



Matching locals with homeowners: Creating a community as exceptional as its surroundings

Online Survey Report

SEPTEMBER 1, 2019

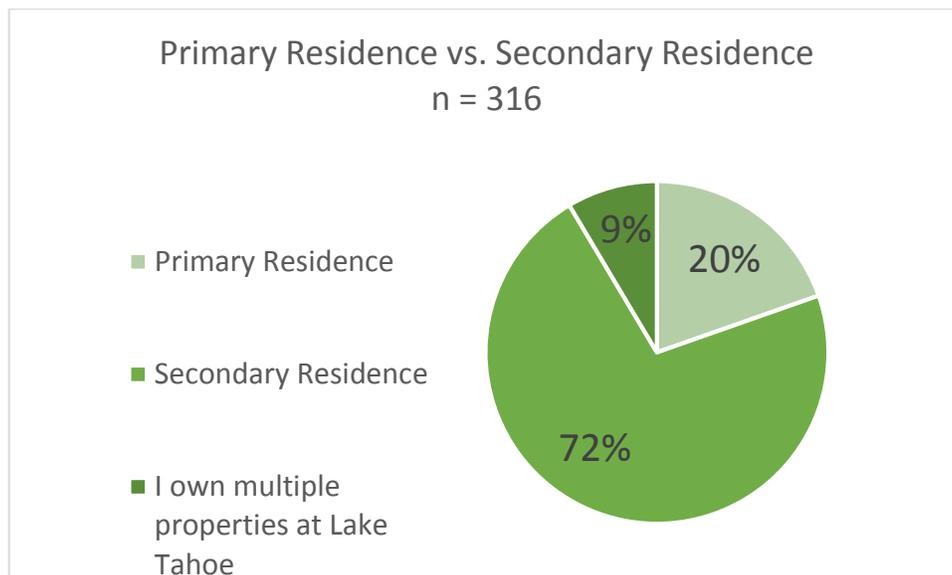
Introduction

Tahoe Home Connection launched a survey of second homeowners in June of 2018, initially advertising the survey through Facebook and word-of-mouth. In June of 2019, Tahoe Home Connection sent a postcard to over 8,000 South Shore homeowners, inviting them to take the survey so that we could learn more about what would encourage people to consider renting out their second home on a seasonal or long-term basis to a local resident. Between June 6, 2018 and September 1, 2019, we received 319 responses. The graphs and tables below summarize the responses received.

Survey Responses

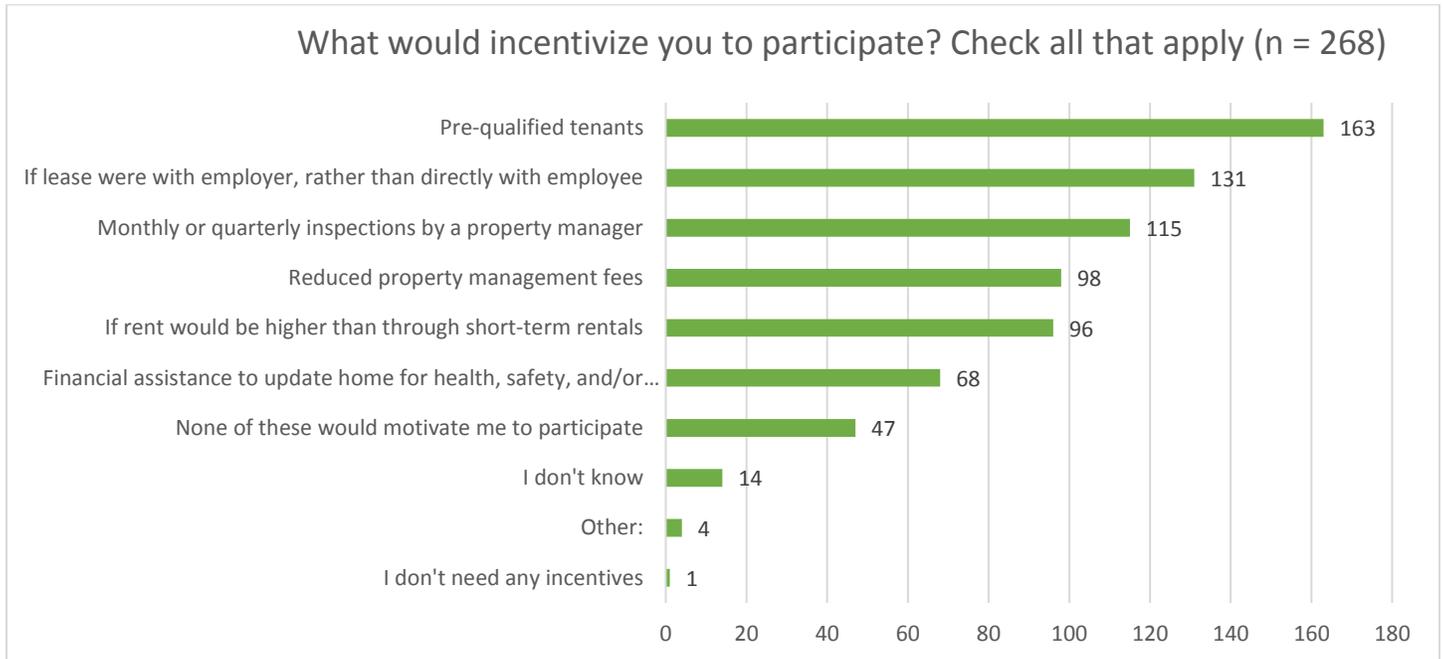
Primary residence versus secondary residence

