

Renting out homes during Saratoga's racing season can pay off

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Patricia Culbert and her family reside in an 1870 brick Victorian with five bedrooms, three porches and 12-foot ceilings in a quiet, tree-lined neighborhood that's a quarter mile from Saratoga Race Course.

She's the senior artist in residence at Union College's Department of Theater and Dance. Her husband, William Finlay, is the chairman of the department. But for two weeks in August, their family will be homeless.

This happens every year. Like many other homeowners in or near Saratoga Springs, the couple rents out their home during horse-racing season. The Union College professors charge \$3,500 per week, and after paying the Realtor and cleaning fees, earn about \$6,100 from their rental, Culbert said.

"We always thought it was going to be the big nest egg," said Culbert, who has rented out their home for two weeks every year for the past decade. "I've known people who say that they make their entire mortgage on their rental. That always astounds me."

Depending on a house's size, location, number of bedrooms and amenities, Saratogians who rent theirs out during the season can net from \$1,250 to \$10,000 per week, said Tom Federlin, the owner/broker of Racing City Realty, which specializes in track season rentals.

They earn enough after expenses, they say, to help pay for their children's college education, to make home improvements, to pay their property and school taxes, or to take a lengthy vacation while renting out their home.

For the time in August their home is rented, Culbert and her family intend to vacation in a rented three-bedroom cottage in Newport, R.I., as they have the past two years. Other years, they have vacationed on Cape Cod and Deer Isle, a Maine coastal island, and visited family in Louisville, Ky.

It's not all surfing lessons and surf and turf, however.

Renting out one's home is work -- and because of the recession and the addition of numerous new hotels in and near Saratoga Springs, it's as hard as ever this year, real estate agents and homeowners say.

This is the first time in the 26 years Karen and Jim Smith have put their home on the seasonal rental market that a renter hadn't snatched up the place by Memorial Day. The Smiths still await one.

"People are holding out for the last moment," said Karen Smith, an elementary special education teacher whose home is near Wilton Mall. "People who were coming down for the whole season are coming for one or two weeks. This is the first year it's been like this. I think it's a sign of the times."

Everybody is negotiating for a lower price, said Elinor Stein, who is trying to rent her family's four-bedroom home in Wilton for \$14,000 for the season, and the barns and mobile home on their Gansevoort farm for \$2,500 for the season.

It takes Karen Smith two weeks to prepare her family's four-bedroom, 2 1/2-bath home for renters. Smith cleans the house from top to bottom. She empties the refrigerator, dresser drawers and closets, and stores family photos, heirlooms and personal effects in the basement.

Though none of the renters has ever damaged their home, unless the Smiths rent to returning guests, she experiences anxiety before their arrival. She can't be certain they're not going "to abuse your house or have wild parties," she said.

"Over 95 percent of the time, there's never an issue," Federlin said. "But it is a leap of faith. You have strangers in your house."

That's why the Smiths meet and greet renters before they hand over the keys (when renting out their house, the Smiths

usually vacation at Karen's parents' camp in the Adirondacks).

"We want to know who they are, and we want to shake their hand," she said. "We want to make that kind of contact with them so they respect your house and they understand they're not renting a house, they're renting a home."

By letting renters into their home, the Smiths have formed relationships. They exchange Christmas cards and e-mails with out-of-town guests who on occasion visit if they're in Saratoga. The Smiths keep up with guests another way, too: on TV. Some of their renters were trainers and owners of horses who ran in the Kentucky Derby.

Sometimes renters leave behind gifts, such as the handicappers who "used to leave us tons of alcohol," Karen Smith said. "They couldn't take it with them. Whatever was left was left: expensive liquors, things that we would never buy."

That's on top of the rental profits the Smiths use to pay their school and property taxes, of course.

Other benefits to renting out a home for some or all of the season: It compels owners to clean and maintain their homes, to take out-of-town vacations, and to discard clutter.

A downside: Homeowners who rent out their houses usually go on an out-of-town vacation. If an appliance breaks or the renter can't figure out how to use the personal computer, their vacation might be interrupted. For seven years, the Smiths rented to the then-secretary of NYRA and his family. They were good renters, but at least once a week they'd call, Karen Smith said.

"They called us for everything," she said. "They just weren't handy people. They just didn't know how to fix things or how to figure things out, but we got along well, and it worked out."

For Saratogians who rent out their house for some or all of the season, it usually does.

"For us it has been fabulous," Smith said.

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How to rent out your home for the racing season

Consider hiring a Realtor knowledgeable about the Saratoga track rental market.

If trying to rent it out yourself, set out a season rental sign and advertise in the newspaper and on the Internet (include many descriptions and photos).

Be truthful and accurate when advertising.

If renting it out yourself, perform a thorough background check on the prospective renter.

Once the house is rented:

Clean it before the renter arrives, then clean it again. "It can't be clean enough," said Tom Federlin, the owner/broker of Racing City Realty.

Empty closets and dressers, and remove all clutter.

Make sure everything works.

Don't provide old linens and towels; buy designers sheets and towels for use only by house renters.

If the house has a gas grill, make sure the propane tank is full.

If the lease states the renter is responsible for cleaning the house, provide a vacuum and whatever else they'll need to do so.

Source: Tom Federlin, the owner/broker of Racing City Realty