

Looking to buy or build?

Our guide full of handy tips so you know what to look for when buying or building the perfect holiday home rental



Introduction

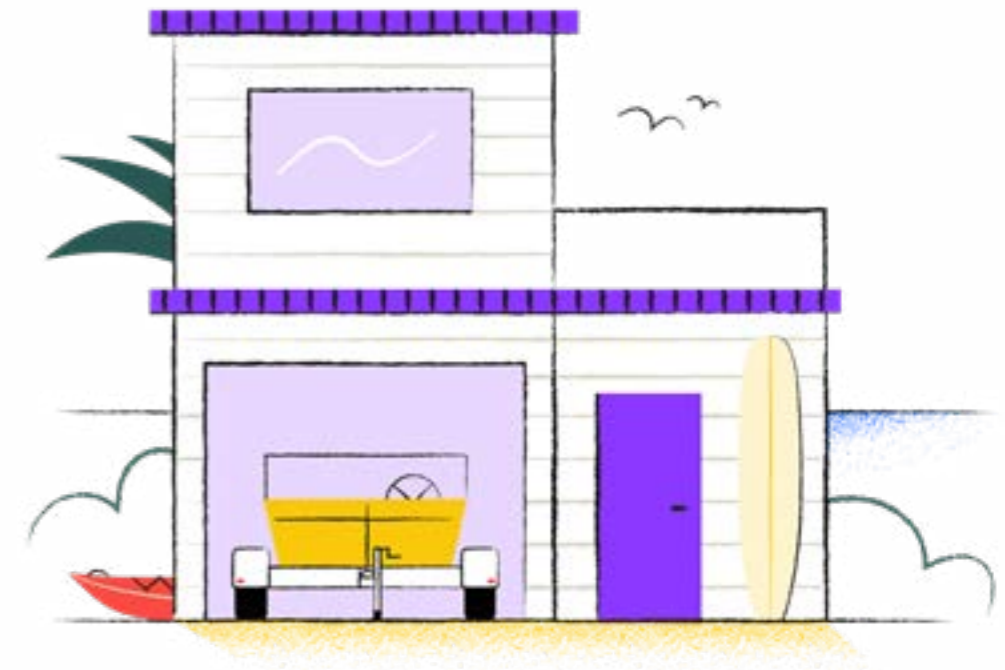
Deciding to buy or even build your dream holiday home is a hugely exciting experience. Your second home is not only your happy place and an escape from your day-to-day, but it can also be a second source of income. At Bachcare, we have over 2,000 holiday homeowners throughout New Zealand who offer up their baches to over 150,000 guests per year.

This guide draws on our 18 years' experience in the holiday rental industry. We know what guests look for in a holiday home, and what keeps them coming back. So, before you start picking out the perfect BBQ or outdoor furniture set, have a read through our handy guide to find out what holiday home features will add value to you, and your future guests.

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We will share our knowledge on a range of topics related to maximising your holiday home rental opportunities, including:

