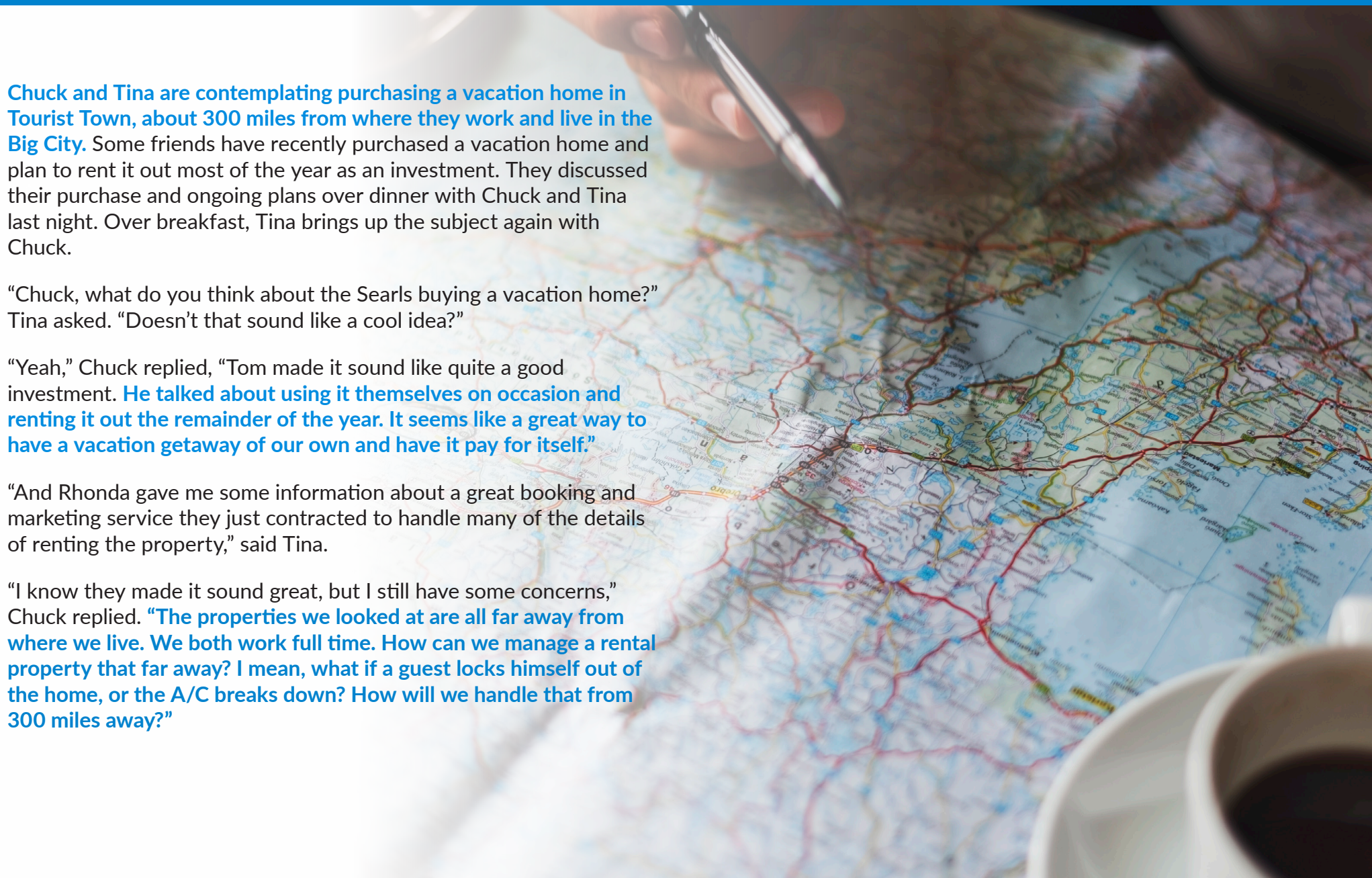




# The Complete Guide to Managing Your Vacation Rental Property





Chuck and Tina are contemplating purchasing a vacation home in Tourist Town, about 300 miles from where they work and live in the Big City. Some friends have recently purchased a vacation home and plan to rent it out most of the year as an investment. They discussed their purchase and ongoing plans over dinner with Chuck and Tina last night. Over breakfast, Tina brings up the subject again with Chuck.

“Chuck, what do you think about the Searls buying a vacation home?” Tina asked. “Doesn’t that sound like a cool idea?”

