

# The Telegraph LUXURY



Martha's Vineyard, Massachusetts available through 3rd Home

**PROPERTY & ARCHITECTURE**

## High-net holiday lets

Private property clubs are making home exchanges an appealing prospect for the affluent homeowner



BY ZOE DARE HALL  
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I once knew a financial advisor who, several years ago, had just bought a rather smart second home in southern Spain. When I asked if he was going to rent it out for holiday lets, he looked shocked. "Certainly not," he said. "I don't want other people sleeping in my bed."

Ever since, that has seemed to me to be the distinction between the privileged (those who can afford to own a holiday home overseas) and the really rich (those who can afford to own a holiday home overseas AND not need to rent it out). But even the latter band has started to count the costs since the credit crunch and has come around to thinking that maybe letting others use your empty properties isn't quite so sordid as it once seemed.



Fox End, The Cotswolds available through 3rd Home

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"Having a house in the South of France that sits empty for most of the year is fine when it's appreciating in capital value. But since 2008, people are looking through different glasses," says Giles Adams, the London-based president of 3rd Home, a private club whose members can offer unused weeks in their second (or third) homes as holiday destinations for other members. It's described as "the world's most luxurious home exchange" and members pay a \$2,500 (approx. £1,500) initiation fee, then

\$395-\$995 (£235-£600) a week per swap.

"If you own a beautiful home, you should never have to pay to rent other beautiful homes. Exchanging is a way of getting value from your asset," Adams adds.

The notion of home exchange was once anathema to the sort of client 3rd Home attracts – a successful bunch mainly in their 50s, with homes either inherited or bought during the boom times. "But if you've spent a million pounds or more on a home – our average is £1.3m – you feel compelled to go year after year, which becomes a millstone around the neck," says Adams.



Melody Road, Wandsworth available through Ivy Lettings

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"We're first and foremost a club, so these are people who know how to treat other people's homes properly. Some owners have hundreds of thousands of pounds worth of art or antiques, so they're happy for like-minded people to come and appreciate it, but they don't want to get involved in the traditional rental market."

One member is music producer Marcus Vere, a former member of the 1980s band Living in a Box, whose 17th century thatched cottage in the Cotswolds is almost entirely booked up this summer. In return, he and his family have enjoyed free accommodation all over the world.

"We save thousands this way. As a family of five, you're looking at nearly £5,000 even for economy tickets to fly to the US these days, so we're happy to take any benefits we can

from having a house in the Cotswolds to subsidise our holiday accommodation costs. This summer, we're staying at the Trump Hotel & Tower on Central Park."

To strike a balance between these swanky swaps, which help pay for family holidays, and making his holiday home pay for its running costs, he also rents it out through traditional holiday letting websites.



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Also targeting the wealthy who might otherwise have turned up their nose at letting out their properties is [Ivy Lettings](#), who deal purely with the London market at present. They appeal to owners of second homes in the capital, or people who travel regularly so their primary home is often vacant. Their average property is worth £1.5m and typical short let rates are £1,000-£2,000 a week (with owners paying fees of around 30 per cent per booking to cover admin costs, cleaning etc.)

Former City lawyer and banker Guy van der Westhuizen set up the company in 2009 after seeking to let out his Shepherds Bush home to finance a several-week holiday for his family of five, plus nanny, and finding that no one that offered a suitable short let service. "Our clients rent out their homes for all sorts of financially-driven reasons – to fund trips, cover running costs, pay school fees – and people like their home to be occupied when they're not there. It's almost like having a house-sitter who pays you," says Westhuizen.

"People who didn't need the extra income or who didn't like the idea of others sleeping in their beds have come round to the concept," he adds. "If you're not interested in earning an extra £75,000 a year from an under-used London home, then you're either very wealthy or very lazy." It's amazing how a social stigma can evaporate when large sums of money are involved.



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