Do you own a second home abroad and have decided - or for financial reasons, need - to rent it out? If so, this guide is meant for you. Four years ago the author, OGC writer Kirsty Lowe, was forced to let her property abroad to cover mortgage payments after she had to return to the UK suddenly. Deciding not to use a rental agency in order to save money, she began letting her property on short-term contracts to holidaymakers, controlling the process herself. Here, Kirsty details her 10 key steps to making a success of holiday lets, based on her own first-hand experience. Hopefully, reading this will help your own second home pay for itself, or even better earn you some additional income through rentals.

**STEP 1  Checking regulations and completing the necessary paperwork**

- Confirm with your local town hall or municipality whether your property is eligible to be rented out. Popular tourist destinations often have local laws prohibiting or limiting the rental of properties in certain areas. Also, check whether you will need a licence of any sort to let your property and how you go about obtaining one.

- Change your home insurance to reflect that the property is being rented out. It's advisable to use a UK based insurer – amongst other things, they will have an English-speaking helpline, you will be able to pay for your cover in Sterling and they tend to have higher liability limits. Intasure comes recommended - for more information visit [http://www.overseasguidescompany.com/intasure.htm](http://www.overseasguidescompany.com/intasure.htm)
STEP 2 Deciding on rental rates and conditions

- Find rental properties similar to yours on the internet to get an idea of comparative rental rates and, just as crucially, what is included or not included in those rates.
- If you offer more, you can charge more. Things to consider include: bed linen and towels (inconvenient for guests travelling from abroad to bring themselves), satellite television, internet connection, allowance for children and pets, travel cot, useful consumable items (tea, coffee, salt, sugar, olive oil, vinegar, washing-up liquid, kitchen roll, toilet roll, soap, shower gel, washing powder – guests prefer not to have to buy these for a week’s holiday and then leave much of it behind), professional cleaning service (saves time for departing guests and gives you reassurance that your next guests will find a sparkling clean holiday home).
- With rental experience and positive reviews on your property, you will be able to charge more. Therefore it is worth pricing your rates slightly lower for the first season, just until you can really justify your prices.
- Consider changing your rates according to the popularity of the season.
- Check your local events calendar for important dates that may enable you to charge a premium to tourists booking to attend a particular event. This could be a motor race, fashion show, carnival, music festival or cultural/arts event.
- Decide how you want to receive a deposit, damage deposit and total balance for each booking. A typical example could be: a 30 per cent deposit paid upon booking by cheque, transfer or PayPal, the balance paid six weeks before arrival and the damage deposit sent by cheque with the balance (or handed in on arrival in return for an up-to-date inventory). You would then return or destroy the damage deposit once the apartment had been checked at the end of the guests’ holiday.
- If you intend to receive payments for rentals in more than one currency and so will need to transfer money between the UK and abroad, open an account with international payment specialist Smart Currency Exchange, who always offer better exchange rates than banks on currency transfers. They could also help you save money if you regularly send money abroad to cover your mortgage payments or day-to-day running costs of your property. For more information, call Smart Currency Exchange on 0808 163 0102, email info@smartcurrencyexchange.com or visit www.smartcurrencyexchange.com. A free report is also available at www.smartcurrencyexchange.com/freereport1.aspx

STEP 3 Choosing a suitable rentals website

- When renting out a holiday property, you will almost always be planning bookings a fair way into the future - often up to a year - so it is very important that you begin advertising as soon as possible, even if your property is not immediately available.
- Except in the case of a specialised property appealing to a specific public, I would recommend one of the mainstream holiday rentals websites that tend to offer a much
larger pool of potential guests. A basic advertising package will cost in the region of £200. HolidayLettings.com is a recommended one with a large following. You can get details here: [http://www.holidaylettings.co.uk/whychooseus.htm/from.48201](http://www.holidaylettings.co.uk/whychooseus.htm/from.48201)

- Your rentals site will probably offer you the option (for an additional fee) of signing up for your property to feature on their additional and more specific international sites – US and Canada, Europe etc. (Throughout the years, the majority of my guests came from the UK, the US and Canada, as well as Germany.)

