

Your Guide to Short-Term Rentals: Physician Entrepreneur Edition

Welcome to SimpliMD's comprehensive guide for physicians looking to invest in short-term rentals. This presentation walks you through everything you need to know to start your STR journey.



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Setting Clear Goals



Define Your Purpose

Clarify if your STR is primarily for personal enjoyment, investment income, or both.



Financial Expectations

Set realistic income goals based on market research and property potential.

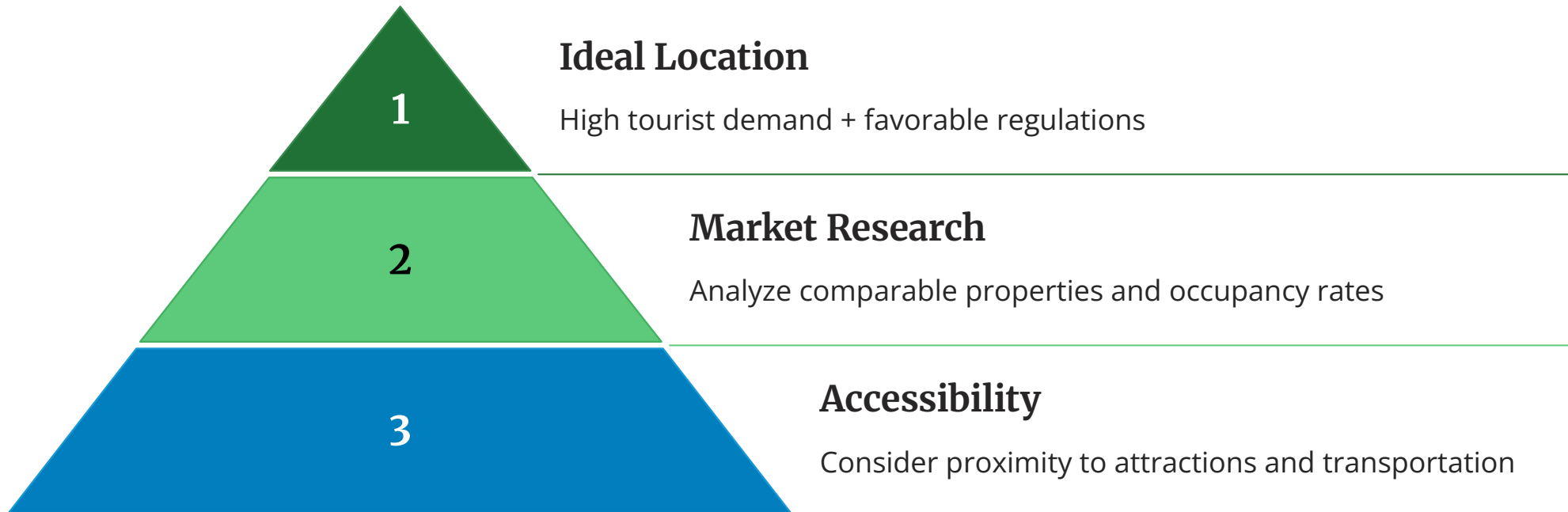


Time Commitment

Determine how much personal time you can dedicate to property management.



Location Strategy





Regulatory Compliance

Zoning Laws

Research local ordinances that may restrict or prohibit short-term rentals in certain areas.

