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“Motorhoming is
even more fun -
when its free”

Andrew Hughes

Revealed – the step-by-step guide
to starting your own highly profitable
motorhome hire business.

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Motorhome hire – the ultimate buy to let?

Welcome to my report on starting your own motorhome hire business. I hope this report will motivate you to starting out on your own!

My hire company, MotorHolme.com has conducted well over 6,000 hires, which means we've a lot of the experience and know-how to get you started in this business quickly and avoid some of the basic mistakes and pitfalls many start ups seem to make.

I started my own hire business "MotorHolme.com" in 2002 and these days we specialise in selling buy to let type motorhomes and providing a unique hire marketing service to hundreds motorhome owners across England, Ireland, Scotland and Wales.

Whether you're looking for an easy way to pay all the running costs of a single motorhome or if you want to operate a fleet of hire vehicles, this report is for you.

Demand for hiring motorhomes exceeds supply – even if retail sales fall due to increasing economic problems, this will only increase rental demand and will continue do so for many years to come.

Most people are only just discovering and enjoying the "motorhome phenomenon" that is sweeping across the UK. Already massively established elsewhere around the world, the UK is only just waking up to this alternative and highly lucrative hire and travel market.

Here's what you will find in this report:

- Why you should start a motorhome hire business
- How to get started
- What to buy and what to avoid
- How to market your business
- How to grow your business
- What to do right away
- What is the next step

I hope you enjoy my insight into this exciting and profitable idea and I hope we can do business in the very near future.

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Why should you start a motorhome hire business?

The primary reason for starting your own motorhome hire is the positive cashflow, what I mean by this is that, you can earn money from hiring out a motorhome very quickly.

You are paid at least one month in advance of a hire taking place and usually a deposit is taken at the time of booking. If you finance your new motorhome, you will only make a repayment once a month, leaving plenty of money and time to generate a positive cashflow.

Unlike most other businesses, motorhome hire can be cash positive right from the start. When you compare how little you have to invest and how much of a return you can make compared to other business opportunities, I am sure you will agree that motorhome hire is a superb business to be in.

And unlike most other buy to let investments, you can actually enjoy the free use of your own luxury motorhome between hires! I know from experience that “buy to let” investments are increasingly difficult to finance, expensive to own and do not provide anywhere near the cash flow returns you can make from hiring out a motorhome.

So apart from making some quick and easy cash, why else would you start a motorhome hire business?

It's easy – all you need to do is follow the advice in this report

It's highly profitable – you can earn over £1,000 per week with just a single motorhome in return for just a few hours “work” at the weekend.

It's tax efficient – did you know you can claim the up to 100% of the purchase price as depreciation against your income tax?

You enjoy the full use of a fantastic new motorhome whenever you want.

You can start part time – once your motorhome goes out on hire, that's the last you usually hear about it until it comes back.

You can start from home – all you need is your driveway!

We'll support you – with our unique hire marketing service we will supply you with bookings and support services to grow your new business venture - fast.

You can start immediately – no matter what time of year it is, in this report you will discover that right now is the best time to start your own hire business. There are hire enquiries all year round and demand is increasing every year.

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As you read this report, I hope you'll agree this is a great business idea and an ideal way to create cash flow for your other investments, or anything else for that matter...

If you fancy building a motorhome hire business and decide to go full time, our hire marketing service is the low risk way to build a highly profitable, hire business in your area.

As you build up your own hire fleet and become established, you'll depend less and less on our marketing services. I know that we've helped set up many new motorhome hire companies over the past few years and I wish you every success in this exciting new market.

If you're thinking at this stage "Why would someone tell me to start a business and become a competitor? Why not keep it a secret?"

Our business plan is to help start up hire companies. What we do is specialise in selling rental or "Buy to Let" specification motorhomes and our hire marketing services provide bookings and income for owners during the early stages of starting your business.

The more new hire operators we can help, the more money we earn from our primary income of marketing and providing hire bookings. As our income is from helping you to succeed, we are definitely not your competitor!

Some motorhome owners may go full time and build a fleet of vehicles, though most seem to like the idea of enjoying the use of a new motorhome for free. Whichever route you take, we only earn money by finding business for you.

Our hire marketing service is 100% free of charge – there's no cost to you in terms of fees, commissions or annual subscriptions. In this report, you will find out that this invaluable and free service provides a complete back up and support facility for building a motorhome hire business – whether you just want to enjoy the free use of one or want to go full time.

If you decide to go full time and build a fleet of hire motorhomes, like I did, you will inevitably spend more on your own marketing. As you will also find out, the demand for motorhome hire is huge and there is plenty of business to go round.

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Let me tell you a true story of how I started my own motor home hire business.....

I first looked at hire after a rather wet weekend at Silverstone, when my wife vowed that we would never stay in a tent again! Believe me, if you've ever been there, you will know what I am talking about. There were fire works going off in the middle of the night, we used our VW Beetle to power the fridge which killed the battery and had to get someone to push it at the end of the race meeting.

Anyway, when I got home I looked around in the Yellow Pages etc. for motorhome hire and was surprised at how few companies actually offered it. And the ones that did seemed to charge very high prices and there were tons of weird conditions and rules (£5 more for a TV and £10 for a bike rack) which I found hard to understand.

So I figured out that maybe I could buy one and possibly rent it out during times I was not using it. I checked out the market (Remember I was a total rookie and had never even been in a motorhome) and found myself in Brownhills. To my amazement, they did not offer any type of hire and nor did they know anyone who could help....hmmm

Eventually I decided on buying a Hymer, and began to shop around - only to discover you could only buy them from those friendly people I had met at Brownhills or Hymer. I did a deal on an end of the line Hymer C524 model direct from Preston.

I should have known then that this "bargain" was going to be trouble. I lived near Peterborough in a village called Holme (Hence the name) and rather than drive to Preston, I asked if they would have it delivered.

It duly arrived and the driver knew absolutely nothing about a motorhome. Neither did I. After a few hours, we headed as far as we dared - just north of Peterborough at Fairey Meadows site for a rather miserable weekend in December, with 2 dogs, 2 kids and a brand new Hymer motorhome....

Imagine my disappointment when the next morning, there was no water (Although I swear I filled it the day before). Using a mobile phone to a technician at Hymer, we eventually discovered that the van had all the pipes open as per usual on a new model. So all the water had drained out each time I had switched on a tap.

We went for a little drive and the engine management light came up. I called Hymer and they said (Remember this van is just 12 hours old) that "It's a warranty job, call Fiat and they will come out and take it away for repair"

Repair! I was livid - I called the AA and they took the camper away on a transporter to Grantham, about an hour from my home. They took four days to find the fault (A bad earth in the sensor) and I collected the ill fated camper van.

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In the meantime, I started experimenting with Google to run ads for my new business venture. Whilst away for the first weekend, I had dug up twelve enquiries! This was more like it. Only problem was that I had to send each one a brochure (Which I was printing on an inkjet at huge personal expense and took about 5 minutes to print!)

Plus I did not have any insurance cover for self drive hire. No problem I thought, just pick up the Yellow Pages and start phoning up insurance brokers. Sadly after a few hours, it was obvious that there were not many companies that would touch a new boy for insurance for self drive hire, let alone on a £35K motor home.

In fact, I could find only one - Tradex. And they wanted £3,500 per year to insure the van for self drive hire. And I asked them "How much for 2 vans?" and they said "£7,000 a year". Hang on a minute, the insurance was MORE than the annual finance payments.

But, I knew there was a market, by all the enquiries I was receiving, so I accepted the insurance at the price I was quoted "We might discount it next year if you're careful" they said as I set up the direct debit over the phone.

