

<http://www.thetimes.co.uk/past-six-days/2016-08-26/bricks-mortar/how-to-join-the-elite-house-swap-club-h2h6jf7cv>

MARKET INTELLIGENCE

Join the elite house-swap club

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Watch wildebeest from the balcony of this five-bedroom home in Masai Mara, Kenya (3rd Home) STEVIE MANN

One of the first examples of house swapping is thought to have happened in the 1950s. A group of teachers from the US, keen to make the most of their extended holidays without spending too much money, made contact with a group of teachers in the UK and arranged to stay in each other's homes.

Then, and until recently, saving money was the main reason why people exchanged places for their holidays. Six decades later, this way to holiday has gone upmarket, with homeowners who can afford to stay in hotels opting to swap houses instead.



The Prince family have been home swapping for more than two years HOWARD BRUNDRETT

Debbie Woskow founded the home-exchange website lovehomeswap.com in 2011, a company she describes as “Airbnb for grown-ups”. She says that second-home owners listing their properties is the fastest-growing part of the business. More than half (58 per cent) of the site’s members own two or more homes. About 35 per cent work at director or board level. While the average value of the 100,000 homes on her site is £760,000, just under one in ten of the homes listed is worth more than £1.5 million.

So why are wealthy people shunning the Hilton for a house swap? “The way we are travelling is changing — people are using their home as an asset that allows them to swap their way to a holiday,” says Woskow. “People are not looking to stay in the most expensive hotel: they are more driven by the experience — for example, trading your London home to holiday in a French castle or a house on Bondi beach; properties that money can’t necessarily buy.”

The most exclusive of the house-swapping options is ThirdHome. Billed as a “holiday exchange club” it is for homeowners who own a minimum of two houses — the club then provides access to a third home.

It is a gateway to more than 6,000 houses worldwide, each with a typical value of £1.8 million. However, it is an expensive option: the joining fee is \$2,500 (£1,896) and there are weekly fees of between \$395 and \$995.



A five-bedroom villa on Mayreau Island in the Grenadines (ThirdHome)

This is a different proposition to the “you stay at mine and I’ll stay at yours” model. Homeowners earn credit when they deposit weeks for other members to use their home. When they want to go on holiday, they exchange their credits for a stay in another member’s house [it is unlikely to be the home of the people staying in their place, nor at the same time]. “We felt there was scope to create a club environment that enabled owners of homes to trade downtime between themselves,” says Giles Adams, the president of the company. “We don’t exchange first homes in the club because second homes are more set up to provide a relaxing leisure environment.”

Woskowiak and Adams agree that the rise in home exchanging has happened on the back of the rise of a sharing economy (Woskowiak wrote a report on the subject for the government in 2014 and is the founder of the Collaborative Consumption Europe network). “First there were the financial troubles we experienced in 2008 and then a difficult period for the global economy — the sharing economy has its roots in people looking after the money they are spending and making their assets work harder,” says Woskowiak. “The sharing economy is partly about money, but it’s also about experience.

“Airbnb and Uber are the poster-children for this type of business,” Adams says. “If you own a car and can drive, then you can use your time to become a minicab driver. Now it’s about collaborative consumption as opposed to conspicuous consumption.”



Le Gallerie is a five-bedroom home overlooking Soufriere Bay in Saint Lucia (ThirdHome)

Hotel groups are buying into these new ways of holidaying: AccorHotels bought Onefinestay (a company that allows homeowners to rent out their high-end homes by the night) for £117 million in April, and the Wyndham hotel group, whose brands include Ramada and Travelodge, has bought a stake in Love Home Swap. This shows a recognition within the travel industry that home swapping is part of the future; a way of tackling the threat that home swapping represents to its business.

If you can't beat them, join them.

The Prince family decided to forgo hotels when they set off on their latest adventure. The family of six — Dan and Clair, both 40, and their four children: Kaitlyn, 11, Sophia, 9, and five-year-old twins Lauren and Samuel — have spent the past two-and-a-half years house swapping their way around the world. They have exchanged their four-bedroom holiday house in Koh Samui in Thailand 43 times to stay in high-end properties in Cambodia, Croatia, Dubai, England, Italy, Australia, New Zealand, France, Switzerland, Thailand and the US. Dan and Clair estimate they have saved £50,000 on accommodation in this way.



This four-bedroom house in Koh Samui, Thailand, has an infinity pool (ThirdHome)RALF TOOTEN

“We thought we’d post our holiday home on lovehomeswap.com to gauge interest from other members,” Dan says.

“Since doing that we have stayed in some of the most amazing homes in countries we’d never have dreamt of exploring. We’ve stayed in a beach-front house in Perth, Australia, a beautiful house in the North Island, New Zealand, overlooking the Pacific Ocean, and a luxury apartment in the centre of Rome. Our lives were so fast-paced, and we realised we were not spending enough time together as a family so we wanted to slow everything down to enjoy the kids while they were still young.”

The details

Love Home Swap

Number of properties More than 100,000 in 190 countries

Average value of the properties listed £760,000

Costs There is a two-week free trial, after which the annual subscription is between £144 and £240

ThirdHome

Number of properties 6,600 in 87 countries

Average value of the properties listed £1.8 million

Costs \$2,500 joining fee (£1,896). Exchange fees range from \$395 to \$995 a week. This fee goes to ThirdHome

Need to know

Most home insurance policies cover house swaps, but it is wise to check the details.

“If someone trashes your kitchen, this may not be covered, but if there is a flood then this is likely to be covered,” says Laura Hughes, the policy adviser at the Association of British Insurers. “Some insurers may ask you to pay extra.”

Similarly, check with your mortgage provider if you have one. “You will need permission from your lender,” says the broker Hugh Wade-Jones, of Ennes Private Clients. “It is likely that you will be asked to confirm you have the correct insurance in place.”