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HOW TO BUY AN
AIRBNB
PROPERTY

HOW NICE TO meet you.

Investing in Airbnbs is a lot like playing Monopoly: Winning the game is all about owning the right properties on the right streets in order to maximize how often (and how much) other players pay you. If you've done the hard work of saving the necessary funds to purchase an investment property, you're ready to pass go and collect your earnings.

But Airbnb real estate investing doesn't always seem as simple as selecting a square on a board; you have to identify which property to buy and where, considering diverse markets that potentially span the globe.

Even as demand for Airbnbs continues to surge, getting into the short-term rental (STR) space can be daunting. There are so many markets that offer a significant return on investment for hosts and investors alike that it can be a challenge to pinpoint the top Airbnb investment location opportunities. But getting your investments right doesn't have to feel like guesswork.

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"I believe in
creative
expression,
experimentation
and empathy"



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SET UP YOUR BUDGET AND PLAN YOUR FINANCING

Speaking of property value, the best investment property is one that you can comfortably afford without risking a default on your mortgage payments and a consequent foreclosure.

To achieve this goal, you have to budget carefully. Take into consideration all your regular sources of income as well as your ongoing expenses in addition to your savings. Set a maximum price that you can afford with your budget and stick to it. In the property search process, don't get tempted by perfect-looking properties beyond your budget.

Remember that the actual price of the property is not the only cost you will have to cover. There are many additional, sometimes hidden expenses associated with buying an investment property such as closing fees, appraisal, inspection, property tax, insurance, etc. Altogether they can add up to several thousand dollars.

Of course, there are also financing options available to help real estate investors purchase a property. There are also ways to enter the short-term rental industry without owning a property at all. Here are some of the most popular options for financing your short-term rental business:



AIRBNB LOANS

An Airbnb loan is a financing option designed specifically for helping budding Airbnb hosts to purchase Airbnb rental property. While it will work similarly to other home loans, the terms, interest rates, and other conditions may be slightly different.

HOME EQUITY LOANS

Also known as a second mortgage, a home equity loan is a common financing option for a property owner who already has a primary residence and looking to purchase a second property. With a home equity loan, you will receive a lump sum or a line of credit with which you can finance your investment. It will, however, use your primary house as collateral in case you miss your payments. So, you will need to make sure you can afford the installments before you commit yourself to more debt.

RENTAL ARBITRAGE

If you are looking for a way to start an Airbnb business without owning property, rental arbitrage is a good option. This entails renting out a new property from another owner with the intention of listing it as a vacation rental home.

While this could take some convincing, if a property owner is happy with you managing their property as a vacation rental, you could profit by outearning the rental expense you'd have to pay.



CHECK YOUR BUDGET

The first step in how to find Airbnb properties is to work out your budget. You need to take into consideration your savings, your current streams of income, and your ongoing expenses. and any expected or unexpected changes in revenue and living costs in the coming years.

A smart real estate investor is an investor who budgets carefully and accurately. The last thing that you want as an aspiring Airbnb host is to lose your property to the bank because of defaulting on your mortgage payments due to poor calculations.

Thus, you should take the matter very seriously and come up with as precise an estimate of your financial situation as possible. It will help you set up the down payment that you can afford, as well as other expenses when you buy an investment property. It's also a good idea to keep some cash reserves to be able to cover the recurring rental costs should you fail to keep your Airbnb occupied at all times.

Here is how to budget for your Airbnb rental property and what costs to consider before you buy:



FINANCING METHOD

How to pay when you buy a short term rental is one of the major factors that go into budgeting. While most beginner investors go for a conventional mortgage, you should consider all the best loans for investment property, including less conventional options like FHA loans, hard money, and HELOC.

Take into account the required minimum down payment, the premium mortgage insurance (PMI) requirements, the interest rate, the loan term, and all other conditions.

Keep in mind that mortgage rates have increased significantly over the course of last year, making financing an Airbnb property more expensive. At the beginning of March 2023, the 30-year fixed mortgage rate was 6.65%, compared to 3.76% a year earlier. Thus, it's worth checking out different financiers to locate the best investment property lenders.

How you finance your Airbnb will determine the initial cash investment and the ongoing expenditure (monthly mortgage payments).

OTHER STARTUP COSTS

While the down payment is the biggest expense when you buy a short term rental, it's not the only one. Other costs to account for include:

- **Closing costs:** These usually average 3%-6% of the property purchase price. As a buyer, you don't need to worry about real estate agent commissions, as they are covered by the property seller.
- **Fixes and repairs:** Unless you buy a turnkey property, you'll need to spend some money on fixing it up and upgrading it. It is particularly important for Airbnb rentals as you want to be able to take great photos to attract ongoing guests.
- **Furnishing:** When you rent out on a short term basis, you must furnish the property completely. You don't need to go for expensive furniture, but they must be comfortable and full.
- **Setting up a smart home:** It's a good idea to install smart locks, smart thermostats, and other smart appliances throughout your vacation rental. It will make managing the property much easier and safer.
- **Home insurance:** In addition to regular insurance, it's a must to obtain vacation rental insurance that protects you and your property against damage and liability.
- **Property tax:** Depending on where your property is located, you'll need to pay a certain amount of real estate tax.

