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Vacationing? Choose a Home over a Hotel

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Special to the Palisadian-Post

Looking for vacation rentals or a place to list your vacation rental? VRBO.com, which was recently purchased by www.homeaway.com, one of the largest vacation rental sites with 700,000 listings and 48 million visits per month, may be your answer.

When going on vacation, staying in someone's home (rather than a hotel) gives you a closer connection to the area and a better opportunity to experience the local flavor of a foreign country or city. Plus, if you are a family you can relax much more easily. In someone's home, you can cook your own meals rather than eating out all the time, do your laundry, and in some cases even use their cars.

As I'm sitting here in the rental we are staying in, looking at the shore of Lake Michigan, I'm an avid believer in the process. I have used Homeaway/VRBO many times and it improved our vacations so much, I doubt my family will ever stay in a hotel again.

If you are interested in renting your vacation home or your Pacific Palisades home on a short-term basis (a few days to a few weeks), Homeaway can help. If it is your primary residence and you may be going on vacation in the summer, renting out your home while you are away can be a source of some excellent extra income.

One of the biggest challenges is being comfortable having a stranger in your home, especially your primary residence, due to the personal nature of the premises. We have never rented our primary residence, but we have been renting out our vacation home for the past year.

Agreed, it can be anxiety provoking not knowing how someone will treat your property. We have rented our vacation home over 30 times, from a three-day stay to a three-week stay. Most have been three days. Homeaway has a few pricing packages for posting your vacation rental on their site, ranging from a few hundred to a few thousand dollars per stay.

Another site to locate or list your vacation rental is AirBnB www.Airbnb.com. They have some impressive statistics with over 10 million nights booked in over 300,000 listings worldwide in over 33,000 cities and 192 countries. We have used this site as well. The challenging part is they make it quite hard to speak to the prospective renter or landlord because they are worried you may cut out the middleman and AirBnB will not get paid. Their business model is different than Homeaway because they make their money by getting a percentage of the rental fee.

Here are 20 helpful guidelines when renting out your property:

- Hire a stager or interior designer to get her objective opinion of your vacation rental, since you want someone who is not afraid to tell you the reality.
- As tempting as it is to take your own pictures, make sure you pay a professional photographer to take pictures and post as many as the site will allow. Homeaway also allows you to post and link to local restaurants, attractions, golf, tennis and things to do. You can post them on their map so a potential renter can see where each is in relation to your property.
- Check if your city/county requires you to collect an occupancy tax (hotel tax) from guests, which is then paid to the government agency. It usually runs around eight percent but can vary with the area. Many cities and counties charge this (usually quarterly) and you most likely will want to charge that to potential tenants. Homeaway has a third-party site that can help with this. Make sure the proper forms are filed for this tax.



Max Marquleas enjoys the family vacation on Lake Michigan.

- Lock all your valuables (expensive and sentimental) away in a closet when your home is being rented.
 - Create a manual of great things to do in the area as well as tips for a more enjoyable experience.
 - Charge a security deposit. We call ours a damage deposit so as not to be confused with a reservation fee.
 - Check if your city/county requires a business license.
 - Know your competition. Do your research online and see what other similar properties offer in terms of price, pictures, amenities, etc.
 - If you are serious about renting your place out, I suggest paying for the premium package as it might get your listing placed higher on their search page—and give you more viewing traffic. One way to check this out is to type in the key words for the area.
 - Once you have researched your competition, decide on: Minimum number of days you will rent; your daily, weekly or longer rates; damage deposit (decide on amount, who will check condition, how will it be returned); reservation fee; pet policy; extra person fee; late check-out; cleaning (who does it and fee); holiday rates and which holidays are included; and cancellation fee. Also, will you hire a property manager? Will family/friends be charged and if so, at what rate? What about extended family?
 - Have a lease agreement reviewed by a real estate attorney, preferably someone who specializes in residential leases.
 - Get a copy of the prospective tenant's driver's license before you will confirm them as a guest. We ask them to take a picture with their phone and e-mail it.
 - Decide on check-in and checkout policies. These can cause problems since most renters are used to late checkout with hotels and/or want to arrive early.
 - Check with your insurance agent to make sure they know you will be renting out your property on a short-term basis so they can make the proper changes to your insurance policy.
 - Look into getting temporary insurance that is above and beyond your damage deposit if something breaks. (Homeaway has a third-party site that can help with this.)
 - Have the ability to take credit cards. This makes taking reservations and returning deposits much easier, and you do not need to worry about a bounced check. (Again, Homeaway has a third-party site for this.)
 - If you are renting a family home that parents, kids, siblings or other family members use, make sure you have an open conversation, as feelings invariably get hurt when a family member cannot use a particular weekend. Homeaway has a great online calendar where people can see when the property is available.
 - Talk to others that have used Homeaway, Airbnb or another site as either a guest or a host to see what their experience was.
 - Have realistic expectations. Things will get broken and it is not the end of the world. That is why you have a damage deposit.
 - Get as many (hopefully positive) guests reviews as possible posted on the Homeaway site to make others feel more comfortable about staying there.
- Ultimately, it can be a very gratifying experience reading how appreciative guests can be renting out your home or vacation property, while at the same time making some extra income in the process.
- If you have any other questions about this subject, please contact me at (310) 293-9280 or Anthony@amalfiestates.com. Also, if you want to see what our vacation place looks like, visit www.homeaway.com/vacation-rental/p3004312

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