So I had the van (Not very reliable), I had my self drive insurance cover (Extortionately priced) and I had a marketing system (Costing about £2.50 per brochure) but hey, I was in business!

My first hire - 5 days over Christmas (£230) to a lovely couple and their two kids. They turned up at my house and I did my best to explain how the van worked. Mum and dad loaded the presents in the rear garage (Without alerting the kids) and packed up their christmas goodies for the holiday of a lifetime. I filled out the insurance form and away they went....

10 minutes later I get a call, they had switched on the headlights and suddenly the whole vehicle had died just before the A1 and they were in a lay by up the road. I was gutted. I drove out to them and realised it was the same electrical fault as it had been delivered to me with. All I could do was give them their money back and drive the family back to my house to collect their car. Their christmas was ruined. All the presents had to be unloaded and they drove off unceremoniously into the night. Leaving me with a very bad feeling - did I really want to ruin other peoples holidays?

I paid for a local recovery firm to take the van back to AC Williams at Grantham (We were on first name terms) and I headed off for my christmas in Yorkshire. I already had another booking on the van from the middle of Christmas for a week in Europe. I hoped they would fix it in time.

I stressed and called the garage over Christmas and they could not find the fault - a bad earth in the loom that could not be found without major specialist investigation. Did not look likely to fix it before the return to work in the New Year. Talk about ruining Christmas, here I was, just a month into the game and I have a break down, a refund and I am about to ruin someones holiday again. No this was not for me.

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On the way back from Yorkshire, I received a call, from the garage. The fitter had remembered something and miraculously fixed the fault. I could collect it on the way down! A quick detour and I am back in the game. I bring the van home and prep her to go back out to France and Spain.

Another family duly arrive and with a handover complete they set off to Europe..... It was not going well.

The van broke down (again) on the Spanish/French border and the family had to spend the night in a hotel. Fortunately, Fiat in Europe are a lot more efficient than in England it seems and they soon fixed the problem. But worse was to come.

Being a total newcomer, I failed to put a euro adaptor in the cursed motor home - so they ran the power down completely on a camp site because they could not connect to the mains. Which meant that the electric step would not come back up.

Which meant that they drove for over 60 kilometers with the step down and the alarm buzzing. To put it mildly, they were somewhat annoyed when they returned home.

I was at a crossroads - was this what running a rental company would be like? My background was selling software, not fixing vans and I did not want a special appearance on BBC Watchdog for dodgy holidays.

But I concluded that all this must be a test, to prove my commitment if you like. I could see loads of enquiries coming in so at least one thing was right. So I promptly went down to Brownhills and bought 4 more vans for delivery in April 2003.

Only problem was where to store them, I mean, one is OK but once you get a couple, it starts to look like a motor home convention! Driving up and down the A1, the deadline was approaching, and where would I store the vans?

Bookings were coming in and out of desperation, I noticed a sign on a farm gate, with a phone number on it. I left a message along the lines of looking for a few barns to rent over winter and could they call me back.

Farmer Gregg did indeed call me back. What a result - covered barns, power and car parking just off the A1 for about £50 per month! Now we were rocking. And by the time the vans turned up, they were fully booked. And did I get an education!

In those days, I still had my day job selling software and so all turnarounds had to be on a Friday only. My wife did the cleaning and I did the insurance and the paperwork. I'd see a client in the morning and by the afternoon I'd be changing gas and emptying toilets on one of the campers. Talk about hard work.

Within two years, we bought a farm and I had about 14 vans on the books. Filling them had been easy, and for events like Glastonbury, I did not have anywhere near enough units. One day, a man drove past in his motor home (A Hymer by coincidence) and he asked me straight out if I could rent out his camper for him.

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I told 'Ron' I'd get back to him and to be honest I forgot all about it. Good job he was persistent, because the following week he was round again. I said "OK Ron, I'll find out if I can arrange insurance on your van, even though I don't own it."

One phone call later and bingo - yes we can insure other peoples' vans, under a system called cross hire. So Ron and I became partners, he provided his van and I got the bookings. I filled his van with bookings as fast as any of my own. But the penny had not really dropped about how I could really grow my business.

Late in the season, my wife's friend said her dad had a motor home and could I rent his out? Why not I thought, its up in Yorkshire and so I put it up on our web site. So Rodney joined the team, based in Scarborough. He was blessed with bad luck, infact, i think the van did more miles on the back of a transporter than it ever did being driven.

Even though the van was less than a year old, it always had problems, stemming from a vibrating distributor cap or something like that. So this was a very big test for my new business concept. But again, it was more bad luck than a real problem with the business. A few refunds later (I was no stranger to them) and I decided that marketing motorhome hire on behalf of owners was the way forward.

Which brings us up to today - now providing a unique hire marketing service to hundreds of small hire operators across England, Scotland, Ireland and Wales. Yes, we do have some unlucky vans, but overall, the whole scheme works really well. We're easily the biggest motor home hire company in the UK but that's not very important to either us or our partners.

Infact, I marvelled that we have now exceeded 7,000 hires and we've always provided a motorhome when we promised one, even if it meant driving one from Goole on the east coast to Bristol airport to honour a booking. After all, it is someones' holiday!

And I am constantly amazed that we're always fully booked over the summer, despite growing from just one motorhome to hundreds of vehicles!

I thought I would tell you my true story (Trust me, you couldn't make it up) as a way to firstly show you that we are a genuine business, with a commitment to providing a world class motorhome hire service through our self hire partners.

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How to get started

Easy, go out and buy a motorhome!

Almost – I'm coming to that in a moment. Before getting into any new business, you need to consider if it's right for you. Motorhome hire, like any good idea, still requires hard work and a commitment from you to make it a success.

Ideally you will need a driveway to keep your motorhome off the road which will also be the same place to store the hirers own vehicle whilst your motorhome is out on hire. You will need electricity and water for cleaning and servicing.

Motorhome hires tend to take place on either a Friday afternoon or over a weekend and most hires return in the morning and usually go back out in the afternoon. So you or your partner will need to be around when the vehicle goes out and when it comes back to check it and prepare it for the next hire.

Cleaning and preparing a motorhome for hire is a physical job – you need to work methodically and quickly to prepare the vehicle to go out on a hire. Basic maintenance skills such as replacing fuses and fixing smaller problems are essential.

If you decide to rent out your motorhome directly, you will need some sales and marketing skills to generate rental bookings – people will call you and expect you to give prices and take bookings over the phone. If you are comfortable talking to people and are genuinely interested in what they are doing, this skill will improve over time.

If you are looking to grow a fleet of motorhomes for hire, you will need quite large premises to store the motorhomes between hires and during the winter months. You may find ideal locations if you approach farmers and land owners about this idea. In this report, you'll also discover an ingenious alternative to having premises at all!

Of course, you will also need a computer, a printer, an Internet connection, an email address and all the usual things that a small business requires. It is not within the scope of this report to cover these aspects in detail.

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How much can you earn

Motorhome hire is a seasonal business. Later in this report, you'll start to learn more about the types of hirers. It all happens over a five or six month season. This is a lot longer than other seasonal businesses, but it is still seasonal.

The good news is that at least half your bookings come via reservations made during out of season – therefore you must market and promote heavily during the off season in order to earn cashflow and to maximise the level of bookings that you receive overall.

When I ran my own motorhome hire fleet, I was averaging around 32 weeks per year, per vehicle. This is a very high utilisation, but I had a very powerful marketing system and only ten vehicles to fill. You may not achieve this level, but you can aim for over 20 – 24 weeks if you work hard at marketing and use our hire marketing service to assist you.