All the above costs should go into your budget.



OPERATING MONTHLY EXPENSES

The goal is to find a property to buy that will be able to generate positive cash flow when rented out on the Airbnb platform. But you must think proactively and consider a scenario where your rental remains unoccupied for a few weeks or even months. So, you should keep in mind that you'll need to cover the following operational costs when running a short term rental business:

- Property maintenance
- Property management
- Property tax
- Landlord insurance
- Rental income tax
- Utilities
- Supplies
- Airbnb service fee equivalent to 3% of the booking price

IDENTIFY A TOP CITY

Once you decide on what type of guests you want to welcome to your Airbnb property, it's time to start searching for the best locations for Airbnb. The first step is to find a city that is good for this rental strategy and for your selected kind of renters. You should pay attention to the following factors:

- Affordable property prices: Do not buy in a market that is above your budget. It will not only compromise your ability to pay for your Airbnb but will also push down your ROI.
- High Airbnb daily rates: Look for a location where the nightly rates on the Airbnb platform are good enough to bring you positive cash flow and strong returns.
- Above-average Airbnb occupancy rates: Search for areas with a lot of visitors year-round. If you want to cater to leisure travelers, aim for hot tourist destinations. If you want to welcome business travelers, go for business hubs and commercial centers.
- Low operating costs: Choose a real estate market where property tax, utilities, and property management fees are not prohibitively high for Airbnb hosts.
- Reasonable safety: Do not buy a property in a place racked by high crime rates. It will push away guests and will also risk your second home being vandalized.





CHOOSE A TOP LOCATION FOR YOUR AIRBNB INVESTMENT PROPERTY

One of the most critical determinants of your return on investment with Airbnb rentals is the occupancy rate. Naturally, the more guests you have and the fewer days a month your property stays vacant, the more money you will make. Rental homes in your chosen location need to have an average occupancy of over 60% to be worth your while.

This means that you should look for a city that enjoys a large number of visitors – whether tourists or business travelers.

Start out with some popular travel destinations, but don't forget smaller towns too as they can also make for top markets for Airbnb investments. Keep in mind that the most visited states include California, Florida, Nevada, Texas, and New York.

To choose a good location for your rental property, you should find the occupancy rate at the city level as well as at the neighborhood level to assure that your future investment property will enjoy the highest possible rental demand. Always remember the real estate mantra location location location.

IDENTIFY THE BEST PLACES TO INVEST IN AIRBNBS

Investing in STRs isn't the same as investing in other types of real estate. Identifying a great market to invest in an Airbnb is about two things: knowing how to research STRs and understanding STR regulations in your target markets.

Some markets are more STR-friendly than others, which is why you might ultimately invest in one market over another, even if all else is equal. But learning how to research for STR investments isn't just about laws.

There are certain figures specific to STRs that can help you uncover whether or not an investment will be as profitable as you hope; statistics like capitalization rate can reflect both the level of risk of the investment and your potential return. Learning these figures can help you spot a great place to invest.



CHECK OUT THE AIRBNB

LAWS AND REGULATIONS

After the tremendous growth of the short-term rental industry in the last decade, local authorities in many places across the US, as well as globally, have started imposing strict regulations and sometimes even prohibitions on the work of Airbnb rentals, especially non-owner-occupied ones.

The last thing that you want as a real estate investor is to break the law and face legal and financial penalties. Consequently, before you make your final decision on a housing market for your vacation rental, you should research the local Airbnb rules and regulations governing short-term rentals.

Check out local government websites, the Chamber of Commerce website, local newspapers, and other online sources. Make sure that you understand well under what conditions you can operate an Airbnb business in the given market and what taxes and fees you will be expected to pay.

Don't forget about property taxes, hiring a property management company, and managing your Airbnb properties with help from property managers. The Airbnb market can be a profitable investment for an Airbnb host but to generate income and manage cash flow, you'll likely need to consult secondary services like property management software and so on.

It's also a good idea to work with real estate agents or a property finder tool. Also, don't forget to include your monthly mortgage payments when deciding on your pricing structure.





GET FAMILIAR WITH AIRBNB RULES AND REGULATIONS

Some cities have friendlier STR regulations than others. For example, the local government in Maui, Hawaii, strictly limits the number of actively listed STRs on the island. This may sound like a detractor for investors, but it's not that simple. Because investors who can manage to secure a licensed STR in Maui find themselves in an enviable position—low supply, high demand, and limited competition.

Do your research into each market to understand not only what their regulations are, but also if they have any special zoning laws, taxes, or occupancy limits that might cut into your profitability.

Analyze Airbnb investments and real estate data in each market

Once you've decided on your investment's location, it's time to dive deeper into its neighborhoods, zip codes, and adjacent markets. Even after you've chosen a city, it's important to analyze the factors within that city that can make your investment soar: competition, zoning laws, average daily rate (ADR), and more. Though you can find some of these figures manually, you can also use tools like MarketMinder™ to quickly generate the data you need.