The vast majority of survey respondents own a second home in South Lake Tahoe, however about 20 percent of respondents are full-time residents. The question was asked: "Is the home you own at Lake Tahoe a: Primary Residence, Secondary Residence, or I own multiple properties at Lake Tahoe."



What would incentivize participation

The survey asked “Many employers in South Shore hire people to work for 3- to 6-month time periods. These include nurses, surgical residents, engineers and construction crews working on road and trail projects, summer school teachers, and ski resort employees. Under which incentives would you be interested in participating in a program to rent to an employee for 3- to -6 months? (Check all that apply.)” Of the options, “Pre-qualified tenants” received the greatest response, followed by “If the lease were with the employer, rather than directly with the employee,” and “Monthly or quarterly inspections by a property manager.”

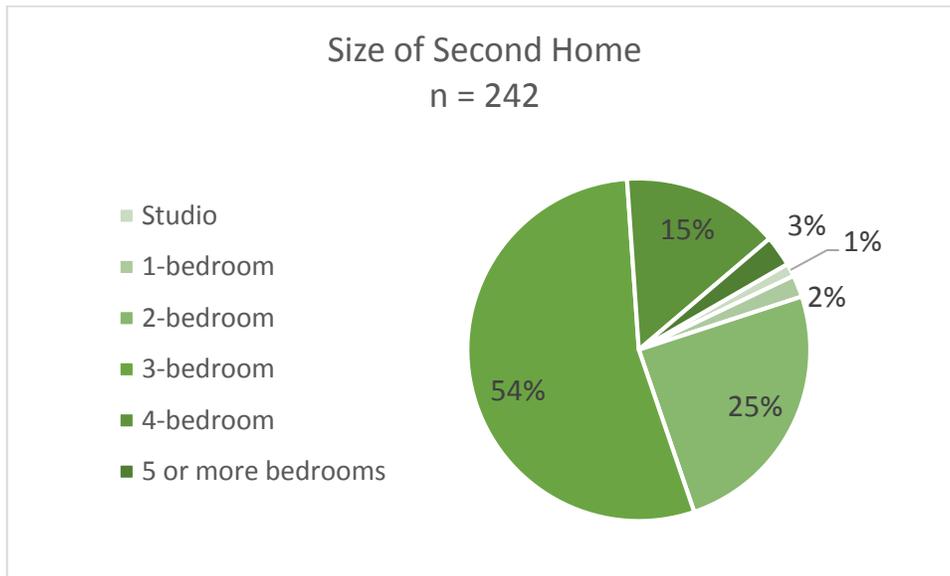


Survey respondents were also invited to suggest other options that might encourage them to participate. Additional responses included:

- Maybe being publicly thanked somehow, or a plaque/sign for the house like VHR
- Tax free
- El Dorado County to allow mother-in-law units to be legal (2 respondents)
- Adding a 2nd bathroom
- Assurance that my home will be in safe hands!

