

FREE
Insider Guide



Secrets of
SUCCESSFUL RENTALS
on the Costa del Sol





Secrets of Successful Rentals

Welcome to our free Guide.

We hope that we can help you go a long way to achieving your goal of maximising your rental income potential.

Introduction

If you are one of the many thousands of people that have invested in a holiday home on the Costa del Sol, or you are thinking about buying one, it can be much more than just an investment in property. The Costa del Sol is more popular than ever with tourists flocking to this sunshine coast of Spain from all over the world. And these visitors are migrating more and more away from hotels and looking for self-catering options where whole families can holiday under one roof.

The Costa del Sol has one of the most lucrative, year-round holiday rental accommodation markets in Europe. You can utilize the months that your property stands empty and receive a return on investment in the form of rental income. Although rental income is by no means guaranteed, it might provide a welcome source of extra income to help cover some of the costs associated with owning a home abroad.

But before you decide the holiday rental route is for you and sign-up your property to one of the many different websites and portals offering to market your property, make sure you are informed and understand how the rental market works, and what will work for you. Here are some things to consider.

1. The Legal Situation

In Andalusia, you are required to obtain a license to rent your property for Holiday Rentals, known as Decree 28/2016. This law stipulates the minimum requirements necessary within your holiday home to accommodate holiday guests.

Requirements include:

- all rooms should have outside ventilation
- a first aid kit should be available
- adequately furnishing with enough appliances and linen to service the advertised occupancy
- cleaning to be carried out between the departure of one set of guests and the arrival of the next

There are a number of other points included in the Decree that all ensure your property is adequate for the purpose of tourism. Dependent on amount of rentals then you may also need to obtain an energy certificate. To ensure you meet the necessary requirements, seek advice from your Property Management Company or Lawyer.





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2. Financial Implications

As with most incomes, various tax issues will arise on holiday rental income, so it is imperative that you speak to a financial adviser to clarify what tax you will need to pay and where. Depending on your country of residence, you may also need to declare your rental income in the country where you live. As well as tax, you will also need to keep on top of your community, local authority and your utility bills.

Comprehensive public liability insurance to protect you and your rental guests is also a definite necessity. Without insurance to cover at the least, damage to your property and at the worst, the guests having an accident in your property, you are opening yourself up to serious legal liability issues.

3. D-I-Y Holiday Rental

The main question to ask yourself is ***"Do I have the time to commit to this?"***

Managing the maintenance and running of a property from a different country is difficult enough when it is just for personal use, let alone when it will run as a Holiday Rental business with different people and families coming and going throughout the year. As well as having to manage the enquiries, there is the bookings calendar, cleaning, laundry, maintenance, financial records, immediate response problem-shooting, marketing the property and much more to consider.

Many people have found it effective to take care of the maintenance and running of the property themselves, while using a Holiday Rental website to promote their property and boost their bookings. Some companies may also be able to manage the enquiries and bookings calendar as well. With this method you would still be responsible for guest arrivals and departures, key management and for the cleaning, laundry and general running of the property. There are many different formulas to a successful Holiday Rental business, so research which one suits your personal situation and needs.

From the outset you will need to set up your property to be "Rental Ready". This encompasses furnishing and fitting out your property to make it as comfortable, welcoming and as safe as possible. For the purpose of insurance claims and peace of mind, you will need to install a safety package. If you have a favourite or sentimental decoration, a valuable painting or antique piece of furniture, these are items that you would want to store somewhere else to avoid damage or wear and tear. You will also need to consider what additional extras you will need to install to attract guests. Most holiday guests prefer rental properties fitted with WiFi, as nearly everyone has some mobile device they would want to use while on holiday. There are many different suppliers on the Costa del Sol offering a variety of packages and tariffs, so a little investigation to compare what is suitable for you is advisable.

All this takes time and planning, and when you are juggling a job and/or family commitments, time and energy can be in very short supply. There is also the need to visit the property regularly to check that everything is still in order: are there enough wine glasses and plates, do the sofa covers need cleaning, is there wear and tear on the furniture, does the paint on the walls need refreshing – these are all essential maintenance items to keep your guests happy and prevent complaints or bad reviews.

As well as the maintenance and management of your property, you will also have to deal with unexpected emergencies such as a guest locking themselves out the property, the boiler breaking down or no electricity or water.





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4. Treat Guests Well

When it comes to renting out property successfully, it's not just about attracting holidaymakers to your property in the first place that really counts – it's what happens during their stay that's just as important.

Happy clients recommend you to their friends, family and work colleagues; and there is nothing in the world more powerful than word-of-mouth marketing. So any holiday clients you have spent good money and effort attracting to begin with, you would obviously want them to return to spend their leisure time in your property for another season. Many rental clients return year on year to the same place – but only if they've had a happy time there before.

5. Beware of False Economies

If you do not live in the same country as your property, you will need to entrust the running of your holiday rental business to someone that is on hand to securely keep your keys and be available to meet and greet your guests. They will also be required to deal with any general or emergency issues that may arise during their stay, and that includes weekends and evenings. For a small fee, someone living on the urbanisation or close by may initially be keen to take this on, but what happens when they go away on holiday, or have guests of their own staying with them.

