



THE REWARD WITHOUT THE RISK

How to minimize the risks of renting short-term
so you can enjoy the benefits - stress-free



Curated with care by the pros at Guesty

www.guesty.com

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Risky Business

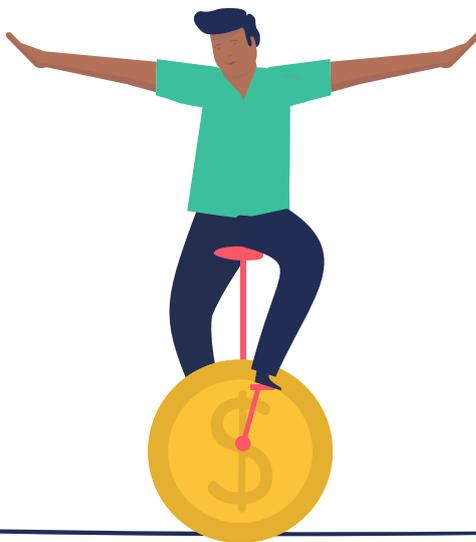
One of the greatest hindrances keeping long-term property management companies from jumping into the profitable short-term rental game is security.

Not surprising considering that those who rent out their portfolio of listings to long-term tenants usually do so after a substantial vetting process and signing of legally-binding contracts. No wonder they aren't quite sold on the concept of regularly inviting strangers into their properties or neighborhoods for brief periods of time.

This is especially true for businesses considering incorporating short-term units into their multi-family developments, where they have to prioritize the peace and comfort of their existing tenants and can't chance disruptions from noisy travelers.

Combine that with concerns about the treatment of physical property by temporary inhabitants not invested in the space's upkeep, the small chance of unauthorized parties as well as the potential damage to your relationship with tenants/neighbors reputation that allowing unruly guests into your properties could cause, and you've got yourself a rather strong argument to stick with what you know and stay out of the short-term space.

So why even consider transitioning all or some of your units?



The Incentives

Apart from offering you more control over your properties' maintenance as well as the ability to reserve them for homeowners' personal use, short-term property rentals beat long-term leases in one key area - revenue potential.

Operating in a market projected to yield [more than \\$57 billion](#) in 2019 alone, short-term rental property management companies can earn [more than double](#) the revenue of their long-term rental counterparts.

These promising figures may explain why the 5 biggest names* bringing the short-term rental concept to institutional multifamily developments have raised [a total of \\$319 million](#) in funding in just a few short years, and how [Domio](#) recently closed a Series B funding round with [\\$50 million](#) in venture capital. They also shed light on how industry giant [Stay Alfred](#) yielded [\\$25 million in revenue](#) a mere five years after its founding.

**The Guild, Lyric, Stay Alfred, Sonder, WhyHotel*

You're starting to warm up to the idea, right?

On the one hand, that potential profit is hard to turn away from. On the other, you've got a smooth sailing establishment and don't want to rock the boat by inviting hoards of strangers aboard.

But there's also something to be said about longevity. With millennials' increasing spending power comes the need to plan for a future that's aligned with their flexible living preferences, especially in urban areas. This generation's disenchantment with permanence or ownership is bound to drive a notable transformation within the real estate industry. The math is simple: the majority of millennials don't want to purchase property + they don't want to commit to one location + short-term lets have the potential to yield much greater profits than long-term leases = property owners should dedicate a portion of inventory to short- and mid-term rentals to maintain a sustainable business model and mitigate risk. In doing so, developers will be able to leverage students, nomads, and frankly, any commitment-phobe who still needs a roof over their head.



Clearing The Way For Risk-Free Reward

Fortunately, there are steps you can take to help you capitalize on the short-term rental market without without jeopardizing the security of your properties and the happiness of existing tenants. Aside from charging a cleaning fee, requiring a damage deposit from each guest and ensuring your policies on all of your booking channels are clear and up to date, you should take advantage of the many sophisticated solutions designed to protect your properties and your business, you should take advantage of the many sophisticated solutions designed to protect your properties and your business. At Guesty, we work to aggregate these solutions into our [Marketplace](#) - an ecosystem of vetted and approved vendors who ease the role of short-term rental property management.