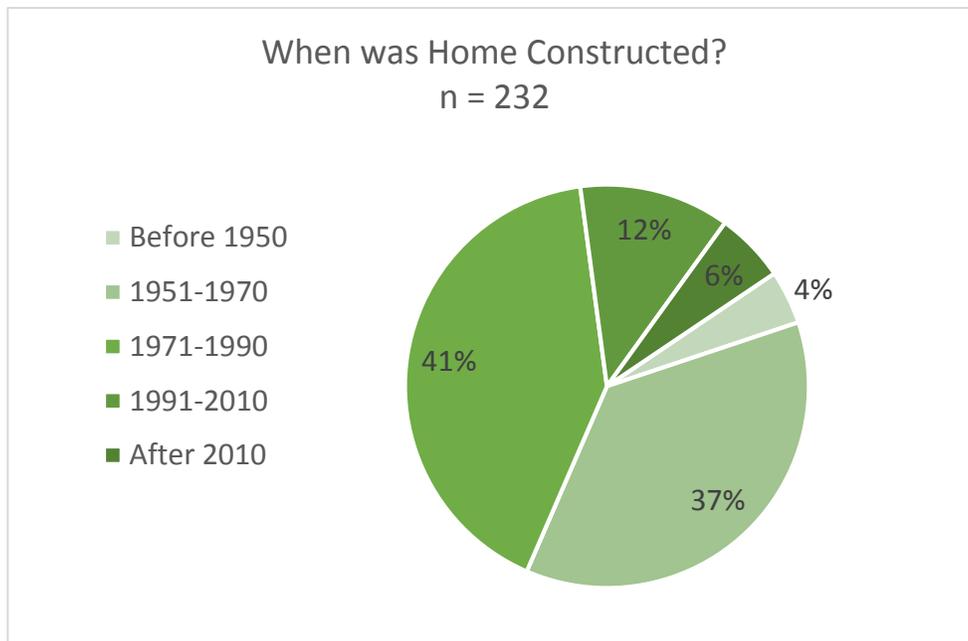
Size of second home

The survey asked respondents about the size of their second home. Slightly over half of the homes are 3-bedroom homes, with another 25 percent of homes being 2-bedrooms. Only 2 percent of homes are one-bedrooms.