HOA Rules

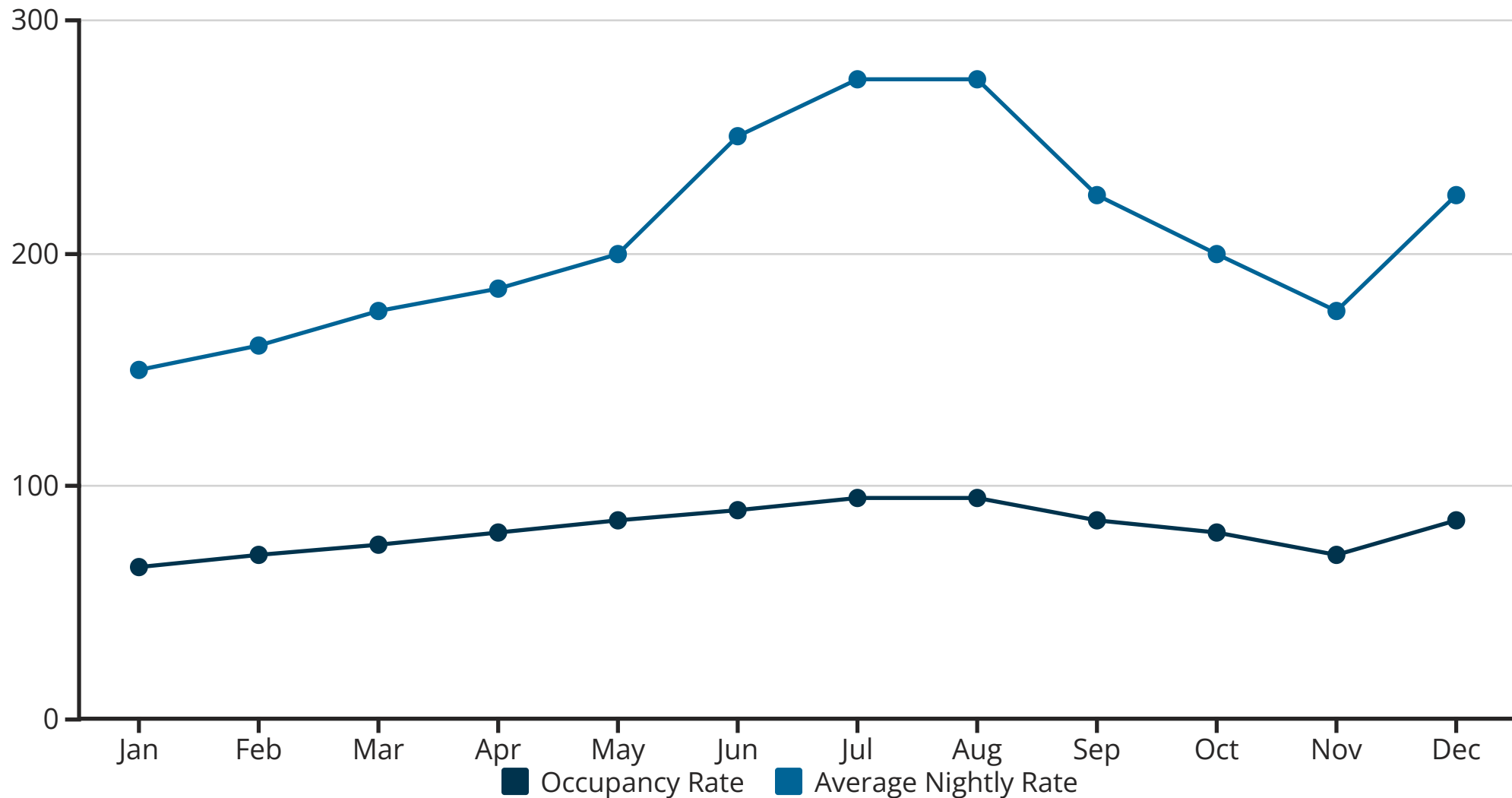
Review homeowners association bylaws for specific STR restrictions or requirements.

Permits & Licenses

Obtain necessary business licenses and STR permits required by your municipality.

Market Analysis

Understanding your target vacation rental market is crucial for physician investors

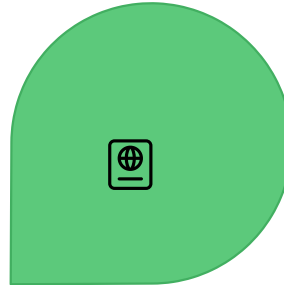
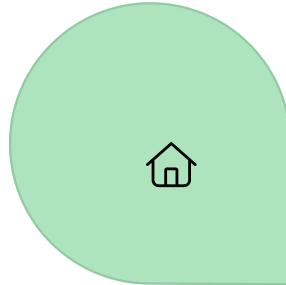


This sample data from Fort Lauderdale, Florida shows peak STR performance during summer months and winter holidays, with a clear seasonality pattern common in vacation destinations.