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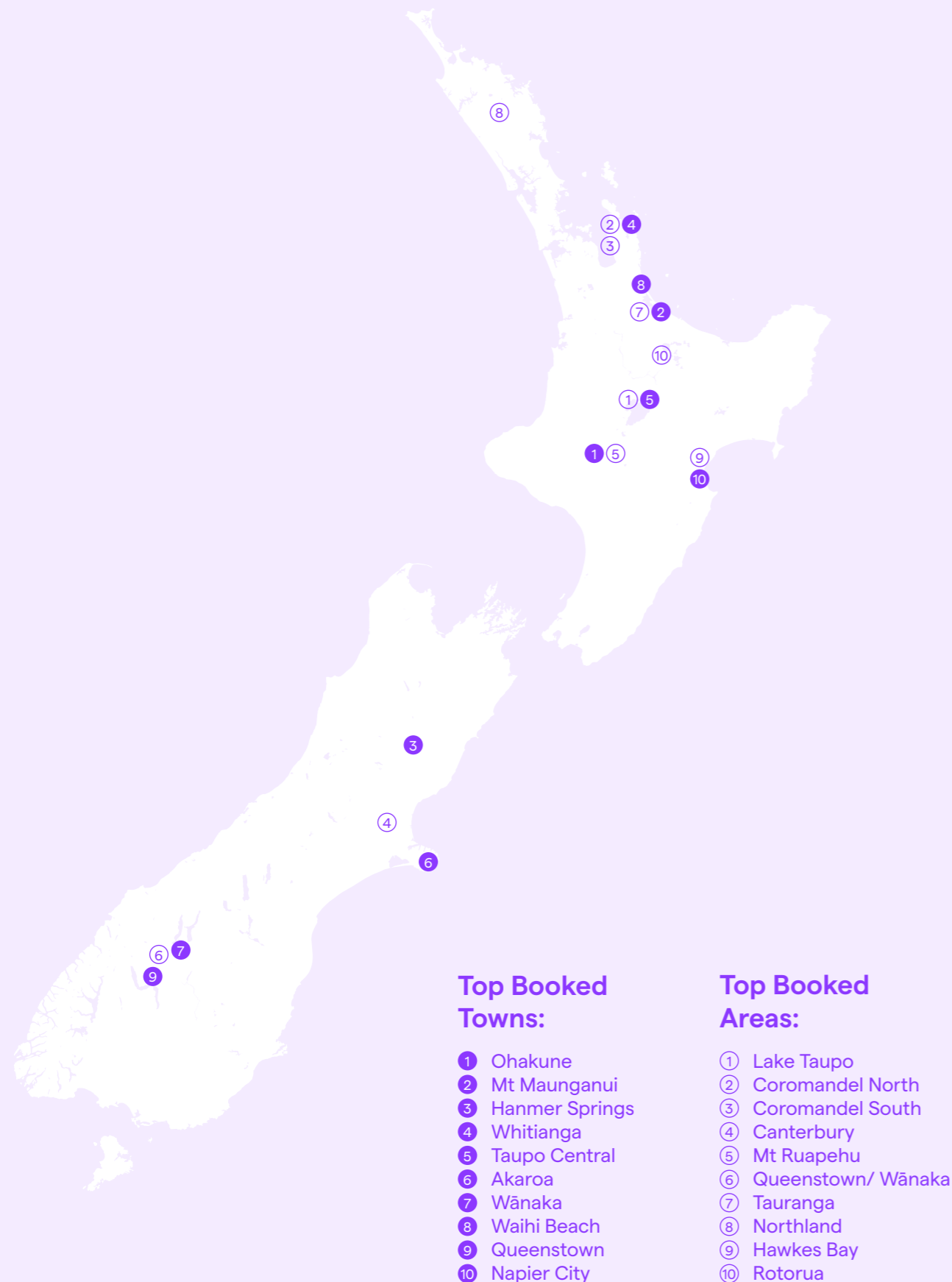


Location

¹ based on maximum owner income in each area for 3-4-bedroom properties where less than 30 days are blocked by the homeowner. Bachcare internal data from FY20: 28/09/2019-02/10/2020.

Location is the most important factor when guests are searching for a holiday home. Whether you are considering a coastal, lake, or alpine holiday home, being situated near the most popular attractions in the area is going to help win over potential guests. While a bit of isolation is nice (some guests will look for this when renting a bach), most guests prefer to be close to the action.

It's likely you already have a location in mind to buy or build your holiday home, but regardless, here are some of the most popular areas and towns we have seen in the past year, and the maximum rental income you could expect.