Depending on the exact vehicle and whether you take a booking directly or through our marketing service, you can expect an average income of between £600 - £800 per booking. Remember, a booking is not necessarily a week – sometimes a weekend or sometimes 2 weeks, it is purely an average.

You can add at least £200 more per booking if you market and take bookings directly, but you must deduct your marketing costs and your time taken, for each direct booking that you take.

If you decide to operate a single motorhome, the income from our marketing service should be more than enough to cover your annual running costs and finance payments. If you decide to operate a fleet of vehicles, you need to be certain that you can generate enough income from the additional vehicles to justify their running and finance costs.

Most of all, you must have a belief in yourself that you can succeed in this business, and not allow set backs to put you off. If you start slowly, with one vehicle and enjoy the use of it whenever you like, you will soon be able to decide whether to pursue this as a full time venture or simply a way to enjoy a motorhome for free.

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What type of motorhome to buy

Just nip down to a motorhome dealer and buy the cheapest one....

Well maybe. If I'm honest, the purchase of a motorhome, either new or second hand, can be a minefield. Like any niche industry there's a few technical and product terms which may be new to you and a little confusing!

When you visit a dealer, they will soon find out how much you already know about motorhomes. It's easy to fall for their sales pitch and become seduced by an amazing "bargain".

The fact is that motorhome dealers are just like any other motor dealer, some are good, some are bad, most of them don't want to know you once they've made a sale!

A dealer is not interested in, nor do they know what configuration gives the best rental returns. They have no idea about marketing your new motorhome for hire and they certainly will not guarantee you a minimum rental income!

It's a little different with MotorHolme.com. We've already done all the leg work and our experience in motorhome hire means we recommend what we know is the ideal motorhome rental model. We won't sell you a vehicle that would not be suitable for motorhome hire.

What this means is instead of spending weeks learning about motorhoming, you only have to think about what is the best size vehicle for you - whether you want a small, medium or large.

You don't need to concern yourself with how 12v pumps, berths, awnings or other motorhome things work – we know exactly what a hirer wants to hire and what we provide you with is a rental specific model to start hiring out immediately. Time is money!

Included with our buy to let models is thorough training on how to conduct a "handover" and the essential procedures you must carry out with each hire. There's nothing difficult about showing people how to use a motorhome once you know how. If you have a simple and easy to use motorhome, you can easily demonstrate how to use it safely and effectively in half an hour or less.

Remember, we only succeed if you do – we make our money from the fees we charge to a hirer for each hire made on your vehicle. We don't charge you any fees, commissions or subscriptions at any time. Our marketing service is provided at no cost to you.

To put it bluntly, if we don't obtain bookings for your motorhome, we don't make any money. Unlike a dealer who makes all their money upfront when they sell you a motorhome, we're committed to making your hire venture a success!

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Who else pays you an income guarantee?

In the early days of starting a business, it can feel that you are completely on your own. We understand the financial commitment that you're making and if you decide to invest in one of our "buy to let" models, we're so confident about our hire marketing service that we will actually guarantee you a minimum rental income that you will earn for a period of three years from the date of delivery.

Our income guarantee means that if you buy any buy to let rental model from us, we'll guarantee that you will earn a minimum annual income from hiring it out.

The guarantee is simple - if, after each twelve month anniversary, from the date of delivery, your motorhome has not earned the minimum annual guaranteed income level, we'll pay you a "top up" payment to match the guaranteed income amount.

Booked personal use and hires that you take directly are deducted from the annual income guaranteed amount. In reality, your rental motorhome will easily cover the income guarantee, but it's nice to have this "safety net" when you are starting out.

Whether you buy from us or not, I hope that you take our advice in choosing the ideal motorhome rental model from the start.

Finance

Even if you have the cash available to buy a new motorhome sat in your bank account, you're better off arranging finance on your rental motorhome for as long a term as possible?

Why? Because for cash flow purposes, you can build up a healthy surplus and you can reclaim the interest on repayments against your taxable income. The maximum term that you can finance a motorhome is ten years, which means you'll pay very little in terms of outgoings each month.

The extra cash flow that you earn from rental income can go into paying for marketing and growing your hire business locally.

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And what to avoid

A lot of existing motorhome owners approach us to market and hire out their own private motorhomes. Sometimes their vehicles are totally inappropriate for rental purposes and they can become very disappointed by their rental income simply because their motorhome was not ideal for hire purposes.

Don't get me wrong, you can rent out just about any kind of motorhome during the summer peak period, but to maximise your income, it's best to do a little research and apply some common sense before you buy a motorhome for hire purposes.

Vehicles older than five years or "gas guzzling" American RV's are not what people want to hire. Buying a second hand vehicle is not advisable as they usually do not have adequate warranty and breakdown cover necessary for hire purposes.

Thankfully, the hard work in selecting a new rental model has already been done for you. If you're looking to buy a motorhome for buy to let purposes, copy the most successful hire companies. Don't think you can "second guess" what the market really wants, especially if you have no background in the motorhome market.

So what do the big players use? Companies like Hertz and Avis tend to rent out basic, low cost vehicles that can be repaired and cleaned easily. Your biggest enemy is time off road – if your motorhome is not out on hire, you are losing money. Your motorhome will be off the road if you do not make it not roadworthy and presentable, so you need access to spares and parts, fast!

Why? Because your hirers make mistakes and have small accidents, it's very common for small breakages. To keep your investment on the road and making you money, you need access to spare parts. Unfortunately, in the motorhome industry, you can expect to wait up to 12 weeks for a replacement part to arrive from some motorhome manufacturers.

Imagine, the start of the summer and your first hirer loses say, a window on the first hire – if you have to wait 12 weeks for a new one, you could wipe out your entire rental income during the busiest time of year!

What does this tell you? You must buy a rental motorhome model from a reputable and established manufacturer who holds stock of parts which you can order and fit easily. It's no use buying a cheap or obscure motorhome model only to discover that you cannot find the parts or worse, they no longer make them.

That's why it's fool hardy to go out and buy an older, second hand motorhome for a motorhome hire business. If you already own a motorhome, you already know the history of the vehicle and the situation regarding spare parts.

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Warranty and breakdown cover

The next most important decision is reliability and support. Modern European motorhomes run on the latest chassis from the leading van manufacturers, including Fiat, Renault, Mercedes and Ford. With a new vehicle, you automatically receive a warranty and a European wide breakdown recovery service is included in the price of the vehicle.

If you can extend the warranty when you buy a new motorhome, this is a very shrewd move, as it can be a minefield to find a third party warranty or a break down service for hire purposes. If your hire motorhome does break down whilst out on hire, you want someone else to sort out the problem, particularly if the break down happens in Europe. It's far better to give the hirer an international free phone number and let the manufacturer sort out the problem for you.

Again, whatever you decide to buy, think basic, reliable and easy to obtain parts for. Although it is tempting to buy second hand, it does not make sense financially – although the purchase price can be cheaper, the vehicle will not usually have a EU warranty, parts can be a nightmare to source and these two factors can really work against you when you have to give refunds and cancel people's holidays due to a lack of replacement parts.

When you compare the monthly repayments between buying a second hand model and a new vehicle, the difference is very small, yet the risk and potential downside are much higher on a second hand motorhome.

And you cannot usually finance a second hand vehicle over a ten year period – which means the monthly repayments may end up costing you more for a used model, than the monthly repayments for a brand new model!

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Size matters!

The best way to select a motorhome is to think about what size model you would use – it makes sense as it's your vehicle! What I mean is if you are a family of two adults and two young children, you probably need to think about either a medium size or large motorhome, whereas if there are just two of you, it's better to invest in a smaller model.