Acquisition Budget

Property Price

Purchase price plus any immediate renovation needs

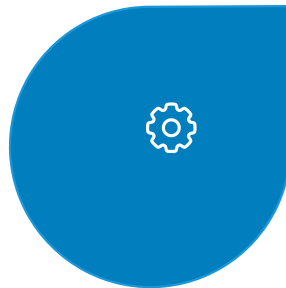


Closing Costs

Typically 2-5% of purchase price

Startup Expenses

Photography, listing setup, initial supplies



Furnishings

Quality furniture, décor, and appliances

Startup Essentials



Quality Furnishings

Durable, comfortable, and stylish



Tech Amenities

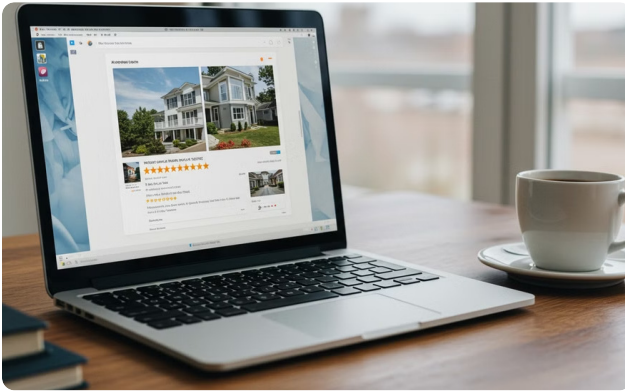
Fast Wi-Fi, smart TV, keyless entry



Safety Features

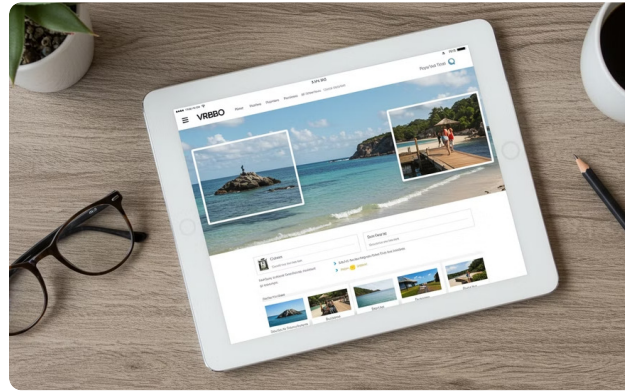
Security system, smoke detectors, first aid

Building Your Online Presence



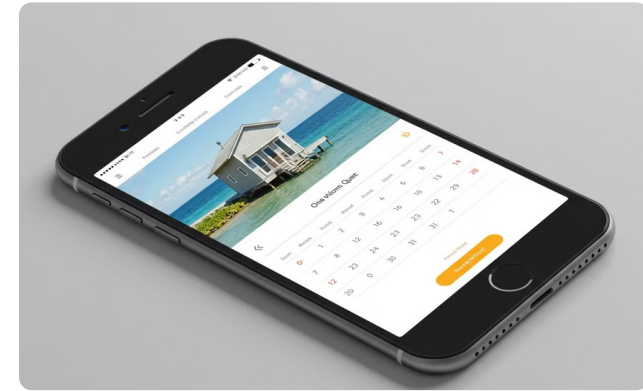
Airbnb

Largest STR platform with global reach and built-in payment processing.



VRBO

Focuses on entire home rentals, attracting families and longer stays.



Direct Booking

Custom website to avoid platform fees and build your brand.

