

# Serviced Accommodation

**HOW TO TURN A HOUSE INTO A HANDS-FREE “HOTEL”  
BUSINESS - MAKING UP TO £1,000 CASHFLOW PER MONTH!  
(TAKING UP NONE OF YOUR OWN TIME)**

**By Paul Smith In Association With:**

**ProgressiveProperty**   
Invest For Freedom, Choice And Profit

# HOW TO TURN A HOUSE INTO A HANDS-FREE “HOTEL” BUSINESS

Thank you for downloading your copy of this report. What I'm going to outline for you over the next few pages is the overview of how Serviced Accommodation works and why, for me and many property investors, it's a much preferred strategy compared to the traditional single buy to let investing model.

*Paul Smith*



**Here's what I love about Serviced Accommodation:**

**I have a flat in Dumbarton, in Scotland that as a single let made £125 per month cash flow. That's not a bad return on a flat that cost £50,000 however it's never going to change my life.**

**When I decided to rent this by the night as a "hotel" the cash flow per month increased 500% to £575!**

**This is a property that I already owned and was renting out as a buy to let, and by changing the way I "rent" it out I made 500% more money. Not bad for a small change that required no more of my time.**

**What I'd like to show you in this report is how you can do the same thing with all your buy to let properties so that you can finally enjoy a job replacing income from your property portfolio.**

**Now, like me, you might be concerned about voids or occupancy rates. To reassure you that this is the most profitable thing that you could do for your buy to let property right now I'd like to share with you some market research to show the trend in bookings in houses and flats just like my one in Dumbarton.**

**"I MADE 500% MORE MONEY. NOT BAD FOR A SMALL CHANGE THAT REQUIRED NO MORE OF MY TIME."**



To give you a quick example of how this new trend in room booking is growing fast, AirBNB, the UK's most recognized accommodation listings and bookings website, recently began partnering with high street travel agents.

STA Travel being the first, their partnership will make AirBNB's rooms available to book through STA Travel both online and through an in-store referral programme.

Airbnb has also partnered with airlines such as KLM over recent years and the travel brand is expected to double its global bookings this year to 80 million after securing a record 70 million customers over summer 2015. There are currently 67,500 listings by homeowners on Airbnb in the UK market.

UK bookings, meanwhile, are up 132% year on year and listings, which currently stand at 67,000, have grown 87%.

If you can get in on a massive trend now you can make a huge amount of money very quickly.



Here's some other research that I'd like to share with you to show you that you can use this powerful simple business model with houses and flats.

You'll see the research shows the huge demand that guarantees that your properties will be full you must be wondering how you can get started?

The good news is that all you need to do is follow this 3 step process:

1. Furnish your property to a high (but not luxury) standard
2. Organize a cleaner and laundry service
3. Get it listed on all the right websites

That's it!

So why don't we look at each of these simple steps in turn...

# 500,000

UNIQUE LISTINGS AROUND  
THE WORLD WERE VIEWED  
ON AIRBNB IN 2015



**15%** of hosts list  
2-6 properties



ENTIRE home/apartment **60%**



PRIVATE room **36%**



SHARED room **4%**

AVERAGE  
RESERVATION  
**\$80**  
PER NIGHT

## #1 FURNISH YOUR PROPERTY TO A HIGH (BUT NOT LUXURY) STANDARD

Unlike with a buy to let property where you know it makes your life easier and ultimately more profitable if you rent your property unfurnished. With Serviced Accommodation you need to provide all of the home comforts for your guests as they are only going to for a day or two.

So what are the home comforts that you should include?

Everything that an individual or family would need to live away from home. So you'll need a fully loaded kitchen so that they can comfortably cook dinner.

You'll also need a living room for them to relax in so comfortable sofas and a big flat screen TV are a must.

In the always-connected world that we now live in super-fast WiFi is going to be a big selling point for families and business travellers.



**Now what do I mean by high, but not luxury, standards?**

**You want each of your rooms to look bright, modern and appealing. Yes you can get away with IKEA furniture as long as there's enough to make people comfortable.**

**Don't buy second hand furniture. You want to make the rooms look good and for people to enjoy their stay.**

**Yes, you do need to buy quality sofas and you should have 2 with a separate comfortable chair (as long as there's enough space). You can easily achieve this with £1,000 or less.**

**Similarly some bright artwork can transform the feel of a room but don't put originals in. There are numerous places to buy large colourful canvases, at bargain prices.**

**So, create a comfortable environment for your guests. Do this right, and they will be happy to leave a 5 star review.**

**And the beauty of this model is that you are leveraging the trust, buyer traffic and infrastructure of sites such as Airbnb and Booking.com to fill your house for you.**



## #2 ORGANIZE A CLEANER AND LAUNDRY SERVICE

Fresh clean sheets are the starting point for a good night's sleep. This can set the tone for how your guests feel when they tell their friends, family and colleagues about their stay. So the importance of this part of the process must never be overlooked.