01. Guest Verification Software

It's natural to have doubts about regularly entrusting complete strangers with your properties. That's where guest verification software comes in.

Platforms like [Autohost](#), [Authenticating.com](#), [Safely](#) and [Superhog](#) utilize intelligent screening technology to verify your guests' identities and credentials as well as scan your reservations in search of any red flags, including criminal history or prior misuse of property rentals. The host is then given recommendations to reduce risks associated with each booking in order to prevent unfavorable outcomes like chargebacks, fraud, rule violations, property damage or criminal activity.



02.

Keyless Entry Systems

If you're used to handing keys to tenants after thorough vetting processes and contract signings, you may have some apprehension about distributing your keys to a handful of strangers each week. Not to mention, in-person key drop offs can be time consuming when dealing with short stays where there is a high turnover.

Keyless entry systems such as [Lynx](#), [Operto](#), [PointCentral](#), [RemoteLock](#) and [Vikey](#) are designed to allow secure entry to your units. With systems that enable key-free access to your guests through wireless signals or temporary passcodes that expire upon checkout, you can not only put your security concerns to rest, but avoid having to carve out time in your schedule to greet each guest with a set of keys, a task that can be made even more inconvenient by unexpected travel delays.

In addition to providing extra security and greater flexibility, Vikey reports that keyless entry solutions can [save property management companies up to 90% on the cost of check-ins.](#)



03. Noise-Monitoring Technology

There's no denying that a fair share of short-term rental units have been notoriously misused as party venues without the property managers' knowledge or consent, which has led to upset neighbors and expensive damages. In fact, [an incident that resulted in \\$35,000 in losses](#) motivated NoiseAware Co-Founder David Krauss to start his party-proofing tech venture.

Noise monitoring solutions like [NoiseAware](#) and [Roomonitor](#) track the volume in your properties at all times and alert you when it exceeds acceptable levels, clueing you into possible violations of your rental rules, such as party hosting. As the first to know about a potential issue, you can swoop in and put a stop to it before it even truly begins.



04.

Short-Term Rental Insurance

If all else fails, you'll be grateful to have purchased an insurance policy specifically tailored to the needs of short-term rentals.

With a handful of insurance providers available, including trusted names like [Generali](#), [Guardhog](#), [Proper Insurance](#), [Safely](#) and [Slice](#), you can find a plan that's right for you, one that will protect your business and assets in a worst case scenario and cover you in instances of theft, lost income, guest injury or accidental or deliberate damage by a guest.



Centralize Your Operations

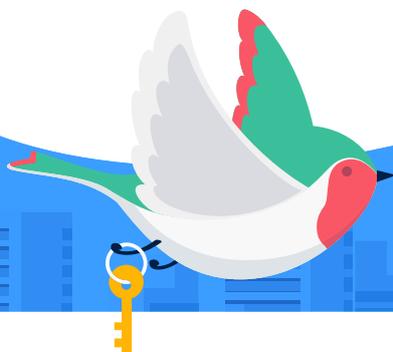
Overwhelmed by the prospect of incorporating multiple security solutions into your business? Centralize all your tools into the Guesty platform, an end-to-end solution designed to simplify and automate the complex operational needs of short-term rentals.

With Guesty, users can not only sync external tools like the ones mentioned in this guide with their dashboards, they can also seamlessly manage listings from multiple online travel agencies such as Airbnb, Booking.com, Vrbo, TripAdvisor and more, as well as utilize the company's guest-centric tools including: Unified Inbox, Automation Tools, 24/7 Guest Communication Services, Payment Processing and more.

Feel like learning more about the ultimate end-to-end platform for short-term property management?

[Request a free demo](#) and we'll show you the ropes.

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Clients who use guesty report a:



100%

Increase in
Listings Annually



150%

Increase in
Annual Revenue



50+

Hours Saved
Weekly On Average



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