In MarketMinder™, each market you analyze will reveal a Market Grade, average revenue and occupancy figures, quarterly growth, amenities, rate analysis, pacing, and more to spot the market that fits your Airbnb investment portfolio, niche, and goals.

You can use the following tabs within MarketMinder™ to determine which zip code or neighborhood may align with your goals. Be sure to take the time to explore each area and to fully understand your market.

SEASONALITY

Virtually all markets have high and low seasons. This is especially true for destination markets like lakeside retreats, ski towns, and beach towns. Take a look at monthly and daily RevPAR to see when you can expect revenue growth, historical travel trends, and booking windows each month of the year. Remember: If you're in a highly seasonal market, you'll want to factor that into the pricing strategy for your Airbnb real estate.

SUPPLY AND DEMAND

Pacing tools in MarketMinder™ show you future demand for up to six months so you can get a sense of booking windows, booked rates, year-over-year comparisons, and occupancy rates in your markets.

MarketMinder™ enables you to compare your markets with average historical rates and market projections to get a sense of Airbnb income potential.

SHORT-TERM RENTAL RESEARCH

While some markets are flooded with vacation rentals, others are hidden gems with high occupancy rates. You can compare the number of active listings with quarterly rental growth, annual revenue trends, occupancy rates per city, and types of amenities to know which property types will fit your portfolio and local competition.



COMPARE AIRBNB INVESTMENT OPPORTUNITIES IN MULTIPLE MARKETS



Comparing markets is the best way to find a city and a property that is likely to meet your investment goals. The simplest way to do this is with the Market Comparison tool within MarketMinder™.

Market Comparison reveals trending revenue and occupancy numbers for each market you explore. If you haven't settled on a city or zip code to invest in, you can enter up to four locations at a time to compare Airbnb revenue, occupancy, and rate growth. But even after you've picked a city, you can use Market Comparison to drill down on top-performing zip codes and property sizes to maximize revenue and make a profitable investment.

Be sure to toggle between zip codes and neighborhoods, studio to 6-plus bedroom counts, and the number of guests the property can accommodate. Don't forget to compare trend lines for revenue, occupancy, and year-over-year ADR to choose the most profitable combination.

ESTIMATE YOUR AIRBNB INVESTMENT INCOME

Once you've decided on your market and property size, you're ready to research rentals for sale. Zillow is a great place to start looking for listings that fit your criteria and can help you reach your Airbnb real estate investing goals. Once you filter for budget and property attributes, gather a few addresses of interest and head back to MarketMinder™. Rentalizer, the Airbnb Calculator, will instantly calculate your Airbnb income potential, as well as other essential markers to help make your decision.

Enter any address and immediately receive annual revenue and occupancy projections. Take it one step further by entering the cost of the home and your projected major expenses into our financial calculator to receive operating income and cap rate to complete your investment research. With Rentalizer, estimating rent for your STR couldn't be easier.

Rentalizer is great for those curious if Airbnb is profitable, investors identifying profit margins for their portfolios, individuals seeking new ways for passive income in 2022, vacation rental managers seeking to expand their management, and so much more.

New in 2022: Rentalizer now shows the two-year historical trend and seasonal forecasting in our estimates. Our confidence intervals will provide high and low estimates for each month of future revenue potential. Tracking the history of your vacation rental's annual revenue estimate will address whether or not your rental market is appreciating in value.



HOW TO MAXIMIZE YOUR AIRBNB PROFITS

Like with any other investment, a significant amount of research is required before deciding how much you should spend on a property, as well as how much you should list the property for. Done right, Airbnb investing can be massively profitable. Review these few tips on how to price your Airbnb investment:

1/ **RUN THE NUMBERS**

As with any investment, the most important thing to look at before deciding whether or not to pursue a deal is the numbers. If you have multiple investment properties, try listing just one on Airbnb to see how it performs. How much can you charge? What are the occupancy rates? How much work are you putting into the job? There's also always the option to rent out your primary residence on Airbnb. Take a vacation and see how difficult it is to navigate the platform. Just remember, the testing stage is vital.

2/ **RUN YOUR RENTAL LIKE A BUSINESS**

Whether you have one property listed on Airbnb or 10, you should always run your rentals like you would a business. What do we mean by that? Well, Airbnbs are essentially hotels, right? They are a hotel's top competitor, in fact. 5-star hotels get their status by going above and beyond their guests' expectations. So consider the needs of those to who you'll be renting your property. An extra toothbrush in the bathroom, ground coffee beans in the coffee pot, or cold water bottles in the fridge are just a few ways to show your guests you care.



HOW TO MAXIMIZE YOUR AIRBNB PROFITS

3/ **GET CREATIVE**

The properties that are rented out most frequently on Airbnb are those that are well decorated and professionally photographed. So channel your inner interior designer and get to work. While it's important not to get too eclectic with the decor (you do want to appeal to the vast majority of people, after all), it is perfectly okay — encouraged, in fact — to get a little creative. Is your rental in a “beachy” location? Play up the vibe with tiki torches and floral design. If you're in a city, consider hanging art that is reflective of the town's character.

