

Chapter 3: Money



Questions to Ask Yourself About Your Costs

1. Will you hire a cleaner or do it yourself?

- Depending on the size of your RV, hiring a cleaner can cost from \$40 to \$200 per cleaning.
- You can pass this cost onto your renter either via a higher daily rental rate or by adding prep fees, but be careful as these fees can sometimes scare people away.

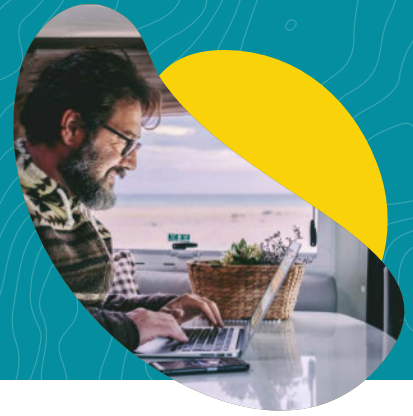
2. What supplies and amenities will you provide?

- It's valuable to provide supplies and amenities like bedding, utensils, and coffee, but the costs for these things can add up.
- Bedding, in particular, can be expensive and time-consuming because you have to wash it every time, but this tends to be an expected amenity by guests.
- Don't feel like you have to go overboard with the amenities you provide, but it's important to make a list of supplies you think you'll need for your RV rental, including pricing for each item, to understand how much the business will cost you.
 - Remember that fun amenities don't have to cost much.
 - Great coffee is relatively affordable and adds to your renter's camping experience.
 - S'more supplies are a memorable add-on that'll up your reviews for a relatively low cost.
 - If you can source affordable bundles of firewood, throw it in with each rental—guests will really appreciate it.

3. What about repairs and maintenance?

- Will you do your own basic maintenance?
 - Most RV rental platforms require that you get regular mechanical checkups of your RV. Many platforms will let you do this yourself, but you have to document it. (Be sure to check with the rental platform to make sure it's okay for you to do your own maintenance.)
 - If you opt to have a professional do your routine maintenance, you'll be looking at a minimum of \$100 to \$200 per visit in most cases—this is just to do a multi-point inspection, change your oil, and top off fluids.
 - If you're qualified to do these routine inspections on your own, you can save your RV rental business a bundle.
- What about major repairs?
 - It's important to save back 10 to 20 percent of the rental money you make for RV repairs—that might sting, but you'll be happy you did it the first time you have a big repair.
 - RV mechanics charge anywhere from \$100 to \$200 or more per hour for work—and that's before you pay for any parts that need replacing.
 - Major repairs can cook and scramble what might otherwise be annual profits in your RV rental business—prep for that with savings and by keeping your regular maintenance up to date.

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| Real Numbers From My Business

I recently finished my second season of renting out my RVs near Glacier National Park. Let's look at one of my rigs—an SUV with a roof tent on top of it—to see my real returns.

NOTE: Your numbers can and will vary depending on location, type of rig, season, etc. I'm sharing these numbers for illustrative purposes only.

2005 Honda Pilot with Roofnest Roof Top Tent (includes all bedding, a campstove, a cooler, and other basic supplies)

- All-in purchase cost in 2021:
 - Car, registration, tax, etc.: \$7,500
 - Roof tent: \$3,500
 - Bedding: \$250
 - Hard cooler: \$300
 - Other supplies (cook stove, lighters, jump starter, etc.): \$500
 - **Total startup costs: \$12,050**
- Repair costs:
 - 2021: \$2,000
 - 2022: \$2,000
 - **Total repair costs: \$4,000**
- Other costs (cleaning, extra supplies, etc.):
 - 2021: \$450
 - 2022: \$600
 - **Total other costs: \$1,050**
- Revenue:
 - 2021: \$7,234
 - 2022: \$6,124
 - **Total: \$13,358**
- Return on investment:
 - Total all-in costs to date: \$17,100
 - Total revenue to date: \$13,358
 - Return on investment: ~80%

Remember, my numbers above aren't necessarily typical. Your situation **will** vary depending on a variety of factors. I was also able to really bump up my return on investment because I have a relatively low-cost RV setup.

That said, the above gives you my real-life numbers of what is possible in the right situations and when you manage costs carefully in your RV rental business.