

A Tiny House Blog Publication

TINY HOUSE

FOR MICRO, TINY, SMALL, AND UNCONVENTIONAL HOUSE ENTHUSIASTS

www.tinyhousemagazine.co



VOLUME 7 :: ISSUE 76

Tiny Rentals

Big Returns



written by :: johanna elsner

Not surprisingly, tiny homes and small spaces are now also gaining popularity as vacation and short-term rental options in the US and around the globe. Folks looking for the simplicity and ease of a hotel room combined with the privacy and comforts of home make tiny rentals an obvious choice on sites like Airbnb and VRBO. And new hosting sites like “Try it Tiny” cater to those specifically looking to do just that for a night. Airbnb recently added “tiny houses” to their filter of unique spaces in addition to overnight selections like yurts, traditional RVs, and yachts. Small spaces were also the featured topic in the April 2019 edition of Airbnb Magazine. As a tiny builder located in central North Carolina, offering our model homes as overnight rentals and the chance to “go tiny for a night” to tourists as well as potential clients became an obvious win-win for our property. This additional source of revenue provides exposure for our company while giving life to tiny’s that would otherwise only be occupied during client visits or festivals. And because nightly renting is not only a great way to pay off a tiny purchase or provide a potential source of income, it is no surprise that many tiny dwellers and those planning to go tiny in the future also plan to offer their homes as a vacation or overnight rental at some point. Dipping your toes into

the hospitality waters boasts all the rewards of being a tiny landlord combined with the duties of a front desk manager but if you are willing to dedicate the time needed to prepare, list, and maintain your tiny for guests, the payoff can be lucrative. Considering a tiny rental venture on a small or even larger scale like Tiny House Beach Resort? We recommend asking yourself several key questions before throwing those guest doors open.

Am I comfortable with others using my space?

The answer may seem obvious but the pros and cons of opening your home should be weighed. Most guests are courteous and want positive reviews just as much as hosts do, but at the end of the day, a guest is not going to treat your home the way you would. Accidents happen and periodic maintenance goes with the rental territory. It is also wise to consider these factors when determining nightly rates, deposit requirements, and what is financially feasible for you. (Ie. If a guest breaks your composting toilet, what is the cost to repair or replace? Are you able to make such repairs in a timely manner and before the next guest arrives?)





What am I willing to offer?

Hosting sites will prompt you to list and offer options and amenities for your home but the more you are able to offer, the more you may be able to charge per night as potential guests will search for homes using filters like available amenities. This means you may need to make some initial investments in small items like kitchen and bath basics, quality linens, and a first aid kit, but you may also need to invest in larger items like user friendly heating and air units to be competitive in your area. (If you are in the planning or building phase of a potential tiny rental, features like stairs vs ladders and tubs vs showers are important items to consider now. Selecting designs and features that cater to the majority of users will ensure your home is available to more potential guests.)



What is my availability?

Creating a successful listing requires some research and time initially but once you are up and running, you will also need to be available for reservation inquiries, on call during guests stays, and for post-stay cleaning and maintenance. If you are not able to manage, clean, or even list your tiny yourself, you may consider partnering with a management company like Try it Tiny (or Perch & Nest!) to list and rent your space for you. This approach is generally hands-off while putting cash in your pocket at the end of each month. These services will often retain 50% or more of the rental fees but have the ability to market your space on a larger scale potentially booking more stays per month.

What is the value of my space?

Considering what renting your space is worth to you before listing it online is critical. What are you able to charge vs what you need to charge per night may differ. Fortunately, unique and freestanding small spaces generally fetch a higher nightly rate than comparably sized properties like apartments or townhomes. (Note, site suggested rates may be understated for this reason.) However, we recommend determining your “bottom line” nightly rate long before visiting these sites. (Ie. What are your costs to maintain your rental?) Initial investments of items like housewares, insurance premiums, utilities, and cleaning fees are all costs to consider in addition to points of interest (or lack thereof) like location and privacy in determining a daily cost/value. Once you know your costs and potential value per night, you can then make comparisons online and set a starting rate with a bit of savvy.

What am I willing to allow in my home?

One of the greatest benefits for users of private hosting sites is the ability to search for rentals using a variety of filters like “pet friendly”, “non-smoking”, or “parties allowed”. This can be a bit of a challenge in wanting to cater to the majority of potential guests while maintaining your home for others and protecting your investment. (Ie. Allowing pets or smoking inside your home may be a plus for some guests but become a deal breaker for others looking to book your home. The ability to host parties may appeal to more guests, but increase your overall upkeep. And so on.) The time and costs in maintaining your home long term as well as after each guest departs (and what you are willing to put up with) should be determined before your listing is live. Your “rules” should then be well written and documented both on the listing

site(s) as well as inside your home before the first guests arrives.

Still ready to have a go at tiny hotel management? The financial benefit may be grand with a bit of thoughtful preparation and research. And in addition to the countless blogs and articles found online filled with hosting tips and tricks, successful hosts are another great resource for insight and inspiration in preparing your home and online profile for potential guests. Pro users and super hosts may not only be able to offer experienced advice, but may also have items on hand like manuals, cleaning check lists, or local resources to share. And once you begin to invite your online guests in, don’t forget to share your homes listing with your tiny friends and community as well. We may just come visit!

