

Serviced Accommodation



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Service accommodation or 'SA' as it is often known, is an exciting and flexible strategy that involves renting out property on a short-term basis.

No doubt you'll be familiar with online travel agents like Airbnb and Booking.com. These are just some of the platforms we can use to advertise our service accommodation units for both leisure and business stays.

With serviced accommodation we have guests, rather than tenants, and we take bookings instead of signing a standard tenancy agreement. When most people think of serviced accommodation, they tend to think of high-end penthouse apartments or holiday cottages. In reality, this strategy can be a great fit for a wide range of property types and locations, depending on your target market and the demand for short stays in that area.

The great thing about serviced accommodation is that you can get started without having to fork out a huge amount of money up front, and you can launch your first unit very quickly. You often will not need planning permission to operate serviced accommodation in a normal residential property, although there are certain restrictions in being

able to operate serviced accommodation from a leasehold flat, that you'll need to look out for.

The most important thing is to do your due-diligence and research the demand for people needing to visit the area on a short-stay basis. You can rent or buy properties to use as serviced accommodation. You can find suitable properties to rent through local letting agents or by making direct contact with landlords.

You do need specific permission from a mortgage lender, to be able to rent a property on a short-term basis. This is important to bear in mind when you're renting a property from a private landlord. If you're buying your own property to use as serviced accommodation, then you will need an sa-specific lending product. Regardless of your strategy you will also need to make sure that you have the appropriate insurance in place.



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SA is much more hands-on than most other property strategies but there are lots of ways that you can systemize your business and automate your processes to help you grow and scale a portfolio quickly.

Running a successful service accommodation business is a team effort. As well as the usual power team members that you need with any property strategy, such as a mortgage broker; a solicitor; an accountant - all of whom would need to have experience in service accommodation - you'll need to engage a team of people to clean and maintain your units, and to deal with any issues as they arise.

As serviced accommodation operators we live and die based on our reviews so you will want to think carefully about your guest experience. That should include a seamless booking and checking experience; a comfortable stay with everything that your guest needs to enjoy a home from home experience and of course a beautifully presented property.

There are lots of different ways that you can advertise your property for guests to book. There are a number of online travel agents like Airbnb Booking.com Expedia and TripAdvisor on which you can list your property and they will promote it to millions of potential guests worldwide. You'll pay a commission on any booking that you receive through an online travel agent, so it's also important that you have your own website so that guests can book with you direct.

The cherry on the cake is that serviced accommodation benefits from a number of preferential tax treatments, that are often not available to people investing in other property strategies.



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