I understand that you're a property entrepreneur and the last thing that you want to do is change beds every other night. This is where a few hired hands become a crucial part of the process.

When you start out the most important thing is to find someone that is hard working and a self-starter.

Getting them to do the job right is also simple - give them a system to follow so that they know how to do their job perfectly. Do this and you should only need to check up on them occasionally.

Don't skip or rush this step. Showing them what they need to do and writing a system for them to follow is the most important thing you can do once they have started.





## #3 GET IT LISTED ON ALL THE RIGHT WEBSITES

This is the part of the model that I really love because you are leveraging the trust, traffic and infrastructure of huge businesses so that your houses are always full.

By putting your houses on websites like Airbnb and Booking.com you are piggy-backing on their marketing spend to fill them.

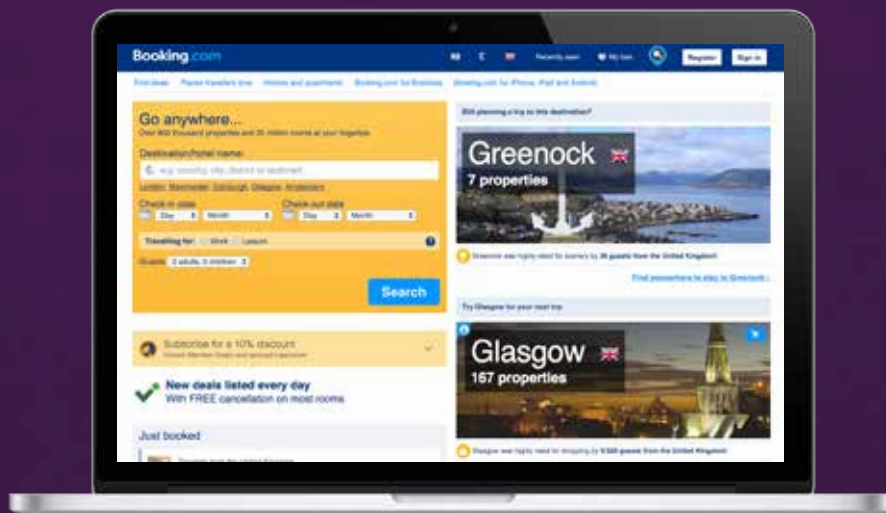
To give you an idea of how committed Booking.com is to putting room listings like yours in front of customers, the brand recently launched its biggest campaign to date: "Booking Right".

It's a "multi-million dollar effort" marking the first time Booking.com has launched a campaign in all its key markets at the same time, including the U.S, Canada, the UK, Australia and Germany

Last year Booking.com spent \$61.2 million on TV advertising in the US alone. This doesn't take into account the advertising that they did in the other countries that they operate in.

It's not just TV advertising that these accommodation listing services are looking to dominate either. They're determined to become the first option room renters see when searching Google for a room to stay.

**"LAST YEAR BOOKING.COM SPENT \$61.2 MILLION ON TV ADVERTISING IN THE US ALONE."**



In 2011, Booking.com spent \$40.4 million on Google ads, so it's safe to say that last year they would have easily spent more than \$60 million.

Why is that so important? And what does it mean for your serviced accommodation business?

Well when you are going to a city for the first time, what do you do? You Google it, right? You want to know where to stay, where to eat, what the sights are etc...

So if you can easily place your house on their website, to take advantage of their massive advertising spend, then all the hard work of advertising your room is done for you.

In addition to this, these massive accommodation listing websites already have a payment processing system.

So to fill your houses and flats you don't need a website, an advertising budget or a complex online payment processing system.

All you need is some pictures of your rooms, a short description of why someone would want to stay there and a couple of favorable reviews to get the ball rolling. That's all you need to start making money with this system.

**“YOU DON'T NEED A WEBSITE, AN ADVERTISING BUDGET OR A COMPLEX ONLINE PAYMENT SYSTEM.”**



## WHAT'S THE DIFFERENCE BETWEEN GUESTS & TENANTS?

There is a key distinction between a tenant and a guest.