“Yeah,” Chuck replied, “Tom made it sound like quite a good investment. **He talked about using it themselves on occasion and renting it out the remainder of the year. It seems like a great way to have a vacation getaway of our own and have it pay for itself.**”

“And Rhonda gave me some information about a great booking and marketing service they just contracted to handle many of the details of renting the property,” said Tina.

“I know they made it sound great, but I still have some concerns,” Chuck replied. **“The properties we looked at are all far away from where we live. We both work full time. How can we manage a rental property that far away? I mean, what if a guest locks himself out of the home, or the A/C breaks down? How will we handle that from 300 miles away?”**

“To offer a 5-star guest experience that makes people want to come back we have to be able to handle things like that right away,” Chuck continued. **“What about arranging for cleaning and switching keys between outgoing and incoming renters? And how much time will it require us to travel there just to work at maintaining the property when we are not using it for ourselves?”**

“Wow,” said Tina. “I was thinking of how fun it would be to use ourselves and to provide guests with a cool place to get away. I **hadn’t considered how much work would be involved.**”

**Chuck and Tina are right. Owning a vacation rental is fun, but it’s work, too. Guests who rent vacation homes have high expectations and rarely dole out five-star ratings.** It’s a competitive business that requires commitment and effort, which may be difficult for Chuck and Tina to manage from the Big City. It’s also one of the largest investments they’ll make and they have a lot of planning, labor, and maintenance to ensure that the property is profitable and increases in value over the years.

**Chuck and Tina, and any other prospective vacation home property owners, can use this guide to understand the scope of the project ahead so they’ll have a profitable, fun investment in their chosen Tourist Town for years to come.**

## **Here are the task areas they’ll need to address:**

**Initial vacation property planning and set-up**

**Access management**

**Pre-arrival preparation and staging**

**Turn-over service**

**Guest services**

**Service professional coordination and regular home maintenance**

**Annual repairs and emergency response**

**Draft Policies & Create a Binder for Guest Use**

**Let’s examine each task area individually to see what is involved.**



## Initial Vacation Property Planning & Set-Up

It would be wise for Chuck and Tina to develop a plan for their vacation property even before signing the closing papers. They need to sit down together and agree on how they want the property and clients handled, and what booking/marketing company they want to handle the details. Their friends recommended a company in Tourist Town close to the property, but Chuck and Tina should research several companies to find the one that best suits their needs.

Many booking/marketing companies provide standard rental agreements for vacation rental property home owners to use, and Chuck and Tina plan to use what is provided, at least for now as they get started.

**But there are other considerations as well:**

## Guest Travel

Guest travel to and from the vacation rental home on major highways or from a local airport. Often, vacation rental homes are in remote, secluded locations with poor signage. Some things Chuck and Tina should do to facilitate Guests' arrival are:

- **Create maps for distribution to guests or download**
- **Write out arrival and departure instructions from nearby major transportation hubs (interstate, airports, etc.)**
- **Explain parking places and any restrictions about the number, size, or type vehicles allowed, including any restrictions on street parking or on-site parking.**
- **Notify guests of road work, hazards, or other conditions that may affect their transportation.**

## Local & State Regulations

As with any property, and especially commercial (or rental) property, local and state regulations must be followed. Chuck and Tina will need to investigate the need for any permits or licenses, regulations concerning sales and lodging tax, and property inspections. Some municipalities require vacation rental properties to provide access for the disabled. So, in addition to providing a handicap-friendly vacation home to better accommodate all types of guests, they may be required to adhere to certain guidelines.

## Guest Communications

Although many booking/marketing companies provide these services, Chuck and Tina will need to develop the information they wish to be shared with guests, both prior to and upon arrival. For clarity, it is recommended that the following information be provided to guests through welcome emails, confirmation emails, and upon arrival:

- **Rental home access policies**
- **Pet Policies**
- **Guest Responsibilities**
- **System Instructions (A/C, pool, grill, spa, internet access, TV, etc.)**
- **Guest Safety & Emergency Instructions**
- **The Communication System Between Guests & Owners/Management**

## Budget

Purchasing the property is only the beginning. Chuck and Tina need to prepare a budget to cover the expenses of renting the home apart from their own use. This budget must include:

- Housekeeping
- Maintenance
- Emergency Repairs
- Supplies
- Initial Capital Purchases & Property Upgrades

## Access Management

Access to the property must be controlled in a way that guests have access to the property for just the amount of time they have reserved. Some maintenance and operational areas should also be restricted from guest access, such as heating and A/C, water heaters, and stored maintenance supplies.

