

## Buying to Let? Read this first...

*If you are looking to buy a holiday home abroad with a view to letting it out and cover some of your costs, these guidelines from Ross Elder of HolidayLettings.co.uk can help you get the most from your overseas investment.*

Buying to let on the continent is an increasingly popular investment option for many. However, before purchasing your dream home it is worth considering factors that will affect its performance as a letting property.

## Asking the right questions

The first thing you should ask is: what are my priorities? How important is the investment side of the purchase? Are you hoping to buy in an expanding area and sell when house prices rocket? Do you simply want to cover your mortgage costs and use it as a second home? Is this a long-term rental investment? Are you planning to retire there in a few years' time?

Asking these questions in advance will help you focus on what is important and be objective when considering potential properties. You may think the rundown but picturesque farmhouse is wonderful, but will everyone else? Look at the property from a *paying* holidaymaker's perspective and remember - love is blind. The toilet outhouse may seem quirky and quaint to you, but might not seem such a lovely 'feature' for your guests. If you find yourself falling in love with a place, get a friend to take a look at it with you and point out any potential pitfalls before you sign.

Think through the rental conditions for your area and gauge your potential rental market before you buy. If it is a popular area for families and your property only has one bedroom, you may struggle to find bookings. Buying a sofa bed would certainly help, but perhaps a different area would bring a better return for your budget.

Another essential consideration is location. Is the house easily accessible? Are there any regional airports nearby and does one of the low-cost airlines fly there? Properties in easy access areas are likely to be much more in demand throughout the year, so if back to back rentals is important for you – think carefully about where you buy.

## Doing the research

Once you have decided on a property, you need to consider how to maximise its rental potential. A little time spent researching the local rental situation is invaluable and will help you plan the rental year realistically.

Assuming you are planning to stay in the property occasionally, calculate how much income you wish to make from letting it out the rest of the time. A quick search online for similar properties in the area will show how much they charge, and in turn give some idea of how much of the calendar you can expect to fill with visitors.



The main holiday season on the continent is roughly half the year, April to October. Brits will be by far and away your most frequent visitors, and not just because this geographical area is one of our favourite holiday destinations, but because it makes most sense to aim for the holiday market you can most easily communicate with. Consequently, you need to look at the peaks in the British market, in particular the school holidays and half-term breaks. Set your prices accordingly and decide in advance on preferred arrival and departure days (allowing time for linen and cleaning changeover) for these busy periods. When planning your own stay at your property bear in mind it may prove costly for you to stay during high-value weeks like the half-term holidays.

Be aware that there can be variations in booking peaks and troughs according to the type of property. A rural holiday home which is great for family summer breaks, for example, will have demand linked closely to school holidays, whereas an apartment in the city may well be in steady demand throughout the year. Similarly, a large villa that sleeps 12-14 may be hard to fill outside of the peak months, while a smaller gite might bring in lower weekly rates but can be easier to fill all year round.

Think realistically about what the local area offers in terms of climate, activities, opportunities, specialities and so on. You may find that out-of-season attracts a very different person to high-season and the most regular autumn visitors are often English couples looking for somewhere to buy, so do think laterally about the sorts of visitors you may attract. Work out in advance how flexible you can afford to be in terms of discounts for bookings of more than one week, smaller groups or late bookings to fill a cancellation.

## Getting the bookings

Finally, there is the matter of marketing your holiday home. Advertising may be unknown territory, but unless you tell people about your property they won't know it's there! Increasingly, holiday advertising is moving online. For less than you would pay to advertise in local papers, online adverts enable holidaymakers worldwide to view your property offering photos, availability and prices, and are definitely worth investigating.

Wherever you advertise, think in depth about all your holiday home has to offer. You may be situated near to a beautiful chateau or a popular walking route or a golf course. Turn your property's unique charms to your advantage by promoting them. Mention key features like swimming pools, air con and the free airport pick-up you offer as these things may win over potential guests. If you struggle to fill a particular season consider minor improvements – central heating or a log fire to make a winter break at your cottage a cosy option, or a south facing terrace to enjoy summer dinners *en plein air*.

Whether you are at the looking, buying or letting stage, it pays to think laterally. If you take time to do your homework, choose a suitable property, research the local market and are prepared to put in some thought with regards to marketing, it will be worth the effort. There's no reason why your dream property shouldn't become a viable investment.

*Ross Elder is managing director of [www.holidaylettings.co.uk](http://www.holidaylettings.co.uk) and provides marketing services to thousands of holiday homes worldwide.*