5/ **OUTSOURCE**

When it comes to Airbnb rentals, be sure to play to your strengths. If you're not the best interior designer, outsource that project. If you aren't the best at fixing a leaky toilet, outsource that project. Time is an investor's most valuable asset. So when you are willing to delegate, you're actually doing what's best for yourself, your property, and — in the long run — your budget.

6/ **IDENTIFY YOUR TARGET RENTER**

Defining exactly the type of person you want to rent your property will help you market said property. If you want to appeal to higher-paying guests, you're going to have to fulfill your end of the bargain and provide a luxurious experience. If, on the other hand, your competitive advantage is your property's nightly rate, be ready to put in the work that comes with consistent tenant turnover. Whatever your ideal customer looks like, be sure to play up whatever it is about your property you know that “ideal renter” would want.





Search for Your Real Estate Investment Property Thoroughly

Once you know how much you can spend on your Airbnb rental, start searching for actual properties on sale. Exhaust all possible sources such as online listing websites, the real estate sections of local newspapers, friends, and acquaintances.

Don't go for MLS properties only but also actively look for foreclosures, bank-owned, and off-market properties as they can bring your return on investment significantly higher due to the low price you'll have to pay for them.

Throughout the property search, keep your budget in mind. Don't fall for a property that you cannot afford. After all, you are buying an investment property to make money from, so your decision should be rational and based on numbers. You are not buying your dream home to live in.

Conduct Thorough Analysis

Once you have identified a few properties which match your budget and other search criteria, make sure to perform careful analysis. Start with comparative market analysis or CMA.

This means finding a few properties similar to the ones you're interested in which are located in close proximity and which were sold no more than a couple of months ago.

Check out their prices and account for the differences between them and the properties you are considering. This will help you establish the fair market value of your Airbnb rental and assure that you don't overpay for it.

The next step in your real estate analysis is to analyze the properties themselves. Investment property analysis starts by estimating the monthly rental income which you can expect to get from your short-term rental based on the average occupancy rate in the market and the predominant daily rate.

Make a list of the one-time, startup costs as well as ongoing expenses related to buying and owning a rental property. This is the only way to make sure that your property will yield positive cash flow. Do not ever settle for a property with negative cash flow or that barely breaks even, in the hope of better luck soon. Only invest in favorable cash flow properties.

In addition, you should calculate the expected return on investment in terms of cap rate and cash-on-cash return. While real estate experts fail to agree on what constitutes good cash-on-cash return as it depends on your method of financing, a good cap rate is above 8%.



YOUR HOA AND AIRBNB

Key Considerations

UNDERSTAND YOUR HOA'S POLICIES

First and foremost, determine if your Homeowners Association (HOA) permits short-term rentals. Begin by reviewing your community's covenants, conditions, and restrictions (CC&Rs), which outline the rules governing your HOA. These documents typically specify whether short- or long-term rentals are allowed.

HOA regulations can vary widely. Some may ban rentals shorter than 30 days, while others may prohibit any type of lease, regardless of duration. It's crucial to be aware of these restrictions as they can significantly affect your ability to generate rental income.

CHECK LOCAL REGULATIONS

Before delving into your HOA's rules, familiarize yourself with local government regulations on vacation rentals. Some cities and states require business licenses, impose higher property taxes, or mandate the collection of lodging taxes per booking. In some areas, vacation rentals may be entirely prohibited.

ASSESS YOUR HOA'S INVOLVEMENT

The level of involvement and services provided by HOAs can differ. Understand what your HOA fees cover—property landscaping, security presence, fitness centers, and other amenities. This information is useful for accurately marketing your home in vacation rental listings.

IMPACT ON GUEST EXPERIENCE

Your HOA's rules may influence your guests' experience. Incorporate these requirements into your vacation home guidelines to ensure guests know what is expected.

COMMON HOA REQUIREMENTS MIGHT INCLUDE:

- Checking in at a front desk
- No pets allowed
- Additional fees for shared amenities like pools and tennis courts
- Observing quiet hours
- Restrictions on outside guests
- Restrictions on Rental Duration

Even if your HOA allows vacation rentals, there may be limits. Verify if there are restrictions on the duration or frequency of short-term rentals. For instance, your HOA might limit rentals to three months per year. Carefully review your CC&Rs and other governing documents to avoid any surprises.



KEY DETAILS TO UNDERSTAND INCLUDE:

- Who qualifies as an Airbnb guest
- Frequency of guest visits
- Duration of guest stays
- Seasonal limitations on Airbnb bookings
- Guest Parking

Ensure your guests have clear parking instructions to avoid confusion and potential penalties.



KEY QUESTIONS TO ASK INCLUDE:

- Number of cars allowed per booking
- Designated parking spots versus open parking
- Parking permit requirements
- Guest vehicle registration with the HOA
- Policies on campers, RVs, and electric car charging stations
- Community Considerations

While HOA rules and local regulations are critical, also consider your neighbors and the community environment.