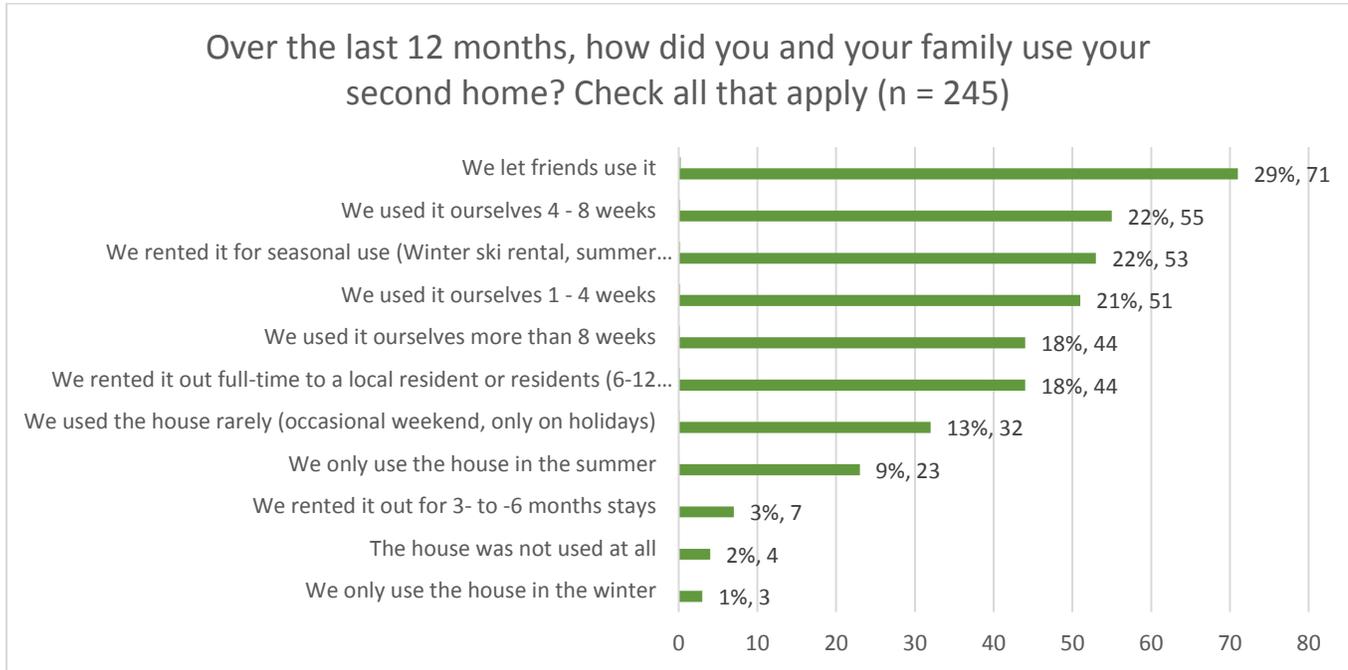
Age of home

The homes of most survey respondents were built between 1971 and 1990 (41 percent) or between 1951 and 1970 (37 percent).



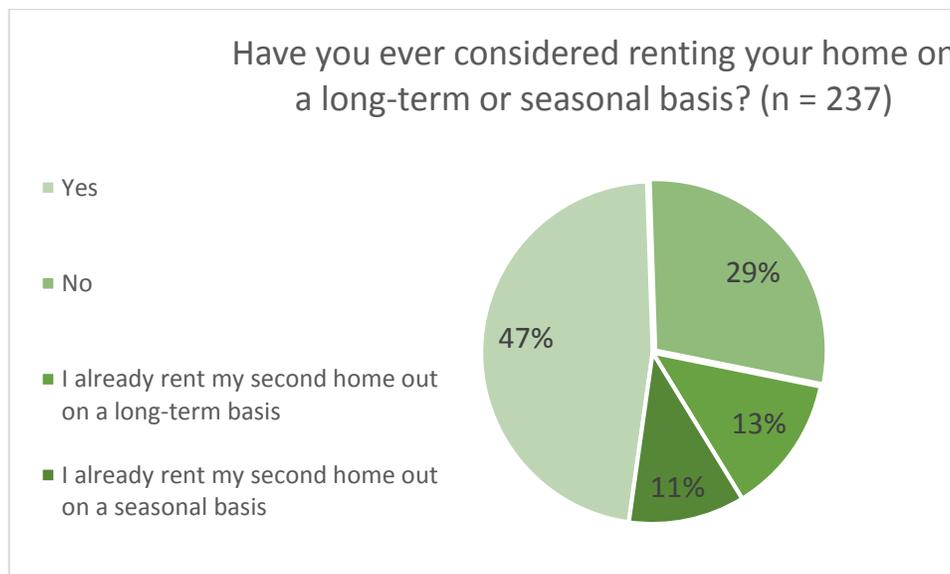
How the home was used last year

The survey asked, “Over the last 12 months, which of these best describes how you and your family used your second home? Check all that apply.” Of those who responded, 18 percent said that they already rent the home to a local resident for six months or longer, and another 22 percent said that they rent out the home seasonally (winter or summer use). Two percent of respondents said that the house was not used at all, and 10 percent said that the house was only used in one season (either winter or summer).



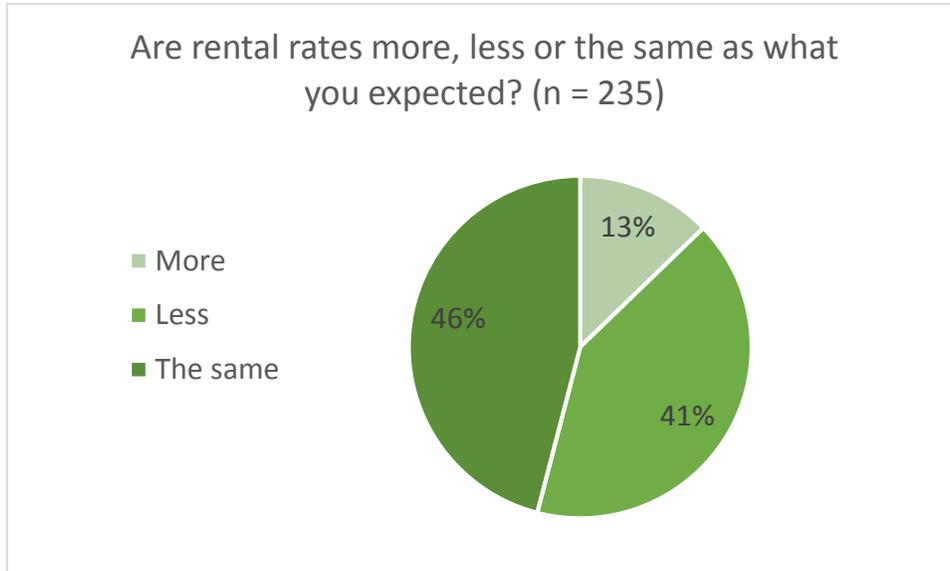
Have you ever considered renting your home out on a long-term or seasonal basis?

