



Getting Started: 5 RENTAL STEPS for Hatteras Island Homeowners



Your Hatteras vacation home is your haven to escape the stresses of everyday life. And lately you have been thinking about renting it to other vacationers to enjoy. Perhaps your work schedule prevents you from visiting as often as you planned and you do not want your house to sit empty, or maybe you want to offset the costs of ownership.



Whether you hire a reputable property management company like Shore Vacations or you decide to manage rentals on your own, begin by educating yourself about the industry and the vacation rental process.

This whitepaper discusses what homeowners who are new to vacation rentals must do first:

1. Set goals
2. Establish objectives
3. Calculate how many weeks you need to rent each year
4. Decide your involvement in the rental process
5. Hire a property management company, if needed

Ready to get started? Read on!

1

Set Goals – You might not think of your vacation house as a means to support your family, but when you establish your home as a rental property, you are embarking on a new business venture.



Because you need to approach your vacation rental as a business, it's important to record your goals. What do you hope to accomplish by renting your Hatteras vacation home? Many homeowners want to attract guests to help pay the mortgage, property taxes, and maintenance costs.

2

Establish Objectives – Decide how many weeks in a year that you want to use your home and how many weeks you hope to rent it.

Next, determine your financial objectives. Do you hope to have your rental revenues pay for the expenses associated with owning your home? Or do you want to make a profit?

3

Calculate Your Break-Even Point – If your financial objective is to cover your vacation home expenses, Christine Karpinski, author of *How to Rent Vacation Properties by Owner*, developed a formula to help you calculate your “break-even point”.

According to Karpinski, if your monthly mortgage payment is equal to or less than one week’s rental fee during peak season, and if you make your home available for 17 weeks, then you should be able to offset costs. For example, if you own a Hatteras vacation home with a monthly mortgage of \$2000 and rent your home for \$2000 per week, you’d only need to rent 12 weeks to break even on your mortgage payments.



No matter what your objective is for renting your home, the break-even calculation will give you an idea of how many bookings you will need to simply pay the bills. This is valuable information for setting prices and availability—and it might also help you decide how involved you will be in the rental management process.

4

Determine Your Involvement – So you have decided that you want to rent your Hatteras vacation house.

Now you must determine how involved you want to be in the rental process. Vacation rental homeowners either employ a property management company or promote their home themselves.



Responsibilities of Renting Your Vacation Home

- ⇒ Marketing your home
- ⇒ Hiring and monitoring service providers such as housekeepers, linen cleaners, and landscapers
- ⇒ Keeping your rental calendar current
- ⇒ Updating your website's images and property tours
- ⇒ Responding to phone calls and emails promptly
- ⇒ Taking reservations and payments
- ⇒ Dealing with cancellations
- ⇒ Refunding security deposits
- ⇒ Handling guest requests and complaints
- ⇒ Scheduling housekeeping between visitors
- ⇒ Collecting and submitting sales tax
- ⇒ Managing home repairs

5

Hire a Property Management Company – If you are not interested in tackling these responsibilities yourself, let Shore Vacations take the worry and hassle out of renting your Hatteras vacation home.

For a management fee, we will process reservations, make accounting reports, and provide guests with superior customer service.



Reservations

Our vacation specialists will

- ⇒ prepare an online lease;
- ⇒ process reservations;
- ⇒ offer travel insurance to guests;
- ⇒ collect reservation payments online or by phone;
- ⇒ pay credit card processing fees for credit cards;
- ⇒ collect sales and lodging taxes;
- ⇒ secure damage waiver fees or security deposits; and
- ⇒ and maintain guest accounts.

Accounting

Our accountants

- ⇒ file tax reports;
- ⇒ maintain owner accounts;
- ⇒ send monthly statements and revenue; and
- ⇒ prepare 1099s and profit and loss statements promptly at year end.



Other Services

Our friendly, knowledgeable staff

- ⇒ registers each guest;
- ⇒ gives each reservation a “Beach Bag Starter Kit”;
- ⇒ provides a “Guest Appreciation BBQ” every weekend from Memorial Day to Labor Day;
- ⇒ accepts calls for after-hours emergencies;
- ⇒ coordinates vendor work;
- ⇒ inspects your home for damage once a week; and
- ⇒ processes damage claims when necessary.

Get started now. Contact Shore Vacations, the most reliable and effective property management company on Hatteras Island, at 877-866-5640.