

## Property news



Edited by Arabella Younis

ACCORDING to a recent report by PricewaterhouseCoopers (PwC), 'access is the new ownership', whether that refers to properties, cars or other assets. In the UK alone, the 'sharing economy' is estimated to be worth £500 million and growing 25% year-on-year. To many, says PwC, 'owning feels like a burden', which goes some way to explaining why short lets and house swaps in particular are on the increase. If you want a bigger return on your investment or simply to travel more affordably, sharing your house or holiday home is worth considering.

**‘Your profile is your advert, so you need to ensure you appear friendly’**

Of the many businesses driving this phenomenon, Airbnb, with more than a million properties in 190 countries, is probably the most recognisable ([www.airbnb.com](http://www.airbnb.com)). Anyone can join and any home is eligible, from basement rooms in hip urban town houses to rambling castles in out-of-the-way places and everything in between.

As an owner, you're not locked into a minimum availability, it costs nothing to join and Airbnb only asks for 3% of your nightly rental price in return for appearing on the site.

If you're not an established B&B owner (although many on the site already are), the biggest hurdle to committing is the thought of inviting strangers into your home. In fact, none of these 'sharing economy' businesses can hope to thrive without fostering a sense of trust and community between members. Airbnb ensures that all guests and owners are fully profiled on the site.

Rupert and Sarah Foster have been renting out the cottage adjoining their house in North Yorkshire through Airbnb for a year and, so far, haven't encountered a problem. Sarah explains: 'You can check out the profile of guests before they arrive and visitors are asked to tell their hosts a bit about themselves when they book. Both guests and owners are encouraged to review their visit, ensuring



## The 'sharing economy' unpacked

Have you heard of the 'sharing economy'? If not, it's time you did, because there are changes afoot in the way people use their properties and it could benefit you, says Tessa Waugh

that tricky people are exposed and can be avoided in the future.'

In addition, Sarah says: 'There are no financial complications because visitors pay via the site when they book and Airbnb pays the owner 24 hours after the guests arrive.'

Silvy McQuiston has rented out her cottage in Wiltshire through Airbnb for nearly two years. She has some advice for would-be hosts: 'Your profile is your advert, so you need to ensure that you appear friendly and approachable and be consistent with your profile when the guests arrive. Airbnb-ers respond well to a personal touch, but, you need to know when to pull back if they want their space.'

Silvy's experience of the negatives is small: 'Sometimes, people give less notice than they might with conventional B&Bs. I had one man from Hawaii who rang from the airport and asked if he could stay that night, for example. But you can always change your settings if you need more notice.'

Sarah adds: 'If I used a conventional agency, it might put work into making sure our cottage would be fully booked. This way, it's all down to me and I have no guarantees. On the other hand, Airbnb only takes a small cut, so I can charge less.'

At the exclusive end of the market, companies such as onefinestay (OFS) ([www.onefinestay.com](http://www.onefinestay.com)) are offering opportunities to let your home short-term to an expanding number of tourists and business people looking to live like a local (albeit a wealthy one) without compromising on hotel-style amenities. OFS has a portfolio of properties in London, Paris, New York and Los Angeles and competition to join its roster is fierce—the company receives hundreds of applications each week and chooses only the best 10%.

Interior style and location are key (here, members are currently limited to properties in central London, for example). Unlike Airbnb, there is no requirement of the host beyond making sure they're off the premises. In return, OFS promises that, typically, you'll receive a rate comparable to the long-term rental yield of your home for that period.

Alan Green's two-bedroom flat in West Kensington has been available via OFS for roughly three years, filling the flat for roughly 80% of the time that he's away. 'So far, it's worked really well,' he says. 'OFS takes care of everything. I head off, whereupon it moves in and gives the place a "hotel clean" and makes up all the beds with its own linen. It also provides towels and even toiletries. When the guests leave, everything is cleared away and I return to find everything exactly as I left it.'

Any concerns about personal property are taken care of: OFS recommends that hosts remove any valuables and it photographs everything that's left and tapes up any cupboard doors it doesn't want guests to open. It also

offers an insurance policy to supplement your existing contents policy for absolute peace of mind.