What's the maximum I could earn annually? Top 10 earning areas in FY20¹:

Coromandel North	\$70,022
Far North	\$47,961
Northland	\$47,528
Wellington - Wairarapa	\$46,617
Hawkes Bay	\$43,163
Rotorua	\$42,610
Canterbury	\$37,985
Queenstown - Wānaka	\$36,937
Mt Ruapehu	\$30,337
Lake Taupo	\$27,642

Size



Bedrooms

It's important to consider the different groups that will stay at your holiday home. Several bedrooms allow for more options, and appeal to a wider audience. Bachcare's average group size is just over 5 guests, so we find homes with 3-4 bedrooms have the broadest rental appeal. Bedrooms and sleep outs are preferred to fold out sofas in the lounge. Bedding configuration is also important and should be set up depending on your property size and target market, which may vary from couples, to families, to groups of adults.



Typically, a 3+ bedroom property should include a minimum of 2 queen or king-sized beds. Additional bedrooms should be flexible to accommodate groups and families, with set-ups including quality single or double bunk beds, or a super king that can be split into 2 singles if necessary.



Single beds and double beds should be avoided, with preference given to king, queen, super king (ability to split into 2 singles), and bunk beds.

Comfortable beds are essential for guests to have a good night's sleep.

Bathrooms

Ideally, holiday homes which sleep over 5 persons will have at least 2 bathrooms to accommodate guests. An ensuite bathroom off the master bedroom can add extra appeal for larger groups and families.



Amenities & Extras

Amenities are important to consider when renting out your holiday home. Use our handy checklist to ensure that all the basic items are made available for your guests. Additional nice touches are also highly recommended and can lead to more positive reviews.

Top money-earning features:

Frontage



Wi-Fi



Pet-friendly



Properties with a frontage such as beachfront or lakeside earn 45% more income and generate 24% more bookings.

45%
more income

24%
more bookings

Checklist:

Use this checklist so that consumables, cleaning, safety products and other basic items are made available for your guests. Additional nice touches are also highly recommended.



Cleaning Products

- Surface cleaner
- Dishwashing liquid or powder for dishwasher
- Toilet cleaner
- Shower cleaner
- Bleach spray for toilet and bathroom surfaces
- Floor cleaner
- Window cleaner
- Jif or similar for hard surfaces

Consumables

- Council rubbish bags
- Tea, coffee
- Sugar
- Salt, pepper
- Cooking oil
- Toilet paper, sufficient for guest stay
- Liquid hand soap in bathrooms and kitchen
- Gas bottles x 2
- Dishcloths and pot scrubbers
- Range of spare light bulbs
- Paper towels
- Oven tray liner
- Firewood and kindling for the stay (if applicable)
- Range of batteries

Storage & Security

- Locked supply cupboard
- Lock box for house key
- Two sets of house keys

Hygiene & Safety

- Mattress protectors, duvet covers for all beds & spares
- Pillow protectors for all pillows & spares
- Smoke alarms (current and valid) throughout the house

Cutlery & Crockery

- Sufficient cutlery for max occupancy
- Sufficient crockery for max occupancy (plates, bowls, serving platters, glasses, wine glasses, mugs)
- Basic utensils (tongs, grater, sieve, tin opener, spatula)
- Variety of saucepans, frying pans and oven trays

Cleaning Products

- Vacuum cleaner with good suction and bags if required
- Broom, mop, bucket and duster for living area
- Mop, bucket and cloths for bathroom

Optional Extras

- BBQ cleaning tools and materials (if applicable)
- Furniture polish
- Shower gel

Revenue & Occupancy

Bachcare is the only holiday home management company in New Zealand who has a team dedicated to managing our owners' revenue and occupancy.



How does revenue management work?

Using our database of over 2,000 homes around the country, our team find the optimal base price for your property taking into consideration the number of bedrooms, bathrooms, range of amenities, and location.

Internal data and market trends are analysed to determine availability, popular dates, and seasonality, all of which impact your property's demand. Based on the analysis, if your property's location is in high demand, we can adjust the rate above the base price. Alternatively, if data shows your property's marketplace is seeing lower demand, we can adjust the price down to incentivise potential guests to make a booking.

