

PAXOS PROPERTY AGENCY
FACTSHEET NO 5: RENTING OUT YOUR PROPERTY ON PAXOS

Overview

Many people who are building or buying a property on Paxos are interested in renting it out when not using it for their own personal use in order to maximize the return from their investment.

Whether you want to rent out your property all season or for just certain weeks, to rent it to anyone who wishes to rent it or just to friends, we at Paxos Property Agency are extremely flexible and offer a comprehensive range of services tailor-made to meet your specific requirements.

Demand

There is strong demand for well-built and well-equipped properties on Paxos. Long gone are the days when Greece was cheap and people were prepared to accept poor drainage or problems with the water supply as being just something typical of Greece. People now spend much more on their holidays to Greece and they expect good quality accommodation. This applies particularly to many of those visiting Paxos, a relatively up-market destination.

However, Paxos is very much an island for couples, and quite often larger groups are made up of friends rather than families. The only time we get a family market to the island is the late May bank holiday and the peak season from mid-July to the end of August. We therefore struggle to rent out any four bedroom property as people just cannot make full use of its size, whereas it is easier to rent out any two bedroom and to a more limited extent three bedroom property, throughout the summer period.

Supply

Although there are more and more quality properties being built on Paxos, most of the properties available for rent are old houses that have been 'patched up' over the last 30 years and do not meet the requirements of today's visitors. It is very difficult to find quality properties to rent out.

The options

There are several options for renting out your property and we at Paxos Property Agency can provide help with all of them:

- a) If you have bought your property mainly for investment purposes and do not want to have any involvement in renting it out, you may wish to contract it to a tour operator for the whole season. If you wish to do this, we can help you to negotiate the best possible contract without any hassle.
- b) If you would like to receive some rental income from your property but still retain a number of weeks for use by yourself and friends, contracting it to a tour operator may not be an option. However, we may still be able to help you to rent out your property to a tour operator on an ad hoc basis and we can also offer a number of advertisement and placement options through our own and other websites to help you to sell the vacant weeks. We charge 15% commission on all bookings we obtain for you, leaving you free to advertise the house yourself in magazines and newspapers in the UK. And you will be able to offer as comprehensive a package as you wish, as Paxos Property Agency can also offer a full range of travel and resort services (transfers, taxis, 'Meet and Greet' service, welcome packs, maid service, villa visits, our 24-hour emergency number and back-up service and the advice of our friendly resort manager). Details of our services and charges are shown on the attached sheet and it is for you to decide exactly which services you require.
- c) Even if you only wish to rent out your property to friends, we can still help you by providing whichever travel and resort services you require.

Out-of-season options

There is more and more interest being shown in Paxos out-of-season. Properties need to have central heating during the shoulder and winter periods, but there is a developing market for people interested in relaxing, walking, diving, bird watching etc. And if any of the budget airlines does ever start flying into Corfu, the market in this area will change rapidly and there will be a massive 'out-of-season' demand for quality properties with efficient central heating.

Important considerations

You should bear in mind that people coming on holiday to Paxos now expect to stay in a property that is comparable to their home in the UK with similar amenities and facilities. They expect to be able to flush paper down the loo, drink water from the tap, wash clothes in a washing machine, and have a comprehensive range of appliances in the kitchen and good quality furnishings.

You should also remember that, especially in the summer months, people spend much more time outside than inside and therefore 'rooms' outside ie balconies, terraces and garden areas for sitting all help to rent out a property.

Views and location are essential. If your property is in a good location with good views, then it should be easy to rent out. The cost of a plot of land in a great location may seem considerably more than the cost of one in a more mediocre spot but you will soon recover the extra expenditure from the additional income that it will generate and, should you ever wish to sell the property, the location and views will again be very important.

A swimming pool is also another useful addition for the rental market, especially if you will be contracting to a tour operator. Having a pool is useful in brochure or website pictures of a property and helps to sell more weeks. A pool is also very useful for family groups, so you should consider installing one, especially if your property is not near to a beach.

Taxes

Greek income tax is a complicated subject and you should consult an accountant either in the UK or in Greece.

Licences

You will need a licence from the Greek National Tourist Organisation if you want to rent out your property and your architect or lawyer who assisted with the construction or purchase will be able to help you complete the documentation needed to apply for this.

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