IMPORTANT FACTORS INCLUDE:

- Presence of other vacation rentals in the community
- Ratio of vacation rentals to full-time residences
- Immediate neighbors' attitudes towards vacation rentals
- General acceptance or resistance from the community
- Nature of the neighborhood (quiet/residential versus lively/bustling)

By understanding these aspects, you can ensure compliance and foster a positive relationship with both your HOA and community, making your vacation rental a success.





PURCHASING YOUR AIRBNB

STRATEGICALLY PRICE YOUR AIRBNB

The right pricing can have a huge impact on the profitability of your Airbnb investment. It's important to remember that there is no single rate that's right for your property; the daily rate you offer may change based on the day of the week, the season, and the supply/demand in your market. A successful pricing strategy should adapt along with these factors.

If you're unsure about the right rate for your rental, MarketMinder™ has the answer. Once you purchase your property and list it on Airbnb, you can connect your listing to MarketMinder™ to access customized comp sets and receive your free Booking Performance Score for each listing. You'll receive:

- **Booking Performance Scores for each connected property**
- **Competitor insights and performance metrics**
- **Personalized property-level dynamic pricing**
- **Comp set pacing**
- **Market-level insights**
- **And much more**

The data in Custom Comps will keep your prices optimized, support occupancy to hit your business goals, and deliver competitor insights handy to maximize your revenue potential—all in a single, easy-to-navigate dynamic Airbnb pricing platform.

PRICING

One benefit to using Custom Comps is comparing Smart Rates, our Airbnb dynamic pricing tool, against your personalized comp sets. This allows you to visualize pricing trends to see if your comps are being booked more often or at higher rates than yours; you can also tap into the accompanying recommended rates calendar to help adjust your rates 12 months out.

Pro-tip: You can change the price settings to focus on occupancy rates versus aggressive revenue goals.

SETTING UP YOUR AIRBNB

There's a lot of work that goes into creating the perfect customer experience for your Airbnb guests. Part of that success formula involves the quality and types of amenities that your property offers.

Buying vacation rental supplies is one of the tasks that you'll need to approach carefully in order to ensure that you have the essentials that matter to your guests most. In addition to the basics, you'll also want to purchase a few special items that will really make your vacation rental guests feel like they are well taken care of.

Generally, when it comes to deciding which Airbnb supplies to purchase for your guests, you should think of your property as commercial accommodation. Purchase the same quality of toiletries, linens, and other items that you usually see in hotels. However, since many Airbnb properties don't really match the traditional concept of a hotel, you'll need to also consider the type of guests that your property attracts.

Follow these rules and the tips below to ensure that you purchase the right Airbnb supplies to help you exceed your guests' expectations.



SETTING UP YOUR AIRBNB

WHERE TO BUY AIRBNB SUPPLIES

To buy vacation rental supplies for your property, it is generally advisable to purchase them in bulk. Not only will you get access to wholesale pricing but it will also mean that you don't have to shop as often for refills of the supplies.

Discount stores and box stores provide great deals on bulk Airbnb towels, Airbnb sheets, and more. You can also purchase Airbnb toiletries from online shopping sites.

Many vacation rental hosts rely on Costco, Amazon.com, Target.com, Walmart.com, and other retailers to purchase supplies in bulk. Online shopping sites are also particularly useful for stocking up on supplies because you can set up automatic shipments so that you never have to worry about finding time to order them again.

PROTECTING YOUR INVESTMENTS IN AIRBNB SUPPLIES

Although you want to provide a great experience for each and every guest, don't overlook the importance of protecting your investments in vacation rental supplies. You might worry about the Airbnb risks of purchasing certain amenities in the case of guests who do not respect your property. However, there are ways to safeguard against these issues, namely checking your guests' reputation thoroughly before accepting a booking.

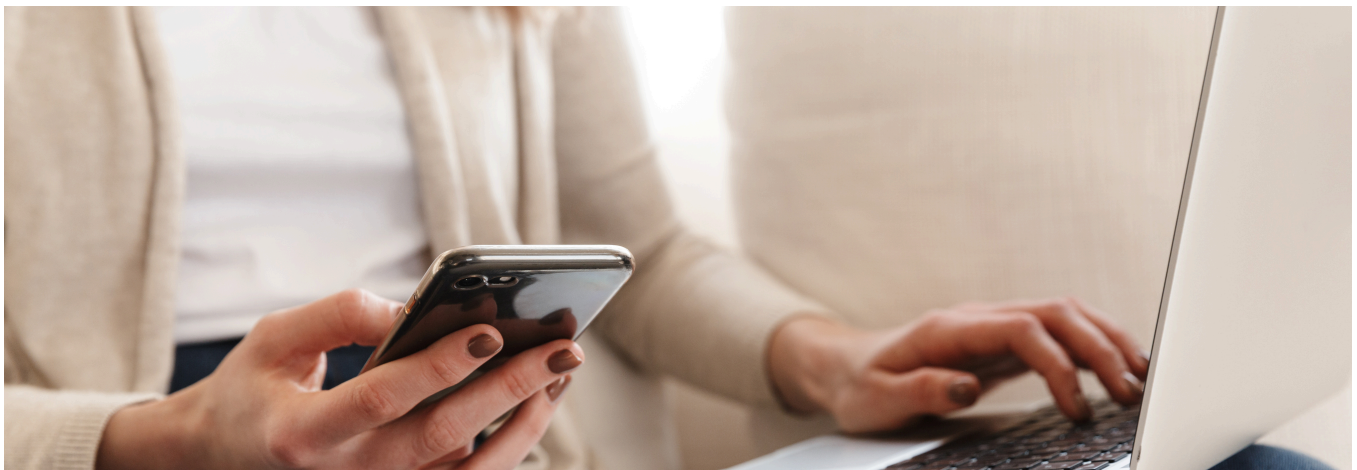
For more expensive items, such as furniture and appliances, these items will be covered under Airbnb's insurance policy, as well as, your own insurance that you purchased for your Airbnb business. If you're in doubt about whether the Airbnb supplies and amenities of your property will be covered by your insurance, make sure to ask your insurance agent or Airbnb first.