It's only natural your first thought might be to do it as cheaply as possible, especially when starting out. Asking neighbours or friends who perhaps do a bit of property rentals 'on the side' might seem like a great idea and unless anything goes seriously awry, this type of arrangement can work. But think about it carefully and ask yourself these questions:

- Are they capable of dealing with any big emergencies?
- Are they available 365 days a year?
- Have they got the resources and expertise necessary to fully help me with the rental of my property?
- Do they have comprehensive liability insurance or even the most basic legal protections in place should anything go wrong or someone is injured while a guest is renting my property?
- Do I feel comfortable leaving the running of my business in their hands?

If the answer is "Hmm, not sure," you may be well advised to look for a reputable local rentals agency instead. A quality rentals management company might charge you a higher fee than perhaps you had envisaged, but in return they'll provide you with good levels of service, competent and caring staff handling all your everyday affairs relating to the property, plus all the financial and legal resources you'll absolutely need to protect your interests, as well as helping you maximise the rental income potential from your property.

6. Is Holiday Rental a Good Investment?

"If something is worth doing, it's worth doing well". So take a business-like approach to the rental of your property, and this includes being honest with yourself. If you want to keep all the high season months for your own holidays, it is unlikely that you will get the bookings you need to make enough to cover your



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costs. If you do not have the time and resources available to dedicate to the running of your rental business, it may be the best decision to call in the professionals.

An expert rentals management company will provide you with complete peace of mind, by saving you time and money and freeing you from all the hassle associated with renting out your property. And you'd better believe that price is well worth paying!

Like everything, you get out what you put in, and a Holiday Rental business that is set up properly and managed well can definitely earn you a good return on investment.

7. Using a Rental Management Company

A lot of the headache of setting up and running your property as a holiday rental business can be alleviated by using a professional and proven Rental Management Company. A good company will not only provide the marketing resources to promote your property to the widest audience, but can also offer professional Property Management to oversee the upkeep and maintenance of your property as well.

It might sound obvious, but only consider companies that are physically based on the Costa del Sol, preferably with an office that is open to the public. There are many companies based abroad that offer rentals management for properties on the Coast, but it is essential to have a local rentals management company with a local presence and local staff, who can speak Spanish to a proficient enough level to help you with any issues that may arise with organisations such as utility companies or your local community administrator.

For your own consumer rights protection and peace of mind, any management company you opt for should be a properly registered Spanish S.L. (Ltd.) company, with what's called a C.I.F. company registration number and a licence to trade in property care and rentals management. They should also have the capacity to issue you with official invoices which include I.V.A (Spanish VAT), as these can be offset against Tax, and any staff they employ must have legal employment contracts and pay tax. You should also ask to see evidence that the company has taken out comprehensive public liability insurance to protect you and your rental clients.

If the company cannot provide you with readily available evidence of all these prerequisites, be very wary indeed.

A professional Rental Management company should also employ trained inspectors and cleaning staff that adhering to a clear set of checklist procedures in order to make sure your property is kept at the standard you and the people renting your property expect

Does the company offer you an interactive web-based service? If they do, ask them to demonstrate how comprehensive a service it is. Does it incorporate a private secure password-controlled area giving you regular status reports (with photos) about your property which you can access from any computer, anywhere in the world, at any time of the day or night?

Does it feature a bookings calendar allowing you to see all your rental bookings at a glance? Does this calendar generate automatic cleaning of your property in between rental periods, so you don't have to





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worry about requesting such services yourself? Does the system allow you to order extra services when you visit?

More importantly, does it give you itemised statements online showing your rental income, invoiced services and payments made on your behalf, and allow you to settle any maintenance bills quickly and easily with an online credit card payment?

SUMMARY

Communication is key, therefore any Rentals company should have experienced staff readily available by phone, fax or email to handle any queries that either you, or those staying in your property, might have. Just as important is the “feel good” factor. Go have a coffee with them in their offices if possible. That will give you a sense of both the company and the people they employ. If they have long-standing, happy employees, it follows that the company is creating a positive environment, which in turn will filter through to you – the client. You should also make a point about asking them how long they have been in business. If it is less than a year or two, be cautious.

At **HomeCareontheweb**, we provide all these services and much, much more.

In fact, we’re the No. 1 Property and Rentals Management company on the Costa del Sol and have been for a number of years. Our friendly bi-lingual team is able to offer you a comprehensive yet flexible range of property management and maintenance services for villas, townhouses or apartments, plus a rentals management service with all the marketing resources and know-how to help maximise your potential rental income.

And because we offer unrivalled levels of personal care, virtually 100% of our clients renew their management contracts with us year on year, knowing they won’t find the same level of professionalism and value for money from any other property management company.

If you’d like more information about our comprehensive property management and rentals services along with our price list, please contact us on **+34 952 83 95 95** or email us at **info@homecareontheweb.com**

For more comprehensive information on finding a good Property Management company on the Costa del Sol, please download our FREE publication ***“Top Tips for Finding Good Property Management”***.



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Taking care of all your property and rental needs

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