When planning for access management, Chuck and Tina need to ask:

- How will guests receive and return keys or passwords?
- How can turnaround between arriving and departing guests be facilitated smoothly?
- What kind of access device will be installed? (traditional lock, lockbox with a key inside, keyless entry, or a smart lock)
- How will owners/management handle guest lock-outs or lost keys/passcodes?
- How will early or unauthorized entry to the property be prevented?
- How will the property's external security be monitored?
- How can we best provide for guest safety and privacy?

## Pre-Arrival Preparation & Staging

Pre-arrival preparation involves purchasing materials for the vacation rental home that perform well and look inviting. Furniture must be sturdy and drapes should be easy to clean, not dry-clean-only. These materials need to be different from versions Chuck and Tina would purchase for their own personal use from a big-box store. They must withstand wear and use over a long period of time.

## Some Suggested Items for Purchase:

### Furniture

- Select fabrics that are stain-resistant
- Find those with few moving parts
- Consider how your housekeeper will vacuum and limit items that need vacuuming underneath them

### Mattresses

- Hard-wearing
- Comfort
- Easy-to-clean
- Plan for accidents

## Flooring

- Hide stains, stain resistant
- Long-wearing
- Easy-to-clean

## Guest Consumables

- Soap
- Facial tissue
- Toilet tissue
- Other consumables

## Kitchen Cooking Essentials:

- Long-wearing, attractive, easy to clean
- Is it necessary to keep extras on hand to replace damaged/lost items or replace them on the fly?
- Cleaning options for guests

## Develop plans for:

- Laundering between guests
- Removing stains - during a guest's stay or after

## Major appliances

- It's best if you can get bulk discounts on these
- Consider appliance longevity as well as looks.
- Decide whether you want large appliances or small ones. Small ones might discourage guests from running large loads of laundry and dishes, which may reduce utility bills.

## Décor

### Window coverings

- Avoid dry-clean only drapes
- Installing blinds also requires cleaning them on a rotating schedule

## Art

- You must include some art to make the rental property inviting
- Paintings should not be originals; make sure that there are multiples in the color scheme from which to choose, in case one is damaged
- Any sculptures should be placed in low-traffic areas to minimize damage to the object and to guests
- Some art may be purchased with bulk discounts

## Linens and bedding

- Long-wearing
- Tear-resistant
- Colors that bleach well, in case of accidents
- Mattress pads are a must
- Have extras on hand in case towels walk off or guests need multiple sheet sets (accidents).
- Have additional sets in case of excessive wear-and-tear and laundering turn-around times



Pre-arrival preparation also involves staging. Staging means setting up the house and grounds in an attractive way for guests and an efficient way for contractors, like housekeepers, lawn care and service providers.

Chuck and Tina should eliminate any personal objects of value, sentimental or otherwise. Streamline the decor to give a homey feel, but keep objects to a minimum. Remove clutter from public spaces for easier cleaning. Fewer objects makes it easier to discover if items are missing. Design each room with the obvious traffic flow in mind, funneling traffic into family-friendly spaces like kitchens or great rooms.

Because Chuck cannot drive 300 miles one-way to perform weekly lawn care, landscaping should be done in ways that minimize yard upkeep and home maintenance issues. Trim tree limbs that might cause damage to the home or HVAC systems. Use landscape edging to minimize trimming needs. Plant annuals and native plants that need little upkeep and watering. If the lawn and plants need regular watering, install automated systems to perform this task.

## Turn-Over Service

Chuck and Tina need to develop procedures to ensure fast guest turn-over service to minimize property downtime and maximize the number of guests and rentals they can allow. The ideal is to aim for a two-hour turn-over period to accomplish turn-over tasks. Composing the following checklists will help accomplish turn-overs swiftly and successfully.

