

## Rent it, but not for long

Homeowners who don't want to sell and don't want long-term renters turn to the world of corporate, short-stay rentals.

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When Angela Crowley began traveling internationally for business, she wasn't sure what to do with her house. In between her trips, Crowley planned to return to her Denver home and didn't want to sell it.

A Realtor suggested Crowley list her property as a corporate rental for people who need short-term housing but prefer a home to a hotel.

As the housing market continues to struggle, turning a home that is empty, not selling or facing a foreclosure into a corporate-housing rental is becoming an increasingly popular solution for homeowners.

Using a rental agent, Crowley's property sat empty for three months. While searching online for alternatives, she found [CorporateHousingbyOwner.com](http://CorporateHousingbyOwner.com) or CHBO, a Denver-based company that lists and markets properties that are managed by homeowners.

Although more time-consuming, the manage-it-yourself option means more profit over full-service corporate-housing companies, which handle all management and maintenance for the homeowner.

Within two weeks, Crowley, a master trainer for an exercise system, had rented her house for five months for \$1,000 more per month than the rental agent had suggested. The price included use of furniture, all utilities, high-speed Internet and maintenance.

"This has allowed me to keep my home, maximize the value and live in other locations part of the year," Crowley said.

## **Concept has evolved**

The concept of corporate housing began in the 1960s when companies and employees rented basic, furnished apartments for the occasional long-term assignment. According to Elaine Quiroz, industry analyst and president of Virginia-based Corporate Housing Strategies, at that time, furniture was provided, but the renter was often responsible for housewares and utilities.

Over the years, the concept and service level have evolved.

"Today's corporate-housing providers typically include furnishings, all housewares, utilities, high-speed Internet — even the finer touches of hotels like upgraded linens," Quiroz said. "Private owners offering their home as corporate housing are not obligated to include all of those features and services, but to best compete in the marketplace, they should come very close."

Corporate housing in Colorado has been provided through a number of small, regional providers since the 1980s.

"Traditional corporate-housing companies typically only offer apartments," said Kimberly Smith, co-owner of CHBO with her husband, Eric Smith.

"So before the advent of companies like ours, homeowners found it very difficult to find fully-furnished homes for monthly rental," she said.

## **Reasons for renting vary**

Homeowners offer their properties for corporate housing for a variety of reasons. Some, like Crowley, don't want to sell or rent long-term.

Frank Kocur, president of Denver-based Corporate Housing Solutions, a corporate rental management service, said that 5 to 10 percent of the company's property owner clients are in distress situations such as foreclosure.

In an effort to continue paying their mortgage, Kocur said "people can rent their property temporarily, then move in with friends or family until they get their financial situation under control."

About 20 percent of CHBO's rental properties are for sale but are not selling due to the economy.

Renters include anyone in need of short-term housing: businesspeople; athletes; visiting relatives; homeowners who are remodeling; people with a gap between the sale of one home and move-in of the next; and families relocating to a new state unsure of where to buy.

The benefits for property owners include being able to command higher rates than a typical rental, which helps offset the periods of nonoccupancy (Smith said corporate properties are typically rented 80 percent of the time); less wear and tear on the home because tenants are temporary; and flexibility in timing.

"For example, if your long-term goal is to sell your home, but you're holding onto it until the market turns, you can rent to a series of short-term tenants without being locked into a long-term commitment," said Smith.

The primary drawbacks are more tenant turnover, which means more time required for a homeowner to manage the property and potential damage to property.

Crowley's first tenant's contract is up. She relisted her home on the CHBO site two weeks ago but hasn't received any responses.

The company is helping her revamp her rental listing to attract more attention.

"I think this is a great advantage," said Crowley. "CHBO knows the pulse of the market so I expect their advice on pricing and marketing strategies to be sound."

Crowley sometimes wonders if corporate housing will continue to make sense for her given the economy but said, "For now, it does."