What this means for you

Our data-driven pricing gives flexibility to adjust your nightly rate to account for demand. If you are self-managing your holiday rental, you are likely maintaining one nightly rate throughout the year and could be missing out on potential bookings. Our data shows that on average, revenue-managed properties see 16% higher bookings per property and 8% higher revenue per property² when compared to a fixed price throughout the year.

Since we have a dedicated revenue team, you don't need to worry about manually changing your nightly rate. This often-tedious process is easily forgotten, and if done too late can mean you miss out on potential revenue and bookings.

16%

higher bookings per property

8%

higher revenue per property

² As at 27/07/21 with data from 03/10/21 - 26/07/21
³ based on Bachcare internal data from FY20: 28/09/2019-02/10/2020

Nightly Rates

Rates may vary from as low as \$25 per person per night for a basic bach in the off-peak season, to as high as \$150-\$200 per person per night for a luxury home over the summer holidays. Average rates per person per night sit at around \$50.

Rates will fluctuate throughout the year to get you the most bookings and revenue possible in your given market. Buying a holiday home in a desirable area, maintaining the property to a high standard, and having the positive reviews to match can warrant a higher rental rate.

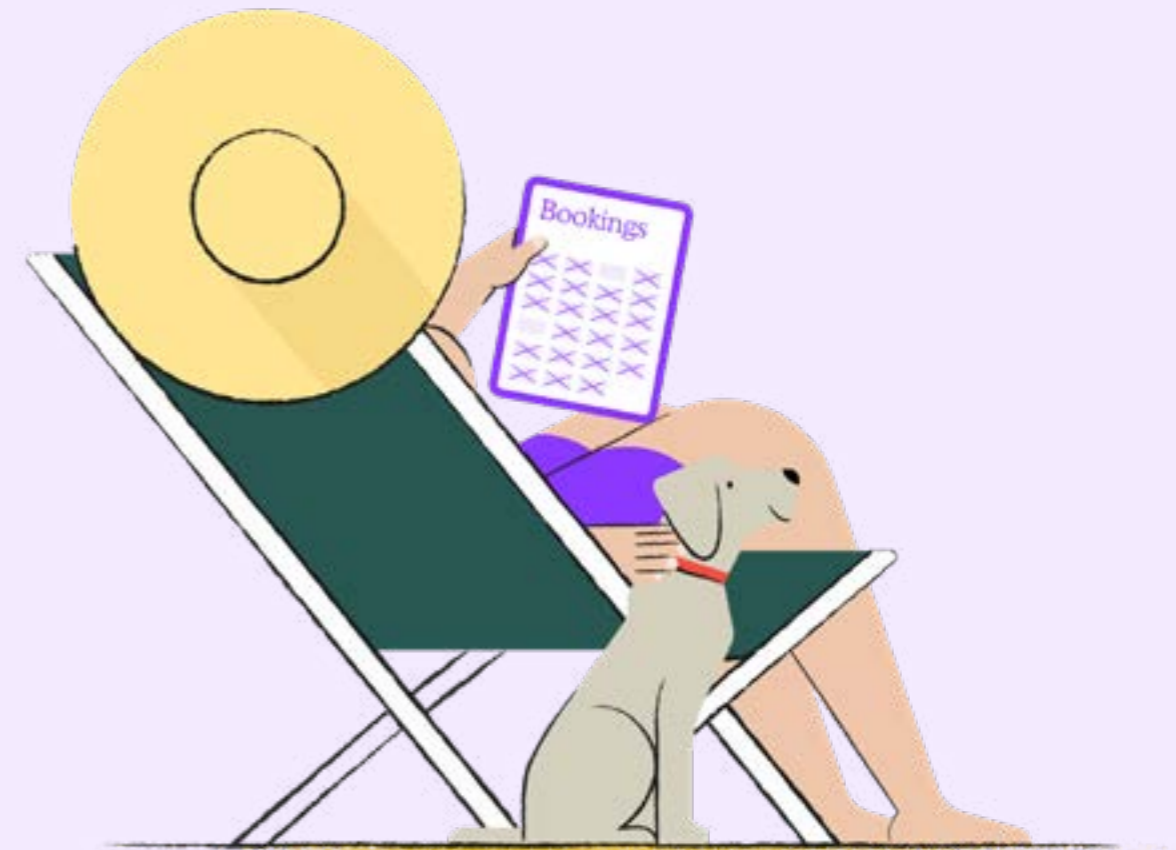


Occupancy

Holiday homeowners with Bachcare can expect their property to be booked for 55 nights per year on average, but this can be up to 200 nights³ in some cases. The key is availability. The more availability you can supply us with, the more bookings we are likely to generate for your property.

Properties with full availability over December and January earn 165% more revenue annually than properties that have more than half those dates blocked!

This of course isn't the primary goal for some owners, and we recognise that too. It's completely up to you how often you want to block or open your calendar, and you can do so whenever it suits you via the Bachcare owner portal. Whatever your property and revenue goals are, we're here to help.



Bachcare Solutions

At Bachcare we understand that one size doesn't always fit all. We offer two solutions with varying degrees of involvement from you as a homeowner.

bachcare

Perfect for those who want us to manage the whole holiday rental process from start to finish. Ideal if you want a trusted professional on the ground to take care of cleaning and guest preparation.

20%

What you'll do:

Sit back, relax, and watch the bookings fly in!

What we'll do:

Local manager ensures the property is set out and ready for guests upon arrival