MARKETING YOUR AIRBNB

From boosting the social media presence of your vacation rentals with Facebook advertising to managing Search Engine Optimization and specific Airbnb SEO, promoting your listing in clever ways will result in more bookings for your vacation rental.

Airbnb vacation rental guests respond to pictures on your Facebook page and other social media platforms – it's how the majority of people spend a substantial amount of their time (browsing social media platforms).

Here are 10 not-so-obvious but very effective ways to promote your Airbnb listing property and additional vacation rentals.



CREATE A STORY TO PROMOTE YOUR AIRBNB LISTING ON SOCIAL MEDIA

What makes an [Airbnb listing](#) interesting? The fact that there is a story behind it.

Share beautiful photos of the interiors of your listing on your social media pages. You can even combine these [photos](#) with photos from other places nearby to create a guide to your neighborhood. Follow up with photos of local establishments that you love and write a bit about each one.

While you don't have to go as far as creating a blog for your Airbnb listing, you should make it into a story. Use your social media story as a way to draw in guests that are looking for a specific experience.

MARKETING YOUR AIRBNB

WORK WITH A JOURNALIST OR LIFESTYLE BLOGGER

This might be a bit tricky, but it is one strategy you should absolutely consider as part of your long-term growth strategy. Lifestyle bloggers who have tons of followers on social media, as well as, journalists can bring you some serious publicity with potential guests.

The easiest way to attract attention to your Airbnb listings is to offer to allow them to stay at your property for free so that they can post about it and review it. Try contacting them directly and explaining your offer.

They are more than likely willing to do this as long as your Airbnb listing has a good amount of reviews. Also, it would help if you've already established yourself as a Superhost on Airbnb.

JOIN VACATION RENTAL FORUMS

When you join vacation rental forums, you'll get to interact with other hosts of Airbnb listings about a variety of issues related to hosting on Airbnb. While this helps grow your business by teaching you how to manage it more effectively, you can also benefit from a bit of word-of-mouth advertising to promote your Airbnb listing.

By staying active in the community, your fellow Airbnb hosts will likely look out for you and send some business your way. So work on building up your credibility so that other hosts know that they can trust you enough to send you referrals.

GET LISTED WITH VACATION RENTAL/TOURISM WEBSITES IN YOUR AREA

Like hotels and hostels, make sure that your Airbnb properties are listed with tourism websites in your area. These are trusted resources for out-of-town visitors. As a result, getting listed with these organizations is sure to boost your bookings and reach a much broader audience.

MARKETING YOUR AIRBNB

CREATE BUSINESS CARDS AND FLYERS

If you primarily use the internet to promote your Airbnb listing business, don't overlook offline methods of advertising. Create business cards and flyers to leave at a few local business locations in your area that tourists frequent, such as restaurants and local events.

PRODUCE A VIRTUAL TOUR OF YOUR VACATION RENTALS

Virtual tours are very popular features in the vacation rental business space nowadays. They're easier to create than you might think. Offering a virtual tour of your listing allows potential guests to ascertain whether the space is worth their valuable time or not.

Giving the guests the option to tour your vacation rental listing for free before they decide to book is a great way of promoting your listing and showing the full scope of your property to interested parties.

CREATE EXPERIENCE PACKAGES

Savvy hosts will have tapped into the experience market a long time ago. It makes money on the side and allows hosts to advertise their listings and services at the same time. Developing a package that offers both accommodation and a signature experience is a great way to promote your listing property.

Marketing your listing as a package deal will make interested guests even more interested! Use a direct booking website to your advantage and post your experience pairing on Facebook too for added exposure.

Tap into the likes of your target guests and design something that keeps the theme of your listing at the forefront. For example, if you own a modern city apartment, offer your guests a fine-dining tour of the city's best foodie spots.

MARKETING YOUR AIRBNB

HIGHLIGHT WHAT MAKES YOUR LISTING UNIQUE

Guests are always searching for unique ways to improve their vacation experience. To successfully market your Airbnb, showcase features that make your property stand out.

Is your property set away from the busy hustle and bustle of the city? Alternatively, is your rental located nearby popular tourist attractions? No matter your location, consider adding this detail to your listing — it can be a major selling point for guests seeking a particular experience.