A word about sizes – the motorhome industry uses the term “berths” to determine the number of sleeping areas in a motorhome, ie. 5 berth sleeps five. This can be a little misleading, as the manufacturers idea of sleeping 6 people is somewhat different to reality. Some four berth models are as big as a house and some six berth models are really cramped!

What you need to do is base your size on your own requirements – don't worry, there are plenty of people who will want to rent out your motorhome, whatever size you choose.

Of course, the size of the model dictates how much you can charge – for instance you cannot charge the same for a vehicle which sleeps two people as another one which sleeps six or seven. But what you tend to find, is that larger vehicles rent out during the summer months and school holidays, whereas the smaller models rent out all year round. By the end of the year, there may not be much difference in terms of rental income.

The smaller models are typically hired by retired couples, out of season. We receive a lot of bookings from Australians and New Zealanders who are touring the UK and Europe for periods between three and six weeks. Couples are put off by larger models and less hire companies seem to offer smaller vehicles for hire.

Finally think about safety – these days hirers, understandably expect to have seatbelts for everyone in the party – depending on the layout, some older motorhome models do not have any seatbelts fitted in the rear. This can be a disaster for your bookings!

Legislation due out in May 2009, means that all passengers in the rear of any vehicle will require seatbelts fitted.

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Stick with one manufacturer

If you're contemplating growing your business into a small fleet, it makes sense to decide on one manufacturer – why? Because manufacturers tend to use the same parts throughout their model range.

Generally, the same window or tap will be used in different models across their range. If you have a small breakdown or damage, you can easily “swap” the parts out from one of your fleet which is not going out, to keep another one on the road.

Its impossible to do this if you build a fleet of motorhomes from different manufacturers, as the parts will not be compatible. And if you use one manufacturer, your knowledge will increase to provide a better support service. So keep it simple and once you find the ideal rental motorhome manufacturer, stick with it!

You can save money by purchasing a left hand drive model. Though I would caution this idea – if you are given a choice, what would you rather drive? I know that when given a choice, most of our hirers will opt for right hand drive versions, so the money you save on the purchase price can be lost by all the hires that you lose!

What we do is specialise in selling basic, low cost, rental grade motorhomes - small (Sleeps up to three), medium (Sleeps up to five) and large (sleeps up to seven).

We recommend right hand drive and ensure that there are fitted seat belts for the rear passengers.

We are a dealer for Mooveo models from Europe's largest motorhome hire manufacturer, Pilote. Not only do Hertz and Avis use the exact same Mooveo vehicles throughout Europe, but Pilote operate an online, next day shipping facility on all their replacement parts which they readily carry in stock.

The Renault or Fiat based Mooveo models can be serviced at any main Fiat or Renault dealer in the UK and the manufacturers' warranty and breakdown service is tailored specifically for hire company requirements, including EU breakdown cover.

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Accessories you need in a 'buy to let' motorhome

In terms of accessories, a dealer will love to load you up with tons of things that you might need "just in case". Firstly, a dealer is the worst place to buy the accessories – there are lots of cheaper places, including Halfords, Tesco, Argos etc. to buy the basic items that you need.

For safety, you will need a first aid kit and a fire extinguisher. You may want to provide high visibility jackets, a safety triangle and a spare bulb and fuses kit.

These days, I would recommend a Sat Nav, a flat screen TV with built in DVD player and a CD/Radio with an Ipod connection as the entertainment. Forget about satellite TV's, playstations etc. as they can be hassle to maintain and go wrong very easily.

You need a camp site mains connection cable and a UK plug adaptor. Externally, you need a bike rack (4 man preferably) and a tow bar. Why a towbar? Because very few hire companies offer vehicles with a towbar.

Someone who needs a towbar will only be able to rent a motorhome that has one, so that means you will stand out from the crowd! Just one rental will cover the cost of a towbar, so why not?

For the kitchen, use melamine crockery and use glass tumblers and mugs – melamine mugs stain very quickly and look terrible. Buy non-stick pans from Tesco and use metal utensils (The heat from propane gas will melt plastic utensils). Again you can use normal, low cost cutlery.

Expect hirers to lose tumblers and cutlery quite often and expect change the pans and mugs when they start to look tired.

Remember to supply a length of hose with different connectors for filling up with water. You will need two 6kg propane gas bottles and a gas spanner. You may want to include some light weight levelling chocks.

Keep all personal items out of the motorhome – less is more with motorhome hire, the more things you leave in the vehicle, the more chance it has of going missing and the more time it takes you to check it and repair it.

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A word about location

Your location is absolutely key to the rental income that you can make. A lot of people think that if they live in a holiday area, such as the Lake District, that they are ideally placed for motorhome hire. Unfortunately the opposite is true.

For successful motorhome hire, you need to be located in a large town or city, where there are lots of people to market to. London, Edinburgh, Glasgow, Birmingham and South East England are easily the best areas to set up a hire business.

People want to collect their motorhome nearby to where they live – think about it, they want to load up the motorhome with all their own things, bedding, food, bikes, entertainment etc. It is not practical to carry all this in a car to a holiday location and load it into a motorhome. It's far easier to pick a motorhome nearby, take it home, load it up and go on holiday, don't you agree?

And where do most people live? In large towns and cities, of course.

But if you don't live in an ideal location, how can you succeed in motorhome hire? An alternative to having premises and doing the hire process directly yourself is to appoint someone else to carry out the hires on your behalf.

As part of our hire marketing service, what we do provide is a nationwide network of volunteers or caretakers who are happy to caretaker your motorhome for a small fee.

Our "caretakers" store, manage and maintain your buy to let motorhome whilst it's not out on hire and provide the handover and cleaning services for each hire. The caretakers are paid directly from the hirer and their small fee is deducted from your rental income.

If you take bookings directly, you can still use your MotorHolme caretaker to fulfil your own bookings. This means that you can grow your motorhome hire business, and create a nationwide network by appointing our caretakers in key locations around the country.

Imagine, running a ten or more vehicle hire fleet and not having to do any of the actual hire work – it's possible with our unique caretaker service.

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How to market your business

Before we go much further, you have to ask yourself whether this idea is something you want to pursue full time or part time. Depending on your own aspirations will dictate how much time and what type of business you are building.

My advice to you is to start small, with just one vehicle that is right for you and your own requirements. See if you enjoy it, master the marketing side of things and then decide if you want to expand your business further. If motorhome hire is not for you, you can always remain as a part time hire operator and enjoy motorhoming for free.

If you don't want the hassle of talking to potential hirers and spending your money on marketing, perhaps you should be thinking about this idea as a part time business.

All you have to do is register your new buy to let motorhome with our free hire marketing service and we will take care of the rest.

If you want to build up a fleet of maybe six or ten vehicles, you probably need to run this as a full time business. Most of your time should be spent on marketing, not on motorhomes.

Either way, the marketing principles are the same – it just depends on whether you do them yourself or let someone else do them for you....

The best rental income returns will come from bookings that you take directly – that way you keep all the rental income and your only cost is the price of self drive hire insurance.

However, you must realise that in the early days, you'll need help obtaining bookings. In addition to your own marketing efforts, you should use our hire marketing service.

It takes time to establish any kind of business and what we do is provide a free service to produce immediate bookings for you. We use our web site to market your motorhome for hire and take care of the entire reservation process including: travel arrangements, transfers, arranging the self drive hire insurance and providing backup and support in case an incident occurs.

Of course, when you receive bookings from us, you'll receive less money than a hire taken directly by yourself. Remember there's no cost to you in terms of marketing or time. Internet marketing and running a telesales team is not cheap!

The income that you earn from bookings that we take on your behalf is excellent – most of our part time hire operators let us do all their marketing and bookings, happy to enjoy the use of a free motorhome whenever they like.