**STEP 4 Making your property as aesthetically appealing as possible**

- Post as many good quality and recent colour photographs as you can of the most relevant parts of the property – bedrooms, kitchen, living room, views and surroundings. One bad photograph can seriously jeopardise your chances of attracting people to even the loveliest property. It’s a cliché but FIRST IMPRESSIONS ARE THE MOST IMPORTANT.

- In order to make your photos look more inviting, lay the kitchen/dining table as if for a sumptuous meal, complete with festive bottle of champagne and a crusty baguette, and turn the beds down to make them look clean and welcoming, with fluffy towels at the end all ready for use.

- It is of vital importance to be honest in your pictorial portrayal of the property: guests will discover the reality (power station next door, mould on the walls) as soon as they arrive, and the last thing your budding rentals business needs is a deservedly negative review, or the demand for a refund.

**STEP 5 Describing your property accurately**

- When writing the description of your property, highlight its advantages but also anticipate and give a positive slant to its disadvantages. Perhaps you don’t have a terrace, but the kitchen has a Juliet balcony with stunning views over the hills, and a five-minute walk will lead to the perfect meadow for a picnic. True, the building doesn’t have a lift, but that is because it is a charming and unique village property that dates back several centuries.

- Anticipate holidaymakers’ questions by giving as much information on the website as you possibly can. How far are the nearest grocery shop/supermarket/swimming pool/beach/museum/ski resort/horse riding facility/restaurant/airport/train station? Is public transport suitable for their stay, or should they hire a car?

- Keep all your declarations honest. Saying that your property is 15 minutes from the beach when it is actually 40 is counterproductive and unfair to your guests, who will surely retaliate with negative reviews.

- Give maximum information regarding rental conditions, including what is included in the price and what is expected of the guests. It is better to repeat yourself (the conditions should be reiterated in the enquiry response as well as the confirmation of
booking), than to be wrong-footed by a guest who can justifiably claim that the conditions were not clear enough.

**STEP 6 Preparing your property for guests**

- Decide which belongings are too precious to be left on display, and either take them to your primary residence or put them in a safe lock-up in your rental property.
- Keep in mind that if you can make the property homely, attractively decorated and well equipped, you will not only be able to attract more guests but you will also be able to charge a higher rental rate.
- Ensure that there are at least two sets of bedding and towels per bed to ensure easy turn around between rentals.
- If you provide books, CDs or DVDs, decide and then state on the website whether or not you are open to a direct swap (guests must leave a book if they take one) or whether these items must remain as they were found.
- Provide information and leaflets that guests will find useful and interesting, including: tourist office leaflets, local events calendars, a photo album of renovations (if applicable), info about opening times of local shops, where to get basic items, emergency numbers, how to work the more tricky electrical items, suggestions on where to eat/visit and a comments book.

**STEP 7 Establishing a list of rental related tasks (email, telephone or letter)**

- Internet and telephone enquiries must be answered promptly to start contact with guests in a positive manner. Prepare a template letter/email for your reply, making sure to change details to treat each individual enquiry personally! Include in your answer: requested dates and number of guests, price, full payment conditions and full rental conditions (as already stated on the website), what the guest must do in order to book (send a deposit) and what you will do in order to confirm (send a formal Confirmation of booking).
- Guests may write with additional questions, answer promptly and concisely – building a rapport with your guests makes the experience more pleasant for both of you and encourages them to view the property as your home rather than a hotel room.
- When you have received a deposit, send a formal Confirmation of booking email containing: further reiteration of dates and number of guests, confirmation that deposit has been received, booking dates, amount and means by which the balance should be paid, when damage deposit is expected, details of how to reach the property, contact details of whoever will be meeting the guest there and once again, rental conditions.
- A few days before the balance is due, send a friendly reminder.
- When the guest has left, write again to thank them for their stay and confirm that the damage deposit cheque has been destroyed or sent back to them (if applicable). You
can also send them a link to the review page of the website, and ask if they would be prepared to rate their holiday there.