Next, think about specific rooms and features that can be highlighted in your listing. For example, remote workers may be drawn toward listings that include a home office or other comfortable areas to work. Families with young children may be attracted to listings with a designated playroom.

Seasonal amenities are also important to highlight in your listing. For example, having an outdoor dining area, fire pit, or pool will attract guests during the warmer months. For colder climates, set the scene by promoting a cozy night in, sipping hot cocoa by the fireplace.



WHAT IS PROPERTY MAINTENANCE?

Property maintenance involves consistent cleaning, inspections, and repairs in homes or rental properties. It can be either routine or reactive, depending on the task.

Routine maintenance may include changing the air filters, conducting recurring walkthroughs, and housekeeping. On the other hand, reactive maintenance occurs when there is a problem that needs to be solved, such as flooding or a clogged drain.

If you manage a vacation rental, you're likely quite familiar with property maintenance. Hosting numerous guests back-to-back means that normal wear-and-tear — or even more severe damages — is inevitable. That said, what aspects of property maintenance are the responsibility of Airbnb hosts?

Vacation rental hosts are responsible for the care and management of their property. In fact, Airbnb outlines several tips to help rental managers and owners exhibit responsible hosting.

- Airbnb properties should include a working smoke alarm, carbon monoxide detector, and fire extinguisher.
- There should be a clear fire escape route mapped out and provided to guests.
- Trip and fall hazards should be removed and marked.
- There should be no exposed wires.
- Any stairs should be accompanied by handrails.
- Properties should be properly ventilated.

Despite the many property maintenance responsibilities that come with owning or managing an Airbnb, hosts don't have to handle all this work alone. There are numerous options for hosts to outsource vacation rental property maintenance. These avenues will be discussed below.

3 WAYS TO HANDLE RENTAL PROPERTY MAINTENANCE

Airbnb hosts can choose whether or not they want to handle their rental property maintenance on their own. Below, learn more about DIY maintenance as well as options that hosts have to outsource this aspect of the job.

DO-IT-YOURSELF

As stated, vacation rental hosts may choose to handle their property maintenance and repairs themselves.

A partial list of rental property maintenance tasks includes:

- Pest and rodent control
- Handling leaks and water damage
- Inspecting the roof for damage
- Cleaning the gutters and exterior vents
- Patching ceilings and drywall as needed
- Checking smoke alarms and carbon monoxide detectors
- Replacing filters in the HVAC units
- Preventing frozen pipes
- Ensuring door and window locks function properly

Although it can save you money, performing rental property maintenance yourself requires a certain level of handiness — and a vast amount of time. If you're not particularly handy, or if you're short on time, outsourcing your rental property maintenance may be a wise investment.



USE A PROPERTY MANAGEMENT COMPANY

Property management companies are hired by property owners or landlords to take care of certain tasks involved in the upkeep of the property. How much and what types of tasks the property management company does depend on the terms outlined in their contract.

Property management companies can be an extreme help to vacation rental hosts who consider hosting their second job — or who just don't have the time, energy, or desire to handle rental property maintenance on their own. That said, hiring this type of service may not be the right fit for some hosts.

Hosts will have to take on a fairly high monthly fee if they choose to work with a property management company. Additionally, they will have to sacrifice a certain level of involvement when letting an outside company handle their routine and reactive maintenance tasks.

There's also the challenge of finding the right company to suit the rental and the host's preferences. It's common for vacation rental owners to try out multiple property management companies before finding one they're comfortable with. Ultimately, however, it's up to the host to determine the best fit for their unique situation.

HIRE A LOCAL PROFESSIONAL

If a property maintenance company doesn't sound like your style, you can also choose to hire outside contractors local to your area. For example, if you have a plumbing issue in your Airbnb, you can find and hire a local plumbing company to service your property.

Plumbing issues may be fairly rare in your case, but one thing you'll need during each and every turnover is vacation rental cleaning. You can also work with cleaning professionals in your area to get your property sparkling clean after each guest.

One major benefit of working with local professionals is the strong relationships hosts can build with these service providers.

Many hosts find that working with a property management company comes with an approach that is too hands-off for their liking. After all, they're entrusting their business — in some cases, their only form of income — to a company that has yet to earn their trust.

On the other hand, many hosts already know and trust local professionals, including plumbers, cleaners, and more, who can provide their rental property maintenance. Even if this isn't the case, working with a local professional who can address a host's specific needs allows them to foster a lasting relationship that benefits both parties for years to come.



10 THINGS

I WISH SOMEBODY TOLD
ME BEFORE I BOUGHT AN
AIRBNB PROPERTY

10 THINGS

I WISH SOMEBODY TOLD ME BEFORE I BOUGHT AN AIRBNB PROPERTY

1/

IT'S A HOSPITALITY BUSINESS

"There's nothing passive about this business," says Kaylee Taylor of Lake Glenville Cottage in Glenville, North Carolina. "A well-maintained home takes work, and making a memorable vacation for your guests takes work."

She reasons there's the marketing, accounting, and management of the team. Even from afar, there are all the thoughtful touches to stay on top of, plus needing to make sure that the experience remains in line with your vision.