If you want to grow your own full time hire business, the income from bookings generated by our hire marketing service should be used to fund your own marketing plan.

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Local and Internet Marketing

For motorhome hire, there are two types of marketing – local and the Internet. Marketing your hire business locally and via the Internet is far more effective than other forms of advertising – I've spent thousands on Yellow Pages advertising - at one stage, I ran an advert in over 23 directories! I can tell you that your money is better spent on local advertising and “pay per click” type advertising on web site like Google and Yahoo.

Local Marketing

Local marketing is very easy – produce a flier showing your motorhome and your contact details on it and get it displayed in as many shops, office notice boards and post offices as possible – you'll be amazed at how many people in your local area are interested in motorhome hire. Leaflet drops are also a very effective way to market your motorhome, but they are labour intensive. Give it a try.

Vehicle livery – get your web site and your phone number on your motorhome – a simple but effective way to get your name in front of thousands of potential hirers!

All you need is something simple like:

on hire from
www.yourhirename.com
0845 999 9999

The same goes for local shows or events, simply turn up and give out fliers and you'll soon create local business. Establishing your business locally will take time - creating awareness for your hire business, on a consistent and professional basis, takes months, both locally and on the Internet.

The great thing about local business, is the repeat potential. Locals soon tell each other about something good, and so as long as you provide a good service, word will spread.

Expect locals to want to come and view your motorhome – they've probably never been in a motorhome before. Make sure you are contactable as much as possible and keep your vehicle immaculately presented at all times, you never know when someone will want to view it!

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Internet marketing

Internet marketing brings in bookings that would be impossible to find locally. There's a great deal of mystery surrounding Internet marketing, but essentially, you need to set up a web site, market your web site on search engines and follow up enquiries as quickly as possible, either by email or phone.

Overseas visitors are usually very good bookings and if you live near an international airport, you could be very busy indeed. Again, these kinds of bookings are almost always generated from the Internet.

To market on the Internet, firstly you need a web site. Your web site is very important and you should invest in making it as clear and professional looking as possible – you don't get a second chance to make a first impression. If it looks like you designed it yourself or you omit important things like your address and a landline telephone, you will not create the level of trust necessary to attract and win business.

Creating a motorhome hire web site is easy – but you should let the professionals produce the final design. Keep asking yourself “Why would I want to book a motorhome from this company? Why not?”. Ask other people for their opinion and soon your site will hit all the right buttons. Look at other web sites to get a feel for what they are doing, and what you like or dislike about them. Note everything down, add all the sites that you visit to your favourites and when you approach a web designer, you should have a pretty clear idea what you want.

Although you should look at other motorhome hire web sites, don't copy them exclusively, look at other similar markets and see how their web sites operate to gain an “edge” over your competitors.

Remember that most of your bookings are made over the telephone. Hirers tend to call at all hours, and expect someone to be available. If you're not able to take calls, you should think about using a call center to take enquiries out of hours.

I once took a booking from the owner of New Zealand's largest motorhome hire company, he had a fleet of over three hundred motorhomes! When I met him, I asked him why he had chosen my little company. I was astonished at his reply – “Because you were the only person who got back to me”.

If you set up a web site, you'll be amazed at how many visitors and emails you will receive, with loads of questions and queries. Unless you systematically answer and follow up these emails, you will not win business.

Remember, if someone makes an effort to contact you, it shows that they are very interested in hiring a motorhome! So make sure you follow up each and every enquiry.

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Test every aspect of your web site and related systems before spending money on marketing. I know one hire operator who did not have their correct reply to email address set up for over a year, and wondered why no-one had replied to his emails!

Again, use professional help to get your business started quickly. Web marketing is beyond the scope of this report, but there are many good books on the subject and plenty of material to be found, you've guessed it, on the Internet!

Be very careful about using companies who promise you a top ten listing on Google – there's very few genuine experts who can do this and they charge a fortune. If you want a top placing on Google or Yahoo, use the Pay per Click to guarantee your web site is near the top.

MotorHolme.com have a very established Internet web site and proven marketing system, we use a variety of marketing techniques to generate thousands of visitors to our site – at the time of writing, we receive well over a thirty thousand visitors per month and receive around 200 email enquiries per day. All enquiries are followed up by our reservations team, including call backs and emails!

We market each hire motorhome on its own web page and because of the volume of vehicles available nationwide, we also provide an interactive map which shows where each van is located on a map of the UK visit www.motorholme.co.uk to see what I mean.

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How to grow your business

You need to grow your motorhome business profitably. By investing the income that you earn from hires which we will provide, into your own local marketing plans, you can easily start to build a valuable second income. Once you have become proficient with your own marketing efforts, you might want to consider investing in more vehicles.

A word of caution - growing your business by simply going out and undercutting everyone else is a common mistake for newcomers. It is easy to look at other motorhome hire companies' rates and think "Hey, I can rent my motorhome out for a lot less money than they are charging". I see it all day long and I also know that hire companies that slash their prices do not last.

There's a reason why you should charge similar pricing to everyone else – because you carry a financial risk each time your vehicle goes out on hire. If your motorhome is damaged and off the road, you need enough money put aside to refund future hirers, continue to pay for marketing, to pay for servicing and repair costs and generally to make a profit.

It's impossible to do this if you charge half the price of everyone else. Initially, it will seem like you are doing well, as your motorhome will fill up with bookings very quickly.

However, you will attract the wrong kind of hirers – the ones who are very price sensitive. They may not be able to afford to pay for damages, and you can end up losing money by accepting low value and high risk bookings.

Remember, your motorhome is an investment and you need to treat it in this way – everytime it goes out on hire it carries the same level of risk, yet the actual reward is determined by the price that you charge. If you take any and every kind of booking, your investment will deteriorate much faster than the return you are making.

Be selective about who you hire to and keep your prices up.

Another mistake that new hire operators make is to accept weekend bookings in the peak season. Time and again, newcomers accept a weekend booking for peanuts in the peak season. This can ruin up to two weeks peak income potential!

Never accept less than a weeks' worth of rental income during the summer months. It's not worth it and as soon as you accept a booking, you'll probably find someone else who wants to hire for a week – and you will kick yourself.

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Types of hirer

You must realise that there are two types of hirer, “planners” and “last minute” hirers who book “last minute”. Planners tend to book much longer periods, sometimes as long as three or four weeks. Planners can account for up to half of your bookings and because they are hiring for longer periods, they are a lot less work in terms of cleaning and preparation.

To attract “planners”, you have to market your motorhome hire business as soon as possible – we receive enquiries from planners for the next year’s peak season as early as a year ahead!

Overseas visitors are generally planners and the sooner your motorhome is marketed available for hire over the Internet, the sooner it will be booked out for longer hire periods. That’s why there is no ideal time to start your hire business – the sooner you are marketing your motorhome for hire, the sooner the planners can book.

Weekend hirers tend to cause more damages than hirers who book for a week or more. So although it is tempting to take a weekend booking, always hold out for at least one weeks’ rental income over the summer period – everybody else does!

With our hire marketing service, we only take bookings of one week or more for your motorhome throughout the summer months. We know there are lots of weekend events in the summer, so there’s always lots of demand!

Letting your motorhome out too cheaply will lose you money.

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Tax, damages and depreciation

One of the "hidden" benefits of your motorhome being classified as a "Buy to Let" motorhome, is the way that it is treated from a taxation point of view.

I know some owners have bought new motorhomes and reclaimed the entire VAT on the purchase price for instance (But only if you are VAT registered), which is a great way to pay for the deposit.