Another offshoot of the 'sharing economy' is the increase in house swaps. Think Kate Winslet in *The Holiday*, in which she exchanges her chocolate-box country cottage for Cameron Diaz's LA superpal. Companies such as Love Home Swap ([www.lovehomewrap.com](http://www.lovehomewrap.com)), The Usage ([www.theusage.com](http://www.theusage.com)) and Swap Happens ([www.swapshappens.com](http://www.swapshappens.com), for six-chalet owners) have mushroomed in response to the demand and the number of good-quality homes available on these sites is increasing.

## ‘The advantage is that you gain access to amazing properties’

A quick scan of Love Home Swap, which offers 70,000 homes worldwide, throws up a Grade II-listed Jacobean mansion in Berkshire, a Georgian town house in Oxford and more Cotswold cottages than you can shake a stick at. Join its ranks and trips to Thailand, Canada and New Zealand could be within your grasp.

At the luxury end, 3rd Home ([www.3rdhome.com](http://www.3rdhome.com)) tells itself as 'a reciprocal travel club for luxury second home-owners', which means you can use your second home as a passport by letting it out to other members of the club. No money

### Need to know

**Images** The high-end companies will do this for you, but with Airbnb, it's down to you.

**Approach** It is as you might a dating website: the better the pictures, the more interest you attract. Hide grubby dog beds, catch the garden at its best and tell everyone why your house (and area) is the answer to all their holiday problems. Don't include pictures of local attractions.

**Profile** Think about who you're trying to attract and tell them what they want to hear. People with young families will see the chance to play with someone else's toys, walkers who crave solitude will love the fact you're miles from anywhere.

**Personalise** Make sure your house is clutter-free and clean. At the same time, don't attempt to erase the personality from your home—if your guests wanted sterile, they would have booked a hotel.



**Guides** Provide your guests with insider recommendations for the best local restaurants, pubs, garden openings and places to visit.

**Insurance** Historically a tricky area, but improving by the day—it's worth consulting the individual companies' arrangements and your own buildings and contents broker. Don't take any chances with your belongings: remove or lock away any valuables.

**Tax** There is no tax to pay on a house swap because no money changes hands, however income generated through renting rooms will obviously need to be declared on your tax return. If you're renting a room in your home (rather than an entire property), you could qualify under the Rent a Room Scheme, which is an annual tax-free allowance of £4,250 a year; the Government is intending to increase this to £7,500 in April 2016.

**NB** If you find a family who enjoys your house and vice versa, foster that relationship and you could repeat the process in the future.




changes hands between owners (membership is currently free) and owners simply build up a stock of credits or virtual money, called keys, which they can use against stays in other 3rd Home properties, paying an 'exchange fee' to the company based on the size of the property and keys used (varying between £205 and £641 per week).

Londoners Gaelle and Marc Deschamps, whose second home is a chateau in the Loire valley, have been 3rd Home members for three years. Gaelle explains: 'The great advantage is that you gain access to amazing properties that could ordinarily cost anything from £3,000 to £10,000 to rent per week. Although you're losing the rental cost of your own property, it doesn't hurt as much as paying for your holiday down.'

She adds: 'It also risks you of the rental guilt of not going to your second home for holidays. On the negative side, the keys only have a 12-month lifespan so you have to make sure you use them before they expire.'

Gaelle's advice is as follows: 'Have a holiday strategy so you know how you will use the keys—for example, two weeks' skiing, two weeks in the sun—and make it happen.'

So far, the Deschamps have been to 3rd Home properties all over the world, including Vietnam, the Dominican Republic and Trinidad and Tobago. Open your home to outsiders and see where it leads you. 



[www.countrylife.co.uk](http://www.countrylife.co.uk)

Sally McQueen successfully lets her Wiltshire cottage (above) through Airbnb. Marc and Gaelle Deschamps (below) swap their Loire chateau (left) for other luxurious 3rd Home properties worldwide.

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