Ongoing Operational Costs



Utilities

Water, electricity, gas, internet, cable



Cleaning Services

Professional turnover cleaning between guests



Maintenance

Regular upkeep and emergency repairs



Management Fees

If using professional property management (15-40%)



Insurance Considerations

1

Standard Homeowners

Typically insufficient for STR activities

2

STR-Specific Policy

Covers business use and guest incidents

3

Umbrella Policy

Additional liability protection beyond standard limits

4

Platform Coverage

Airbnb/VRBO offer limited supplemental protection



Tax Planning

Consult a CPA

Work with an accountant experienced in STR tax strategies. They can help maximize deductions and minimize tax liability.

Schedule quarterly tax planning meetings to stay ahead of obligations.

Key Tax Considerations

- Material participation requirements
- STR tax loophole opportunities
- Cost segregation studies
- Depreciation strategies
- Business expense tracking

Tax Strategies for STRs



Material Participation

Meet IRS criteria to qualify for active income treatment and avoid passive loss limitations.



STR Loophole

Properties rented for average stays under 7 days may qualify for favorable tax treatment.



Cost Segregation

Accelerate depreciation by identifying components with shorter recovery periods.



Pricing Strategy

15-25%

Peak Season Premium

Higher rates during high-demand periods

10-20%

Weekend Increase

Premium for Friday and Saturday stays

5-15%

Last-Minute Discount

To fill calendar gaps within 48 hours

10-30%

Extended Stay Discount

For bookings of 7+ nights

ic Pricing

or sit amet, consectetur adipiscing
elit. Nam quis turpis. Sed
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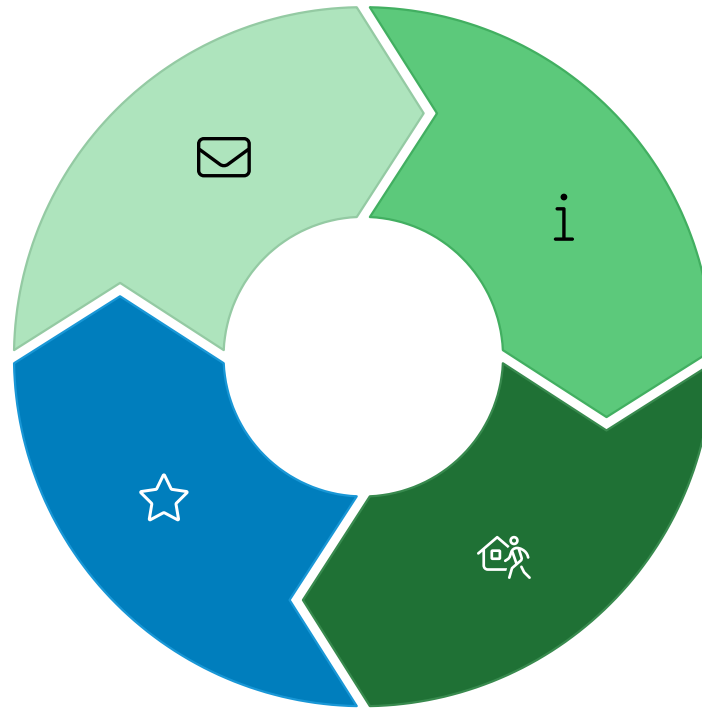