Local manager provides linen for booked number of guests

Local manager cleans the property and launder linen upon guest check-out

Head office answers all guest queries before, during, and after their stay

Provide guidance on how to get your property set up for success

All accounting administration and payments

Price your property and optimise your revenue based on seasonality and demand

List your property on our extensive network of partner sites

Marketing and promotional activity

Gather feedback via survey on each guest's stay in your home

Post-stay resolutions (if required)

bachcare host

Suits those who want to be a bit more involved with their holiday rental and guests. Suitable for owners who live nearby or have a lockbox onsite and would rather hire someone local to do their cleaning and linen.

15%

What we'll do:

Provide guidance on how to get your property set up for success

All accounting administration and payments

Price your property and optimise your revenue based on seasonality and demand

List your property on our extensive network of partner sites

Marketing and promotional activity

Gather feedback via survey on each guest's stay in your home

Post-stay resolutions (if required)

What you'll do:

Answer guest queries once their booking is confirmed

Ensure the property is set out and ready for guests upon arrival

Provide linen for booked number of guests

Clean the property and launder linen upon guest check-out

Undertake periodic cleaning and maintenance throughout the year

Check-ins, including meet & greet, and check-outs (at your decision)

Additional services:

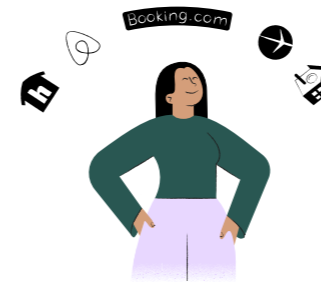
We also offer additional services as part of our full-management solution.

• Extra cleaning and house preparation	9am – 6pm: \$30 per hour
• Callouts to attend property issues	6pm – 9am: \$45 per hour
• Peace of mind/ property site visits	
• Organising supplies and tradespeople for your home	

Repairs and house maintenance	\$45 per hour
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Why Bachcare?



Maximum booking exposure

We list your home on bachcare.co.nz as well as other popular holiday booking sites including Airbnb, Booking.com and Bookabach at no extra cost to you!



Maximum revenue opportunities

We manage your rates to optimise revenue and get you the most bookings possible, and we have a dedicated team to do so!



NZ-based centralised support office

We deal with all queries big and small from our Auckland support office deals so you're free to enjoy your weekends!

To get your free income appraisal based on your buying criteria, get in touch with the team today!

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