Guest don't have any rights of security of tenure. They pay in advance by credit card and if they overstay their welcome, such as checking out an hour later than agreed, your cleaner just lets themselves in and starts cleaning. They don't have any tenancy rights.

As you know once a tenant signs an AST it can be very difficult to evict them from your house even if they aren't paying the rent. With serviced accommodation this problem becomes a thing of the past.

**“WITH SERVICED ACCOMMODATION THIS PROBLEM BECOMES A THING OF THE PAST.”**



# WHO ELSE IS USING SERVICED ACCOMMODATION?

Elaine Miscandlon

“I would like to share with you the last few years of my property journey in particular with one of my properties in Greenock, Scotland

If I take you back to April 2015 the latest in a string of problem tenants left after 18 months of regular arrears. They had caused around £4,000 worth of structural damage to my 2 bed terraced property. The letting agent was due in court for mass fraud and of no help to me. I felt anxious and in despair, concerned about finding money for the repairs and worried another tenant would just ruin it again. My property journey was getting much, much harder, not easier. I couldn't see financial freedom anywhere on the horizon, just more debt and worry.

Just over 18 months later, at the time of writing this, January 2016 and my property world could not be more different.

Since the end of August 2016, this same property has been operating as a serviced apartment in an area I secretly suspected would have no or low demand! We've had tourists from America, Canada and England, and workers from Spain, France and Italy. We're looking forward to the new tourist season starting shortly and are actively targeting the major employers and contract workers in the area. The systems we put in place run smoothly – I don't even live in the UK, I live in Ireland now, so the systems had to work well and they do. Most importantly for me, I never have to worry about problem tenants ever again. I'm in complete control of the property for the first time in years. The cashflow is more than I could ever have dreamed of and my goal is to replicate that with other properties and leave my day job in the near future.

**“THE CASHFLOW IS MORE THAN I  
COULD EVER HAVE DREAMED OF...”**

So what changed? Well in Summer 2015 I learned from two fantastic people who were then already operating successful serviced apartments - Paul and Aniko Smith.

They gave me invaluable guidance on researching demand, setting up the property, using different websites, processing payments, running the daily operations and every other imaginable aspect.

Silver Tides opened to guests in the last week of August 2015. With no voids or damage, as a normal "single let" this would have earned approximately £160 net of costs per month or £2,000 net per annum.

In only the first two months as a serviced apartment, it generated an incredible £2,100 net - at 50% occupancy and with no direct marketing in place. This property will earn me well over ten times the previous single let monthly income!

This is the strategy which set me free, and it can soon be yours too."

**"IT GENERATED AN INCREDIBLE £2,100 NET - AT 50% OCCUPANCY AND WITH NO DIRECT MARKETING."**



From what I've just shared with you, you should now be able to see the big opportunity within Serviced Accommodation –

- Big upfront payments for a per-night room rental, with all transactions handled for you.
- None of the usual paperwork, logistical and legal headaches of renting to tenants.
- Done-for-you room marketing on the biggest accommodation listing websites

I imagine you also have some questions about getting started, right? After all, I've written this report to quickly get you up to speed on how you can profit from Serviced Accommodation, without giving you pages and pages of possible Q&As to sift through.

That being said, now that you know the overview of this strategy, I'm more than happy to share a "Quick Start" training with you so you can put this in to practice!

**“YOU SHOULD NOW BE ABLE TO SEE THE BIG OPPORTUNITY WITHIN SERVICED ACCOMMODATION”**



It's the same "Quick Start" training that I've shared with Elaine and many other property investors who now enjoy the stress-free, profitable side of owning property by choosing Serviced Accommodation over the traditional single let model.

In a few days, I'll send you an email with the details of an online training session I'll be running for everyone who's downloaded a copy of this report.

It's free, and allows me to do a little "market research" into how other property investors are getting on, while I deliver this valuable "Quick Start" training to you in exchange.

If you're a complete beginner in property, and especially if you haven't yet bought your first investment property, don't worry; I'll be covering how to identify ideal new Serviced Accommodation properties too, so you can take every step in the right direction.

Once again, thank you for downloading this report, and I'll speak with you on email in a couple of days.

Paul Smith

**"I'LL BE COVERING HOW TO IDENTIFY IDEAL NEW SERVICED ACCOMMODATION PROPERTIES TOO, SO YOU CAN TAKE EVERY STEP IN THE RIGHT DIRECTION."**