Synanic Pricing

Guest Communication

Booking Confirmation

Welcome message with essential details



Post-Stay Review Request

Thank guests and request feedback

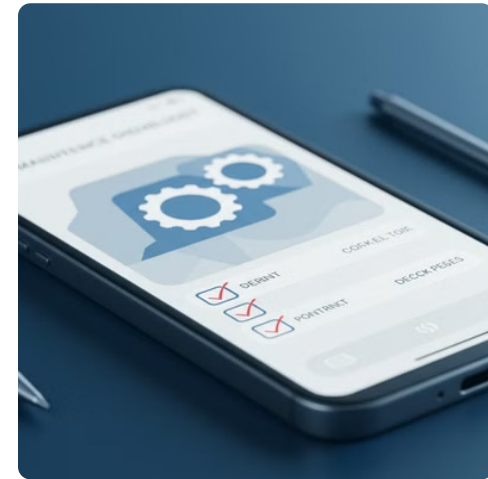
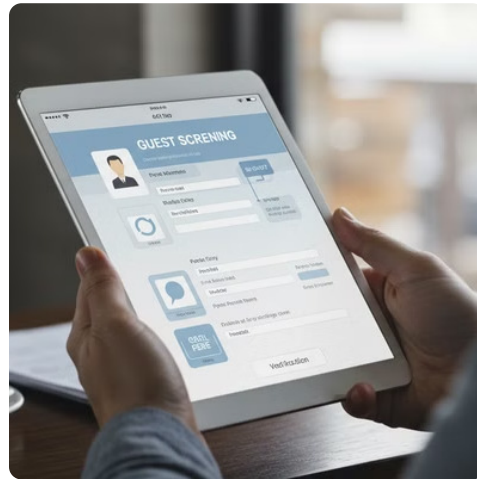
Pre-Arrival Guide

Check-in instructions and property information

Check-In Follow-Up

Ensure smooth arrival and address any issues

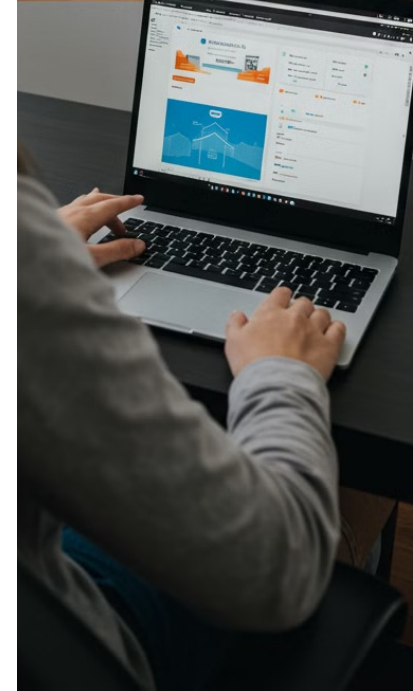
Operational Systems



Develop robust systems for turnovers, cleaning, maintenance, and guest screening. Standardized processes ensure consistent quality and save time.

Management Options

Self-Management	Co-Host	Full-Service Management
100% control	Shared responsibilities	Hands-off approach
Higher profit margin	Moderate fees (10-20%)	Higher fees (25-40%)
Time-intensive	Flexible involvement	Minimal time commitment





Key Performance Indicators



Occupancy Rate

Percentage of available nights booked. Target: 70%+ in peak season.



Average Daily Rate (ADR)

Average nightly price across all bookings. Compare to market benchmarks.



RevPAR

Revenue Per Available Room. Combines occupancy and rate metrics.