"I think to sustain a successful vacation rental business, you need to truly have a love for hospitality," Taylor says. "If you have that, the stories from your happy guests will motivate you to continue."

2/

IT'S HANDS-ON

My husband and I manage our own property, which means it's an incredibly hands-on process — from answering phone calls in the middle of the night (my phone is never on mute!) to doing paint touch-ups between guests.

Some of that can be avoided by hiring a property management company, but assuming you are invested in the guest experience, you still have to take an active role. The property management team is the boots on the ground, but they're typically not responsible for ongoing maintenance. Jennifer Little of Beacon Bay Getaway in White Stone, Virginia, explains, "We have a great management team and cleaning crew, but you have to still be checking in on the property and making sure all the bases are covered."

3/

YOU CAN'T PLEASE EVERYONE

We've had requests for everything from blackout shades on our sunroom windows to a pasta maker. While some requests are helpful — for example, I don't have a dog, so requests that make those guests' lives easier are great — I've also realized you can't please everyone.

Little adds that she and her husband have had to navigate this lesson, too. "Perhaps a guest would prefer a firmer pillow or lighter blanket on the bed, but you can't please everyone. Rolling with the punches and being flexible is key," she explains.

4/

SOME PROPERTIES ARE HIGHER-MAINTENANCE THAN OTHERS

This is always my number-one piece of advice. Why? Because we bought a high-maintenance property — and low-maintenance properties definitely exist. I tell people that if our cottage wasn't something we planned on keeping for ourselves for decades to come, it wouldn't make sense to put so much work into. Because of the land, location, and age of the house, nearly every dollar we earn goes back into it. Every time we're there, we're tackling projects.

I've learned about coastline remediation, algae on white siding, and the many pests that can attack rose gardens. This is all to say that if you want low-maintenance, look for a small yard, a smaller, newer house, and a location that isn't going to be fighting the elements.

5/

THINGS WILL BREAK

I spent a lot of time and effort decorating and DIYing projects throughout the house, and people always ask if I'm scared of guests ruining it. I'm not, but it's because I expect them to. Everything is replaceable. It's just stuff — it's fine.

6/

LOOK INTO THE LOCAL REGULATIONS

Zachary Whitman of Rooted Land Company in Madison, Virginia, lives on the same property where he also rents out a farmhouse. He explains that some cities are making it more challenging to enter the market.

"It's important to research local lodging policies and taxes prior to investing in a home or listing your current home," he says. "It's also important to gauge the appetite and sentiment that the community has towards short-term rentals and tourism." While looking into current regulations should be your first step, going further into county board meeting notes could provide a glimpse into whether regulations could be coming imminently.

7/

UNDERSTAND THE MARKET

"Our area has grown from a handful [of rentals] to hundreds of short-term rentals during our three years of hosting," says Whitney Bradberry of Front Range A-Frame in Bailey, Colorado. She explains that listing a home on Airbnb is easy, but you have to stand out to find success. That includes investing in the design and hospitality.

"We spent more time and money on the initial remodel and amenities than expected," she says. "Still, I'm grateful we invested in the guest experience because as the market becomes more saturated and the economy fluctuates, our rental continues to succeed."

8/

FORGET THE BUDGET

I understand this one all too well. "Budget ... what budget?," asks Jenny Power of Cornerstone Cottage in Maine near Acadia National Park. As she's renovated a historic farmhouse in an area where she grew up visiting, she's found that getting contractors has been difficult. While they've ended up DIYing many of the projects, the costs are still through the roof.

"The cost of buying a short-term rental is one thing, but the cost of owning one is another. The repairing, furnishing, stocking house supplies, hiring housekeepers, landscaping, and upkeep of the property are costs that people do not factor in," Power says. She notes that they ballooned their expected budget by four just to get it open the first year, and they continue to make updates

9/

GET TO KNOW YOUR NEIGHBORS

We're lucky that we actually knew a few of our neighbors before buying our cottage, and we still had to navigate conversations early on telling them our plan to rent it out. Having friendly relationships with the neighbors, as well as getting to know the larger community and referring guests to local businesses, can make a huge impact.

Bradberry relays a similar message, but with other hosts. "Create a supportive community. Hosting isn't passive, and while rewarding, it can be exhausting. Pass the keys to a co-host while you take a weekend off to recharge. Laugh and commiserate with other hosts. Build that network!" she says.

10/

IT CAN ALL BE WORTH IT

Like with anything, the effort has a pay-off. These bookings are far from transactional, which is another thing I didn't expect. When I receive a thankful message from a woman who brought her 90-something, former Navy father because he wanted to sit by the water for a few days, or I see photos from a group who spent Easter with their family hiding eggs and shucking oysters, it's heartwarming to know I can share all of this hard work with people who appreciate it.

Power expresses a similar sentiment: "In the end, after all the budget headaches, after all the stressful nights of trying to organize repairs, hearing the sweet messages somehow wipe all the other stuff away. Just knowing you created a space where memories were made, where laughter and smiles were too many to count, is fuel to keep going."