

Landlord for the holidays? Here's what you need to know

By  Berry Everitt

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If you are lucky enough to live in a holiday town, renting out your home (or part of it) for the festive season can be a great way to boost your income and make January a lot less bleak.



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And there are lots of online platforms like Airbnb, Booking.com and HomeAway that make it easy to list your property and become a “rentrepreneur”. But there are also lots of swindlers out there among the real holidaymakers, so there are some precautions you really do need to take before you hand over your keys. Here are our top tips for happy holiday renting:

- Check out your holiday tenants in the same way as you would check out a long-term tenant. Communicate with prospective guests via the online platform before giving out too many personal details and check on the guest reviews (by former hosts) to see if there is anything negative. If they are local residents you can obtain a credit report (with their consent, of course) and some contactable references from holiday homeowners they have previously rented from.
- In terms of the FICA legislation, you are also supposed to gather certain information about your holiday tenants, including their full name, numbers and copies of their IDs (or passports if they are foreign), the registration number of the car they are driving and their usual residential address – which is the same information that is generally required when you book into a hotel, guesthouse or other registered holiday accommodation.
- Make sure you have a written rental agreement or contract. This should state specifically which property (or part of a property) is being rented, how long it is being rented for and how much the rent is per day, week or month. It should also state who will be paying for the water, electricity and any other services for the rental period.
- Make your tenants pay a deposit and be sure to conduct incoming and outgoing “inspections” and inventory checks with them so that you can use the deposit to replace or repair anything they might damage, break or misappropriate.
- If your property is in a sectional title complex, make sure you give your paying guests a copy of the conduct rules – and include a provision in the rental agreement that if they break the rules and the body corporate imposes fines on you as a result, they will be liable to pay those fines.
- Remember to let your insurance company know if your holiday tenants will be occupying your whole property for more than 30 days, and to increase your premium if necessary so you will be covered for any theft or damages done by your tenants, theft of any of your tenants’ belongings, and any liability claims in case your tenants’ injure themselves in your home.
- Take sensible precautions to protect your own belongings. Lock away your valuables such as jewellery, keys and

electronics, as well as any personal documents that could facilitate identity theft. If you have a second car, ask a friend or neighbour if you can park it at their home for the holidays.

- Watch out for SARS. Being able to charge high-season rents may seem like a lovely bonus, but remember you will have to declare everything you earn as income – and that could bump up your tax bill quite substantially.

ABOUT BERRY EVERITT

Berry Everitt is the CEO of the Chas Everitt International property group, which is one of the top five estate agency companies in South Africa and widely recognised for its innovative marketing methods, its technological leadership - and its absolute dedication to achieving exceptional customer service. Everitt is the youngest son of the group's founders, Charles and Tilla Everitt, and has been involved in the business since it was established in 1988.

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