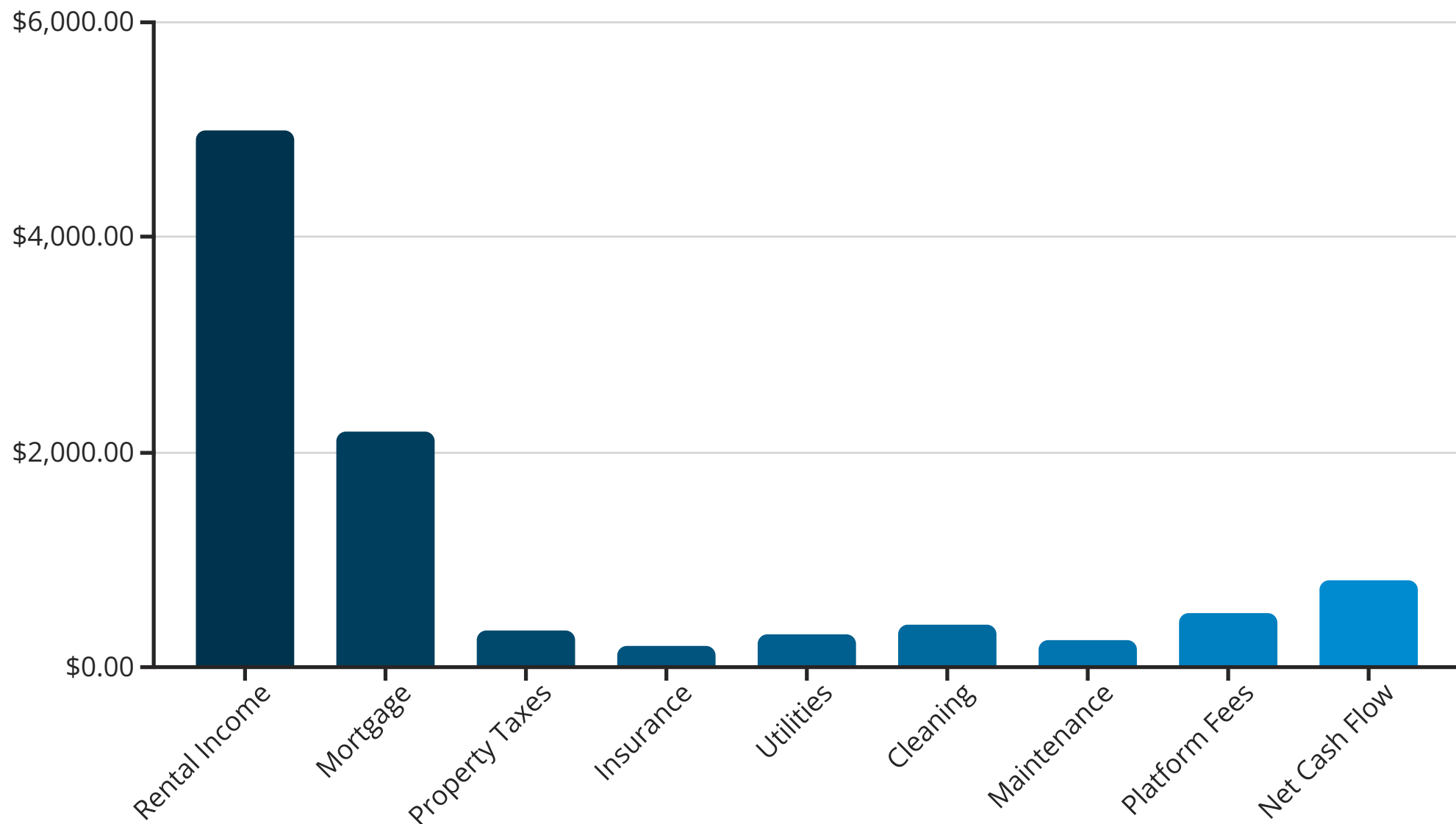


Net Cash Flow

Total revenue minus all expenses. The bottom line that matters most.

Financial Analysis

Monthly breakdown for a typical 2-bedroom luxury short-term rental property in a high-demand area. Your cash flow will vary based on location, property size, and management approach.



With a typical physician's investment property, you can expect a 16% profit margin (\$800/\$5,000) even while outsourcing cleaning and management. This passive income stream continues working while you're on call or seeing patients.

Note: This example assumes 70% occupancy rate with an ADR of \$225. Your RevPAR in this scenario would be approximately \$157.50, which is competitive in most physician-friendly markets.

!! You can download and use [PEA's STR Rental ROI Tool With Dashboard](#) to complete your own financial analysis on your STR.

Legal Structure

Form an LLC

Creates separation between personal and business assets for liability protection.

Obtain EIN

Employer Identification Number for tax filing and business accounts.

Business Banking

Separate accounts for STR income and expenses to maintain the corporate veil.

Operating Agreement

Formal documentation of ownership and management structure.

Your STR Success Roadmap



Research & Planning

Define goals, select location, understand regulations



Acquisition & Setup

Purchase property, furnish, create listings



Operations

Manage bookings, guests, maintenance, and finances



Optimization

Refine pricing, improve systems, maximize returns