Nearly half of respondents said that they had considered renting their home out on a long-term or seasonal basis, and another 24 percent said that they already rented the home out on a long-term or seasonal basis. The survey did not distinguish between short-term rentals (less than 30 days) and rentals greater than 30 days.



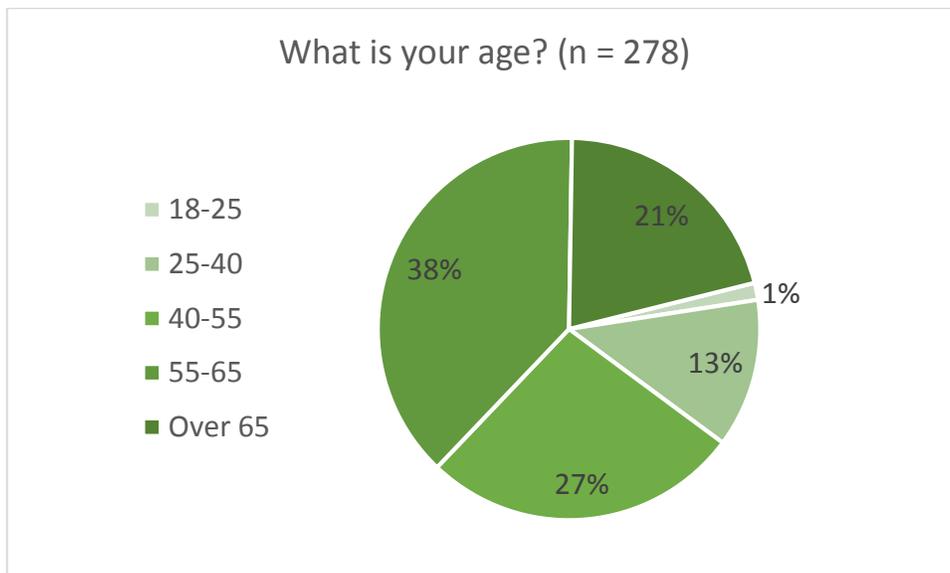
Are rental rates more, less, or the same as what you expected?

The survey question read: "Rental rates for long-term leases are currently averaging \$1,050 per month for a typical one-bedroom, \$1,300 for a two-bedroom, and \$2,000 for a 3-bedroom home. After reading the average rents per month, is the average rent more or less than you expected?" Slightly less than half of respondents said that the rental rates were the same as what they expected, and another 41 percent said they were less than they expected. Thirteen percent of respondents said they were higher than they expected.