And although any income that you make from hiring out your motorhome is deemed taxable income, any interest that you pay on a vehicle finance loan and all the running costs, repairs and consumables (crockery, bedding, trips to motorhome shows) are all deductible expenses. So there's unlikely to be much money to pay on your rental income, if you only operate one vehicle.

I phoned my accountant regarding depreciation, and new legislation means that apparently you can write off up to 100% of the purchase price of a new motorhome in the first tax year in capital allowances against your own taxable income.

What does this mean? At the moment, for most motorhome owners, they are probably paying for all their motorhome running costs after tax. There's no tax rebate that can be claimed for depreciation and certainly no extra income is being earned.

Investing in a motorhome as a hire vehicle, means all your running expenses would be deducted from your taxable income and you may even qualify for a rebate. Imagine, the government paying you to own a motorhome!

And when you eventually sell your rental motorhome, any loss would also be deemed tax allowable against your income.

I'm not a financial advisor nor a tax planning expert. You should check these points independently, as it's very much down to the individual as to how much or how little tax you ultimately pay. It certainly makes a lot of sense to own a motorhome in this way...

The key to minimising depreciation is to keep on top of repairs and servicing for your motorhome. If it is presented immaculately, you will find that hirers, usually, will return it in the same way.

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Damages

As I mentioned earlier, accepting cheap or low value bookings almost always results in damages. Before your vehicle goes out on hire, make sure you get signed, a “vehicle condition sheet”.

You can minimise damages by making sure that everything provided in the vehicle works correctly prior to the hire and when you conduct a handover, that the hirer understands how everything works and operates.

You cannot tell how a hirer will treat your vehicle. So often it turns out that the least likely people cause the most damage.

If you can print out a simple guide as to how to power on the vehicle, set up the heating, power the fridge and get the hot water water going, you should have less calls whilst the hirer is out.

One small tip – remove the carpets from your motorhome and keep them stored safely for when you come to sell the vehicle. Carpets trap the dirt and smells, can take a long time to clean and are generally abused by hirers. If there is no carpet in the vehicle to begin with, there’s no danger of ruining it!

If there are any damages prior to the vehicle going out on hire, these must be noted on a condition report (Sometimes its impossible to repair or replace items prior to a hire).

It is important to make sure that your hire terms and conditions have a clause regarding “subject to a final audit” which allows you to find damages later, after the hirer has returned the vehicle.

A sample of the hire terms and a copy of a condition report that we use for hires in included at the end of this report for your information.

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Payments and Insurance

If you decide to go full time, you will need a merchant services account. This allows you to take and process credit card payments. If you can accept credit card payments, you can obtain the hirers authorisation to take credit card payments for any damages that are caused.

An alternative to credit card processing, is to take what is called a “bond” or deposit payment up front. This is usually the same value as the insurance excess. If you do opt for this idea you must make it clear when you accept the booking that you will also require a deposit or bond payment prior to collection of the motorhome.

The bond payment is paid into your bank and you return the payment after the vehicle has been returned in a good condition. If there are any damages, this is deducted from the bond. Sometimes hirers can run up parking and speeding fines, again the bond or deposit is used to cover this. Parking and speeding fines can take up to three or four weeks to come through, which means you should hold on to any bond or deposit for at least this amount of time.

You may lose some potential bookings if you adopt a bond or deposit policy – but you’ll be glad you had taken some money when things go wrong!

With bookings generated from our hire marketing service, you have the peace of mind of knowing that we will act directly on your behalf to recover any monies for damages caused from hirers whom we introduce.

We have credit card facilities and our recovery team recover damages and fines on behalf of our registered owners. We have the option to retain a deposit or bond on a hirers’ credit card to cover any possibility of a hirer not honouring payment for damages. This means that there’s no delay in ensuring your motorhome is back on the road as soon as possible and without any financial risk to you.

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Insurance

When your vehicle goes out on hire, it must be insured with a self drive hire policy. This is a commercial policy that works in the same way as a normal vehicle insurance cover, but is specifically for a hirer to drive your vehicle.

If you are running this as a part time enterprise and have only one motorhome, which you are using personally, you will require a personal insurance policy for your own use.

A traditional personal insurance policy specifically excludes hire and reward and you will not be able to change your current policy to accommodate hire.

The ideal self drive hire insurance cover is the pay as you go type cover which allows you to pay only for the actual days that the vehicle is out on hire. In the old days, I had to pay up front for an entire year, whereas today you can buy just the days that you actually require.

Depending on the background of the hirer, such as license endorsements, age and country in which they passed their driving test, can have a large effect on the cost of the daily insurance rate. For instance, a 22 year old student from Australia will cost a lot more to insure than a 30 year old British resident with a clean license. And if they are driving in Europe, the daily cost is a lot higher than UK travel.

Remember this when you are quoting a price for your own hires – you must know the drivers' details and background before you can accurately quote for the hire. It is very easy to overlook this and end up paying most of your profit out on insurance!

With “pay as you go” self drive hire insurance, what happens is that you are the policy holder and the hirer is the named driver. Each time the vehicle goes out on hire, a new policy document is issued electronically by the insurance company produces an insurance certificate.

The certificate states the vehicle details, the hirers details and license number and a unique policy number. Usually you have to pre-pay for the insurance cover via a deposit scheme.

In the event of a claim, the policy number is required. Whilst out on hire, your own personal insurance is not valid (remember it excludes hire or reward). I have heard of some owners cutting costs by adding hirers as a named driver to their personal insurance policy.

If anything goes wrong, such as a dispute with a hirer regarding a claim, or an incident involving the police or a serious accident, the first thing the hirer and other witnesses will state is that they were hiring the motorhome.

The police and other insurers will look carefully at all statements and compare the level of insurance cover provided. For European travel, hirers need a EU insurance certificate. If you simply add the hirer as a named driver, and it is found out that they

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had actually paid for hire, you could be facing a charge for fraud and your insurance cover will not be valid.

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It doesn't cost a great deal to arrange fully comprehensive insurance cover using a pay as you go service – it's a cost of doing business. Never be tempted to wing it with your own insurance cover as it's a certain way to lose a lot more than just the cost of the insurance cover.

MotorHolme.com provide and pay for pay as you go insurance cover for all the bookings that we arrange through our hire marketing service. The cost of the insurance is included in our free hire marketing service. You can also purchase the same daily "pay as you go" self drive hire insurance cover from us at competitive rates for your own hires.

On any hires that we introduce from our hire marketing service, we assume full responsibility for the recovery of any insurance excess from the hirer – what this means is that if the hirer does not have the funds to pay the insurance excess, MotorHolme.com will pay it on their behalf and the owner is able to proceed with repairs to their motorhome without delay.

And remember, any claim arising from a hirer using your motorhome does not affect your own insurance policy nor your no claims bonus. A lot of people think that using our hire insurance cover means they would "double insure" their vehicle. Double insuring a vehicle means that you have taken out two policies on the same vehicle and that is illegal.

Our hire marketing service means that *MotorHolme.com* is the policy holder and the hirer is a named driver under our policy. What we are doing is cross hiring your vehicle only for the duration of the hire. Our commercial policy allows us to temporarily insure vehicles for hire and reward.

Our insurance cover works in the same way as any commercial garage policy – for instance, when you take your car in for a service and a mechanic drives it around the block, it's covered under the garage's own insurance policy with the mechanic as a named driver.

In the event of an insurance claim, our policy is processed in the same way as any other insurance cover – a third party assessor will firstly inspect the vehicle and agree the extent of the repair with the repairing garage.

Please note – any repairs undertaken as a result of an insurance claim can be carried out at any repairing garage of your choice.

