential tourism" is encouraged as the most interesting form of development (de Sousa et al., 2016; Vaccaro & Beltran, 2009; Gascón & Milano, 2018). The development of residential tourism and accompanying nautical tourism will essentially determine the character of the offer of the tourist destination of Montenegro. Given the completed and especially planned scope of construction, the tourist offer in Montenegro will be dominated by residential and not hotel accommodation facilities. Montenegro will be a tourist destination of a "second home" or a destination for staying in secondary housing facilities, with all the positive and negative consequences of such development (Mazón, 2006). Taking into account the

built-up factor of the area, especially the coastal area (utilization of the construction area of 35% in 2015) (Vlada Crne Gore Ministarstvo održivog razvoja i turizma, 2015), it can be assumed that the current situation is very unfavourable for the stronger development of the hotel industry and thus tourism in general. It is no longer possible to repurpose the occupied space, and from the aspect of the hotel business, that resource has been used up. In the game for spatial resources, the hotel business loses, and the real estate business wins.

The development of real estate significantly limited the development of the hotel industry, if the spatial aspect is taken into account. Namely, the locations that could have been used for the construction of hotel facilities were used for the construction of the real estate.

Data on the projected and realized growth rate of the hotel industry and the realized growth rate of apartments for secondary housing, in the last 30 years, show a significantly lower level of the growth rate of hotel capacities compared to the expectations of planners and real estate development.

In the current Strategic Tourism Development Plan of Montenegro 2022-2025 (Vlada Crne Gore Ministarstvo ekonomskog razvoja Crne Gore, 2022), it is stated that only 35.39% of the projected hotel capacities from the previously valid tourism development strategy have been realized.

The influence of real estate development on the development of the hotel industry from the aspect of the structure of total accommodation capacity is very clearly stated in the Strategic Plan for the Development of Tourism in Montenegro 2022-2025. »as a result of the development of the real estate sector, which on the one hand causes an increase in individual accommodation, and poorly implemented privatizations of hotel companies, which, on the other hand, cause a decrease or insufficiently fast growth of the number of hotel capacities, in Montenegro, instead of being based on hotels, tourism is turning into tourism based on real estate" (Vlada Crne Gore Ministarstvo ekonomskog razvoja Crne Gore, 2022).

The finding from the above-mentioned document confirms the already expressed thoughts about the limiting influence of the real estate sector on the development of the hotel industry, i.e. tourism as a whole, so it can be assumed that, at least in the short term, the remaining spatial resource that is attractive for investment will very likely continue to be spent on construction of real estate and not hotel facilities.

The relationship between tourism and real estate can be described as a relationship of "economic mimicry" where tourism is "developed" through plans and planning, and real estate is actually built in the implementation of these plans. Planning the development of tourism actually "covers up" the development of the real estate, given the lower level of social benefit from real estate development compared to the hotel or tourism sector.

Encouraging residential tourism additionally encourages the consumption of spatial resources and thus closes the development cycle when it comes to the hotel industry.

By applying a wider range of measures in the field of credit, fiscal and land policy, it is possible to have a stimulating and restrictive effect on the pace of development of the hotel industry and real estate in a way that encourages and accelerates the development of the hotel industry and at the same time limits and slows down the development of the real estate.

A more detailed elaboration of the mentioned measures may be the subject of special interest and guidelines for future research.

Essential state policy measures in the domain of regulating the relationship between the tourism and real estate sectors in Montenegro must be based on the generally accepted social attitude that work and not rentierism is the basis for the betterment of each individual. Selling and renting real estate as residential and commercial space can significantly limit the possible development of a sector that creates new value (e.g. hotel industry), and thus deny possible social benefits.

If we want to achieve the goal of the UN, we should be more concerned about spatial geography and the involvement of tourist resorts in space. Because the country has been degraded once, it cannot be returned to the old framework. Creating cities without people does no one any good. Because in this way the locals leave the cities (for example, Dubrovnik, Piran, Venice) because the cities are too expensive for them to live in on a daily basis. Likewise, local entrepreneurs (shopkeepers, hairdressers, ..) leave the city because they have no work for half the year. Instead of making the city alive, it makes it dead and becomes a port, which is used during the excess (winter or summer) season.

The development of tourism must be based on socially useful investments (construction of hotels) and not on individually useful investments (construction of real estate).

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