

# Country's Best Log Homes

## ***How To Rent a Cabin***

Renting your cabin can be a great way to afford your vacation home and make a little money - just make sure you do it the right way.

by Sara Brown/Loghome.com



Photo credit: Cindy Thiede

No matter how daunting the task of renting out your cabin may seem or what stage of the home-building or buying process you're in, rest assured that you'll never lack interest in your property. "The idea of spending a vacation in a quiet locale, surrounded by nature, appeals to a lot of people," says Andrew Walker, editor of CottageTips.com.

When it comes to buying and affording a cabin retreat, many homeowners ponder the same question: To rent or not to rent? Although there may be no easy answer to that question — every situation, like every home, is different — there are a handful of issues that every homeowner should think about before taking the plunge into the world of vacation rentals.

"I always tell people that renting your cabin is not for the faint of heart," says Christine Karpinski, owner of two cabins in the Smoky Mountains and author of *How to Rent Vacation Properties by Owner* and *Profit From Your Vacation Home Dream*. "The entire first year of renting a property is a huge learning curve. It may not be for everyone, but it can be extremely rewarding, both emotionally and financially, if you decide to give it a try."

So how can you decide if renting is the right move for you? Read on for our expert advice on how to do it correctly.

1. Figure out how much money the property will be able to bring in by looking at comparable properties in the area. "Just like purchasing and selling, the local market determines the rates you can charge on rentals," explains Andrew Walker, editor of CottageTips.com. "In a popular area, cabin owners can get premium rates, especially if the cabin has been well-maintained and features the modern amenities that renters are looking for, such as Internet access, satellite, mobile phone service — you name it."
2. Research the going rates in your area for the level of home you're looking to build or buy. If comparable cabins are renting for \$1,000 per week, build or purchase a cabin that will leave you with mortgage payments around that amount. That way, even if you rent your cabin for just 12 weeks out of the year, you'll be able to cover (or at least come close to covering) your monthly payments.
3. Change your insurance policy to cover rentals. You can also qualify for tax deductions on rental income, but only if you limit personal use of the home to 14 days or less per year, or 10 percent of the total time you rent it out, whichever is greater. On the other hand, if you only rent out your home for 14 days or less per year, you can keep that income tax free.
4. Consider working with a property management company. According to Karpinski, management company fees can range from 20 to 50 percent of the income they generate, thanks to tacked-on line items for things such as landscaping and maintenance, requiring you to rent your cabin twice as often to make the money you'd make on your own. But if you're strapped for time or live far away from your cabin, it might be worth it. "From managing renters to advertising the property, to greeting guests and cleaning up after they leave, a rental company can be a big help for some homeowners," explains Walker.
5. Although many homeowners decide to rent out their cabin after they've moved in, you could benefit from picking a prime rental property before you build or buy. Karpinski, for example, did a lot of research before purchasing her two cabins. "If you take the time to figure out what visitors are looking for in your specific market, you can create a rental that really appeals to a large group of people," she says.

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