

How to generate income from your home

South Africa's current economic downturn has many homeowners eyeing their mortgage repayments with some trepidation. Making ends meet, however, could quite literally be right under our feet, says Tony Clarke, MD of the Rawson Property Group.



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“The options for generating income from your home have increased dramatically over the last few years,” he says. “It’s not just yard sales, or lodgers, or selling crocheted doilies on the internet anymore – people are getting creative, and the results can be far more lucrative than you’d expect.”

One of the most profitable ventures, in the short-term, is offering your home as a location for films and photo shoots. “The South African film industry is booming, and we’re definitely on the map as a great location for international production houses of all types,” says Clarke. “That means there are a lot of people looking for interesting places to use as sets or backdrops for their shoots. Your home, garden or views could be exactly what they’re after.”

From shabby chic cottages to barbershops

It’s not only high-end luxury properties that are in demand as locations either. Everything from shabby chic cottages to barbershops, to crumbling factories and car parks could have film and photographic potential. “The most important aspects that production companies look for tend to be light, space and a unique character,” says Clarke, “as well as enough parking to accommodate their team, of course. If your home fits the bill, it’s definitely worthwhile getting in touch with a location agent. Your property could bring in as much as R5,000 to R10,000 a day if they decide to represent you.”

If you prefer to be more hands-on, and happen to be a whiz in the kitchen, you might find the new trend of supper clubs a more interesting proposition. Pop-up dining concepts like supper clubs are gaining a lot of popularity, and their intimate nature makes them ideal for a home-based business idea. “You would need a permit to run a food-service business from home,” says Clarke, “but it is a great way to earn income while meeting new people and maximising the use of your property. You could also venture into catering or home-baking in a similar way.”

Airbnb your home

Running a bed and breakfast is another method of generating income from a property, and is perfect for social

homeowners who enjoy interacting with interesting guests. With websites like Airbnb, it's also particularly easy to do.

Originally founded as a way to connect couch-surfers with amenable hosts, Airbnb allows homeowners around the globe to advertise their spare rooms – or entire properties – to potential guests. “With Airbnb, you can host guests whenever you want to,” says Clarke, “unlike a traditional B&B that generally stays open all year. You can rent a single room, a sleeper couch in your lounge, or your whole home or apartment, and set your own rates, picking and choosing guests through an online vetting process. It’s all backed by Airbnb’s Host Guarantee insurance as well, which means that even if things do go wrong, you’ll be covered.”

In Cape Town, Airbnb rates range from R200 per night for a bed in a shared room, to over R70,000 per night for an entire, top-end, luxury property. “If you have the extra space, or are planning on being away from home for a period of time, listing your property on Airbnb can bring in a considerable amount of cash,” says Clarke.

As with all new business ventures, Clarke does recommend doing a bit of research before diving into a new project, however. “There are plenty of home businesses that don’t require any special zoning or permits,” he says, “but you need to be completely sure that yours complies with any regulations if you want to avoid future trouble with your municipality or disgruntled neighbours. Also check that your mortgage doesn’t have any restrictions that limit the use of your property while it is bonded.”

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