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How motorhome hire compares to other buy to let investments:

Rental Properties

The following story will be very familiar to you if you've ever bought a "buy to let" property.... I was an "armchair landlord", looking for that elusive thing, a buy to let property which was actually cash positive.

In the old days, you would have to find and buy something that needed renovation, do it up, find a letting agent and find a tenant. But somehow, along the way, the cost of rental properties massively increased.

Although in the long term, your property will increase in value, you almost always end up financing or "topping up" the mortgage and maintenance payments on an investment property each month just to stay afloat, especially in the early years and certainly in the current climate.

You couldn't "retire" on the passive cash flow from residential rental investments. Not unless you had about a hundred properties fully let. And I struggled to find even one or two suitable properties despite scouring every estate agent in my area for months on end.

And it seemed everyone else was getting in on the same game, the cat was out of the bag, so the price of buy to let properties soon escalated.

I thought I must be missing something, so I attended a property investment seminar, at a hotel near Heathrow, where they were advocating, among other things, how to make money by buying property 20% under value, do it up and remortgage it for 20% more than market value, use the borrowings as your "income" and find a tenant to cover the cost of an interest-only highly inflated remortgage!

What colour do you want your Porsche?

That's all very well while there was cheap credit, loose lending criteria, capital appreciation and a booming rental sector. Unfortunately, we all know where this has ended up recently. Property prices are headed downwards in the short term, borrowing costs have increased and increased availability has led to a glut of buy to let properties.

On my property training course, they also talked about cash flow investments and capital appreciation investments. So that you don't confuse the two, motorhome hire is a cash positive business whereas buy to let properties are capital investments.

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Holiday cottages

As a result of attending the property seminar, I went out and bought two holiday cottages. They had a higher cash return than a normal buy to let, but to be honest, the returns after maintenance were a little over break even; the holiday cottage market is very established and there is huge competition.

After financing, furnishing and redecorating, holiday marketing costs etc. you find that customers actually wear out your property much faster than a rental and they are very particular about every little detail.

Because the properties were in a holiday town, I couldn't charge anywhere near the rental income to make them cash positive in terms of paying the monthly mortgage. So once I decided that holiday homes were not going to be the next big thing, I had no choice but to sell them keep on paying the top up mortgage payments.

Ultimately I sold them for a small profit. I never stayed in either property and I would only recommend buying a holiday cottage if it's located next door to where you live.

Meanwhile my other "investment properties" which I've acquired meant that every month I have to top up the mortgage repayments just to keep my investments going. To cover the shortfall, I used the extra income from my motorhome hire rental income.

Overseas properties

I have no experience with overseas properties, but the nightmare that is happening in Spain for thousands of UK investors says it all. Unless you know the legal system and have very good advisors, I would not start buying "off plan" in any country.

I think UK investors are sometimes considered "fair game" for unscrupulous developers and corruption is rife throughout planning and local councils in developing areas of Europe.

As an alternative, why not use the extra cash from a modest investment in a buy to let motorhome to go on holiday whenever you like?

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Some final thoughts

I know a lot of people will be concerned about depreciation, and how this affects the overall investment of a motorhome – in my view you only suffer depreciation when you actually sell an asset. Over ten years, a buy to let rental motorhome could earn you a substantial extra cash flow – remember, its down to you to invest the money that you make into investments that will generate a long term return.

If you keep up on scheduled maintenance, repairs and presentation, your buy to let motorhome investment will continue paying you a great extra income for many years.

In this report I hope I've given you all the information necessary to make an informed decision about starting your own motorhome hire business. You may have noticed that there aren't any financial figures, nor an illustration of how much you can earn.

To work out your potential rental income, it depends on different factors, namely the size of vehicle, accessories, your location, the time of year and how much time you are willing to commit to in terms of making deliveries and collections.

We're happy to supply you with an "income appraisal" - use our web form at the following web address, visit www.motorholme.co.uk/appraisal.asp to receive a complete rental income appraisal via email.

And, to find out which of our "Buy to Let" models is ideal for you - call us to arrange a vehicle demonstration and discuss the likely rental returns and financing plans we have available, call MotorHolme.com on freephone 0800 612 8719.

If you've any questions regarding any of the information in this report, please send an email to admin@motorholme.co.uk or call 0800 612 8719.

We'd love to hear from you and we look forward to working with you and your new "buy to let" motorhome!

As I always say, "Motorhoming is even more fun - when it's free!"

Andrew Hughes

Founder

www.MotorHolme.co.uk

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HIRE TERMS:

1. Rental Agreement

Owner agrees to let and the Renter agrees to take on the rental of the Vehicle described overleaf. Owner means the hire point listed overleaf. Owner warrants that the vehicle is roadworthy

2. Extension of Rental Period

Owner may extend the period of rental at the request of the Renter. The renter will pay such additional deposit or deposits, as the Owner shall require. In the event of extension(s) the new date and time agreed for the return of the Vehicle shall then become the due back date save where the context otherwise admits. In no event shall the duration of the rental exceed three months in the aggregate.

3. Warranty by Renter and Additional Driver - Owner Rights

a) Renter agrees to return Vehicle to Owner in same condition received, ordinary wear and tear accepted, on due date specified overleaf;

b) Renter agrees not to use Vehicle for hire or reward nor use it in violation of any law, ordinance or regulation, nor remove it (without prior written consent of owner) from England, Scotland, Wales, Northern Ireland or Southern Ireland.

c) Renter hereby warrants and undertakes to the Owner

i) the accuracy of the information supplied to the Owner;

ii) that in the case of business rental this Agreement is entered into by the Driver for and on behalf of the Renter;

iii) that he will not operate Vehicle or permit the Vehicle to be operated in any way that would violate this contract, including: Driving by any person under 21 or over 70; in motor sport events (including racing, pacemaking, rallying, reliability trials, and speed testing); to propel or tow any vehicle or trailer; by any person driving when unfit through drink or drugs or with blood alcohol concentration above the limit prescribed for the time being by road traffic legislation; by any other person other than the Renter or additional Driver shown overleaf; under authority of any licence other than his own; if renter or driver leaves the car unlocked or fails to secure the keys; other than on a paved public highway, private road or driveway; in a reckless or imprudent manner or if the car is deliberately damaged;

iv) that the licence shown to Owner at the time the car is rented is his own and fully valid;

v) that he will further protect the interests of the Insurer and the Owner by ensuring the vehicle is always locked when unattended; and the keys are secure;

d) If renter commits any breach of this agreement, owner may treat the agreement as terminated and may seize, without legal process, or notice to Renter, Vehicle at any time and place and Renter waives all claims for damages connected with such a seizure;

e) Renter authorises Owner to verify through credit agencies, the Driver and Vehicle Licensing Agency or any other sources, personal, driving and credit information provided by Renter and any additional drivers overleaf.