## Housekeeping checklist

- Vacuum
- Dust
- Mop
- Spot-clean upholstery and carpets, if needed
- Change sheets and re-stock
- Launder sheets and towels (on-site or off-site)
- Trash and recyclables
- Bathrooms and bathing areas
- Cooking utensils and areas
- Garage and sport equipment
- Restock paper items and coffee

## Landscaping checklist

- Mow lawn
- Rake, if necessary
- Clear the driveways, walkways and outdoor living areas from debris
- Put trash and recyclables out for pickup
- Check plants for any trimming that needs to be done outside of the normal turnover maintenance
- Pest control

## Pool or recreational equipment maintenance

- Check chemicals
- Clean equipment
- Monitor for damages and replace or repair, if necessary

## On-site manager walk-through

- View the property with an eye toward protecting your investment, minimizing expenses, and preventing risks as well as guest satisfaction
- **For example:** if the previous guest leaves beer in the refrigerator and the next guest's teen enters the property before the rest of the family, discovers the alcohol, drinks it and does harm, this is an issue. It's vital for property owners to protect themselves against these risks.
- Check all access and security systems
- Use contractor's checklists to verify that work has been done
- Verify the space is clean
- Scan for misplaced home items and forgotten guest belongings
- Assess home systems for damage
- Record the walk-through results to determine if the guest is eligible for return
- Track contractor's efficacy

## Guest Services

As remote vacation rental home owners, it's challenging for Chuck and Tina to provide local guest services, but they need a plan to accommodate guests' needs. Someone must be available to accommodate guest service phone calls 24/7/365. And to protect the time of whomever that person will be, they should develop a guest policy for calls to filter out those that are urgent from those that aren't, as well as have a process to handle urgent calls.

Internet and cable television are two bare minimums guests expect to find in any vacation rental home. In addition to these, Chuck and Tina might want to consider game tables or other indoor recreational equipment. **These and other amenities improve guest experience, boost guest satisfaction ratings, and encourage guests to return again and again.**



## Coordinating Service Professionals & Regular Home Maintenance

Regular maintenance and upkeep of the home is vital for keeping guest satisfaction and ratings high. Chuck and Tina should shop around for a team of service and maintenance providers to service their home with little or no supervision.

**Ideal service providers will:**

- Will be available on-call 24/7/365
- Not charge extra for after-hours service
- Ensure prompt responses to repair calls, especially emergency repairs
- Provide reliable, expert service
- Interact well with guests
- Coordinate services so routine upkeep occurs during turn-over periods



## Annual Repairs & Emergency Response

Chuck and Tina need to budget for annual maintenance tasks and set money aside to replace or repair systems as needed. They need someone to view the property at every guest turn-over to facilitate repairing minor home issues so they don't become costly major issues.

As Chuck and Tina formulate an annual repair budget, their annual maintenance costs should include:

- Paint touch-ups, especially decks
- Replacing linens and bedding as necessary
- Deep cleaning
- Winterizing, if necessary
- Systems check-ups and maintenance (heat/AC, pool, fireplace)
- Gutter cleaning
- Window maintenance (screens, insulation)
- Cleaning behind appliances, vacuuming refrigerator coils, cleaning dryer duct
- Recreational equipment check, repair, storage or replacement

In addition to a regular maintenance budget, Chuck and Tina should also budget for major repairs or replacements, so no surprises occur. They should annually inspect the roof, doors, siding, and appliances, record their condition, and track their performance. It would also be wise to line up potential contractors and secure estimates as part of the property's annual budget.





## Draft Policies & Create a Binder for Guest Use

After everything concerning the home is prepared, Chuck and Tina need to draft policies to cover usage, contracts, safety, and emergencies. They should keep in a master file all contractor agreements, expectations and checklists, a safety, access and security policy (including a camera/home monitoring policy), and a database for keeping track of guests, contractors, and the home's condition.

**Policies and procedures for the following should be included in a Guest Binder and provided for all guests upon arrival:**

- Emergency and safety plan (injury, disaster, home system malfunctions)
- Guest access, parking, and home security
- House policies (smoking, pets, vehicles, noise, trash, cleaning, guest belongings left behind)
- Communications access and use policy
- Entertainment and recreational equipment use
- Maintenance and repair process
- Guest supply list
- Guest contact list and guidelines

Compiling these policies and making them available to guests will protect Chuck and Tina in the event of disagreements with guests over use of the home and its amenities. When all parties have all the information they need up front, it makes for better relationships between owners, contractors, management, and guests.



## Conclusion

Running a vacation home is a full-time job, but Chuck and Tina already work and have a family. They live in the Big City, so offering guests five-star, local treatment just isn't possible on their own.

A vacation rental property management service like **Book By Owner** can help with the following:

- Professional management that can act locally on the owner's' behalf
- Experienced management who recognize potential risks and guide owners in removing them
- Ensure the property is maintained properly to protect the investment
- Creates five-star guest experiences and return business
- Maintains a network of home service providers on call 24/7/365
- Provide guests with a local point of contact and offer guest services