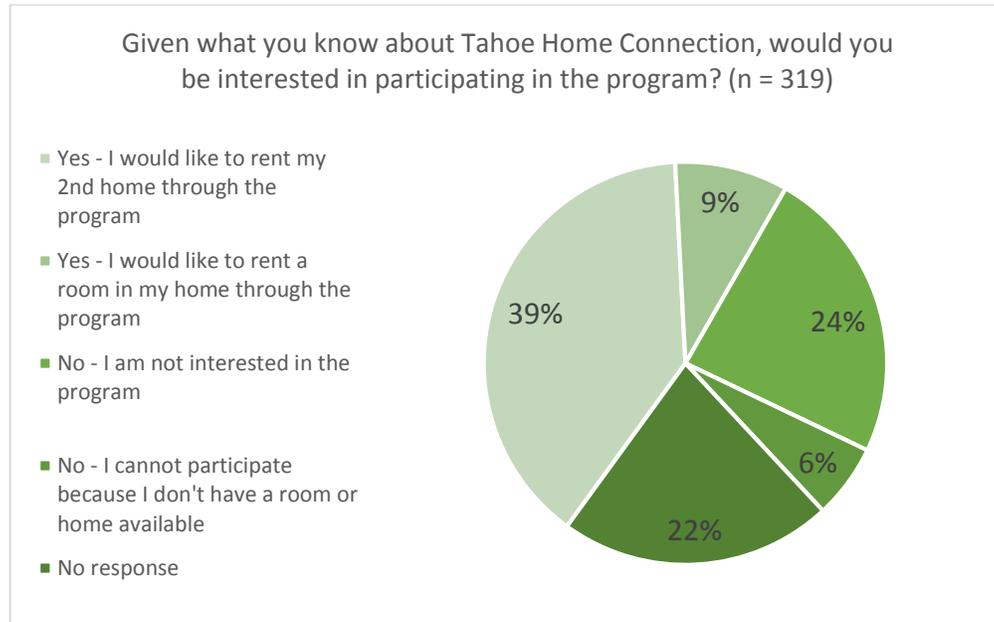
Age

The largest proportion of survey respondents were between the ages of 55 and 65.



Interest in participating in the program

At the end of the survey respondents were asked whether they would like to participate in the program. Nearly half of respondents (48 percent) said that they would be interested in renting either their second home or a room in their house through the program. Tahoe Home Connection contacted all of those that responded “yes.”



Anything else?

- Finally, the survey asked if there was anything else respondents wanted to say. Approximately 100 respondents provided information that differed from what they had already provided through the survey. We can provide the responses upon request, but the following summarizes the gist of the comments:
 - Some commenters expressed displeasure with Measure T.
 - Several mentioned awareness of Tahoe’s housing crisis.
 - Others said they were interested but expressed concerns about possible damage to their property (this was probably the most common comment).
 - Some said they had had bad experiences with long-term renters and would not rent long-term again.
 - Others said that they would need an iron-clad guarantee that the home would be in the same condition as when it was first rented in order to be open to the idea.
 - Three people commented that they would participate if they were allowed to build or legalize a mother-in-law unit.
 - A few people said they were supportive of the program but could not participate because they use their house frequently.
 - Some said they could not make enough money by long-term renting and were obliged to short-term rent to cover their costs.

Success to-date

Tahoe Home Connection has been actively contacting interested second and primary homeowners and connecting them with property managers and homeowners. Here are our stats as of September 1, 2019:

HOME STATUS	# OF HOMES
Forwarded to Barton	9
Forwarded to a Property Manager, active home	10
Want to self-manage, active home	12
Pending	34
Matched with renter	5
Total homes in program or considering joining	70

Out of the 124 responses interested in renting out their second home through our program, we have been able to connect and begin onboarding 70 of those homes, which is roughly half. We are still working with the remaining 54 respondents that expressed interest in the program. We are currently in contact with nine potential tenants interested in renting and are in the process of matching them with the available homes on our list.

We are pleased with our initial success that within four months we have already been able to provide five homes that were not previously available. If you consider that subsidizing the cost to construct a new affordable home or to buy the land underneath a home to make it affordable for a moderate-income family costs at least \$100,000, we calculate our value to the community thus far at \$500,000.

Issues & Opportunities

As we have continued to refine the Tahoe Home Connection Program, and through the responses we received from the survey, we have identified some issues and opportunities that we would like to explore in the future.

Issues:

- 1) Most renters are looking for a 1-bedroom or a 2-bedroom, and most of the homes in our inventory are 3-bedroom homes.
- 2) Many renters have dogs and most homeowners prefer no pets.
- 3) Although Tahoe Home Connection stated the going rental rates in the survey, some homeowners seem to have higher expectations for rents than are realistic.

Opportunities:

- 1) Some homeowners want the flexibility to use the home a few weekends a year, and some of the renters have the ability to stay with a friend during these times. We want to do more to facilitate this type of flexible lease. We also received some positive responses from second homeowners who could not participate in the program but were supportive. We want to reach out to these homeowners to see if they might be willing to let another family stay in their home a few weekends a year if it would mean the other family's home could be rented out year-round.
- 2) Many homeowners are interested in master leases with employers. In our initial conversations with employers they have been open to master leases but are not yet ready to sign on (although some employers do have master leases through property managers). We hope that once our home inventory increases there will be more options for master leases.

- 3) The number 1 incentive that survey takers listed was pre-vetted renters. Tahoe Home Connection has not yet been able to vet renters because of liability, but we would like to research this more. Ideally Tahoe Home Connection would fully vet renters and homeowners, then offer an on-line self-matching service.