4. Payment

Renter expressly agrees to pay owner on demand:

a) The insurance policy excess of £1250 for each incident if cost of repairs are expected to exceed this amount;

b) A minimum Administration Charge of £180 + VAT per incident

c) Service and time charges at rate specified overleaf plus other charges, if applicable even if an account is forwarded to a third party;

d) Collision Damage Waiver (if any), Theft Protection Insurance (if any), Personal Accident Insurance (if any), Legal Liability Insurance (if any) and miscellaneous charges at the rate specified overleaf;

TERMS AND CONDITIONS

d) All fines and court costs for parking, traffic or other legal violations assessed against the Vehicle, Renter other Driver or Owner until Vehicle is returned, except where caused through fault of Owner. Renter is liable as the owner of the vehicle in respect of: any fixed penalty offence committed in respect of that Vehicle under the Road Traffic Act 1988 and Road Traffic Offenders Act 1988; any excess parking charge which may be incurred in respect of that Vehicle in pursuance of an Order under Sections 45 and 46 of the Road Traffic Regulation Act 1984 or the Road Traffic Act 1991;

e) Any refuelling charge currently operated by the Owner;

f) Value Added Tax and all other taxes (if any) payable on the aforesaid items;

g) Owners costs, including reasonable legal fees where permitted by law, incurred collecting payment due from Renter hereunder;

h) Fair market value of repairing damage howsoever caused to the actual Vehicle supplied, administrative fees, plus loss of revenue at the daily rate shown overleaf based on Owner's loss of use of the Vehicle, diminishment of value, towing, storage, impound fees, regardless of fault or negligence of the Renter or any other person, and regardless of whether damages are a result of an act of God. Owner shall have the sole right and responsibility to repair the Vehicle. Damage should be reported in writing to the office where the car was rented as soon as possible and in any event within 24 hours after the Vehicle was damaged;

i) In the event of theft, fair market value of replacing the Vehicle, administrative fees, plus loss of revenue at the daily rate shown overleaf based on the Owner's loss of use of the Vehicle, if Theft Protection Insurance is not purchased or does not apply. If Vehicle is stolen, it should be reported to the Owner immediately, and in any event within 24 hours after the Vehicle was stolen. It should also be reported to the Police immediately and a crime reference number should also be obtained immediately, regardless if Renter's own insurance or if Owner's insurance applies;

j) Drop fees if Vehicle is not returned to the original rental office (as indicated overleaf) without the written consent of the Owner;

k) Renter agrees to allow Owner to compute and debit final charges from Credit Card, if that is the form of payment used by Renter, shown overleaf. If Renter breaches this agreement, Renter agree to cease using Vehicle and to pay all expenses incurred by Owner in returning Vehicle to place of rental.

5. Renter's Own Insurance

If the Renter selected "own insurance" overleaf, Renter shall keep the Vehicle insured with insurers approved by the Owner on a comprehensive basis for a value which has been agreed in writing by the Owner to be a fair market value of the Vehicle against loss or damage by accident, fire and theft and against third party and passenger liabilities. In the case of loss or damage to the Vehicle, the Renter shall permit the Owner to make a claim thereunder in the name of the Renter and in such case reserves the right to claim full rental charges until any necessary repairs have been completed.

Renter agrees to comply with the terms of Renter's own insurance policy.

Renter agrees that all the terms and conditions of this rental agreement hold regardless of whether Renter selects his own insurance or the insurance of the Owner.

.Owner's Insurance

Save where condition 5 above applies and subject to the Renter's proposal for insurance being accepted by the Owner on behalf of the insurers, Renter is insured upon and subject to the terms and conditions of the policy of insurance held by the Owner in respect of the Vehicle and its use against liabilities to third parties including passengers who are non-fare paying and for whom there are permanently fixed seats. A copy of the policy shall be kept available for inspection by the Renter at the registered office of the Owner specified overleaf.

In respect of each and every incident resulting in damage to the vehicle, the Renter shall forthwith upon demand pay to the Owner the appropriate excess on such insurance towards or in settlement of the cost of making good any such damage on a full indemnity basis and the cost and expenses incurred by the Owner in proceeding to recover the same from the third party. In the event of the Owner receiving from the third party any part of the amount of such costs and provided the Renter shall have performed its obligations hereunder the Owner shall repay to the Renter the like part of such excess. By declining the Collision Damage Waiver and Theft Protection Insurance overleaf, the Renter renders himself liable to and agrees to pay for the full cost of repair to or replacement of the Vehicle together with all other losses, costs, damage and expenses sustained or incurred by the Owner arising from such loss or damage occasioned during the rental including administrative costs and loss of rental income.

7. Collision Damage Waiver (CDW) / Theft Protection Insurance (TPI)

If Owner offers and Renter accepts CDW/TPI with Renter's initials in the appropriate box overleaf, Renter agrees to pay Owner a maximum excess of the amount shown in the collision damage excess box overleaf and Owner agrees to relieve Renter of responsibility for damage and losses over the amount of the excess. Renter's excess can be waived by the purchase of excess protection. Any Breach of Contract Warranties will invalidate CDW/TPI purchased by Renter. CDW/TPI does not relieve Renter of responsibility to Owner for the cost of replacement, loss of use or administrative costs due to lost or stolen keys.

8. Excess Protection (EP)

If Owner offers and Renter accepts Excess Protection with Renter's initials in the appropriate box overleaf, Owner agrees to relieve Renter of responsibility for the excess charge of the amount shown in the collision damage excess box overleaf which would otherwise be payable for damage and losses to the Vehicle.

9. Personal Accident Insurance (PAI)

PAI is applicable if Owner offers and Renter accepts with Renter's initials in the appropriate box overleaf. PAI is not Third Party or Comprehensive Cover. Cover is limited to reimbursing Renter, Driver or Passengers of rental vehicle; cover is subject to the terms and conditions of Policy which may be inspected at Owner's registered address overleaf.

10. In case of accident

The Renter shall in the event of an incident that results in damage to the Vehicle procure that:

a) The Renter's and/or Driver's insurers, if Renter has selected "own insurance", are forthwith notified thereof and that such notice is confirmed in writing to the office where the car is rented (as identified overleaf) immediately and in any event within 24 hours after the accident;

b) The driver of the Vehicle completes and delivers to the Owner the relevant accident report within 24 hours after the accident;

d) No admission of liability is made to any person in relation to such accident;

e) Any writ of summons, summons or other document relating to any proceeding arising out of such accident is forthwith delivered to the Owner at the address overleaf;

f) All assistance is rendered to the Owner and its insurers to the conduct of such proceedings including without prejudice to the generality of the foregoing permitting such proceedings to be brought by the Owner in the name of the Renter and defending any proceedings brought against the Renter;

g) The Renter shall forthwith upon demand fully and effectually indemnify the Owner against all losses, liabilities, costs, actions, claims or demands which it may incur or have brought or made against it in relation to the Vehicle or its use and which are not recoverable under a policy of insurance whether the same is effected by the Owner or Renter;

h) The names and addresses of all witnesses thereto are collected and given to the Owner.

For the purposes of the DATA PROTECTION ACT (S) 1984, the Owner or any subsidiary of the Owner may hold and process by computer or otherwise the information given to Owner by the Renter or any Additional Driver to identify other products or services which might be relevant and for statistical analysis.

12. Renter's Indemnity Provision

Upon demand from Owner, Renter agrees to defend, indemnify and hold Owner harmless from all losses, liabilities, damages, injuries, claims, demands, costs and expenses incurred by Owner in any manner from this rental transaction or from the use or operation of the rental car by any party, including claims of or liabilities to third parties and agrees to present a claim to their insurance carrier for all such expenses. If Renter has no insurance to cover such events or losses, Renter agrees to pay Owner for such losses.

13. RENTER AUTHORISES OWNER TO SUBMIT FOR PAYMENT CREDIT CARD VOUCHERS IF A CREDIT CARD HAS BEEN PRESENTED AS A MEANS OF DEPOSIT OR SECURITY AT THE TIME VEHICLE WAS RENTED, INCLUDING IF ANY THIRD PARTY TO WHOM A BILLING WAS DIRECTED REFUSES TO MAKE PAYMENT.

14. All charges are subject to final audit. SMOKING RELATED DAMAGE IS NOT COVERED UNDER THIS POLICY. SMOKING IS PROHIBITED IN ALL VEHICLES.

15. This agreement is governed by and construed in accordance with the Laws of England. All disputes arising out of or in connection with the agreement shall be subject to the exclusive jurisdiction of the English Courts.

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