**STEP 8 Compiling a list of practical tasks to be undertaken at the property**

- Meet the guests upon arrival and give them the keys.
- Be on hand in case of an emergency during their stay.
- Collect the keys at the end of the stay, and check property and contents for damage.
- Clean the apartment thoroughly, change the bed linen and towels, and do the laundry.
- Purchase items provided in the rental conditions (condiments, soap etc).

**STEP 9 Choosing the person/people to whom you delegate the tasks in STEP 7**

- It is important that you choose someone not only trustworthy, but with a confident and pleasant manner – they will ultimately be the human face of your rental property and need to make a good impression.
- It is important that whoever you choose is able to communicate with you regularly and easily (an email connection is a real bonus to enable the free flow of information and to save on horrendous phone bills).
- It is preferable that whoever you choose speaks some English (in order to facilitate communication with guests) as well as the local language (in order to deal with any problems that may arise – plumbing, electric etc).
- Ensure that whoever you choose is aware of all the rental conditions mentioned on the website and in subsequent emails.
- Copy the person in on all emails from the Confirmation of booking onwards.
- Ensure that the person is aware of exactly what is expected of them: for example, general cleaning after every rental, but windows, oven and cupboards to be give an in-depth clean once a month.
- Decide whether you wish to pay a fixed or an hourly rate.
- Decide whether you leave a kitty, or reimburse purchases.

**STEP 10 Additional tips to bear in mind**

- Complimentary gifts (wine and olives, for example) are a welcoming touch, and wine can be replaced by champagne for returning guests.
- If an anniversary or honeymoon is mentioned, or if the guests visit over the festive period, asking your contact to decorate the house appropriately is something that will be much appreciated. Remember, spending a little more money to make a good impression will do wonders for your reviews, for your word of mouth advertising and for your return bookings.
- Do not leave extra sets of towels or bedding at the property, unless you are prepared for guests to use them – unless stated otherwise, guests will assume, quite understandably that everything in the apartment is for their use.
- Suggest to guests that small breakages (crockery, glassware) should be replaced by them during their visit as opposed to being taken out of the damage deposit.
- By all means supply an old computer/laptop for guests to use, but restrict the access to simple internet usage to avoid the system crashing through inappropriate downloads etc.
- Make sure that you declare the income earned from rentals to the appropriate tax offices, whether that’s in the country local to the property and/or in the UK (mortgage payments are usually tax deductible).
- Some people are impossible to please. Try and address their complaints in a non-confrontational manner and giving them the benefit of the doubt, but do not try and placate them by making them feel justified when they are not.

**Kirsty's worst experience**

It was a lady who on arrival complained aggressively that the apartment was filthy and not what she expected. I knew that this wasn’t the case; all previous reviews had been glowing (my contact suspected that not having read the advertisement in enough depth, she thought she would be nearer the beach and was also shocked by the winding mountain road). Although I made it very clear to the guest that all previous feedback made her story extremely unlikely, I agreed to refund her the rental money minus the deposit and minus the number of days until she found alternative accommodation. She immediately accepted, confirming beyond a doubt that she was pulling a fast one. But you can’t win them all, and a bad review sticks whether it is deserved or not.

**Kirsty’s best experience**

Nearly all my other guests; their kind comments in the comments book, the family photos they sent after their holiday, their return visits, the beautiful painting one family sent me and this wonderful opportunity to meet people from all over the world and be able to assist in some small way in giving them a fabulous holiday experience. The hard work is definitely worth it.

**Further resources**

For more information on renting your overseas home or any aspect of buying property or moving abroad, speak to The Overseas Guides Company’s Resource Centre. Call now on +44 (0)207 898 0549, email info@overseasguidescompany.com or visit www.overseasguidescompany.com