



# The Headaches & Benefits of Rental Properties

*Mid-term rentals can be a sweet spot in the real estate investing world*

For real estate investors seeking high returns, short-term rentals consistently outperform traditional 12-month leases. By capitalizing on the flexibility of shorter stays, investors can earn substantially more throughout the year – particularly advantageous in a high-interest-rate environment where monthly mortgage payments eat into profit margins.

Long-term rentals are hard as rising interest rates have made it increasingly difficult for landlords to cover mortgage costs in high-priced markets. The catch to short-term rentals? Short-term rentals require extensive hands-on management. Investors must juggle frequent bookings, regularly update listings, navigate ever-changing local regulations, and coordinate with cleaning crews.

## The Mid-Term Rental Solution

For investors seeking a balance between profitability and workload, mid-term rentals—typically defined as stays between 30 and 90 days—are emerging as a promising option. These arrangements offer strong cash flow without the intensive time commitment of short-term rentals, leading some to call them the “sweet spot” of real estate investing.

## Seasonal Strategy for Year-Round Success

Other investors see an opportunity to toggle between short- and mid-term rentals based on seasonal demand.

Take one investor, who earned almost \$5,000 on a one-bedroom unit outside Seattle during the summer but saw profits dip during the winter months. By switching to mid-term rentals during the off-season, this investor ensures steady income while reducing vacancy and management time.

It's a real asset to have that flexibility.

## Is the Mid-Term Model Right for You?

For investors, mid-term rentals can fill the gap between the steady but lower returns of long-term leases and the high-yield, high-maintenance world of short-term rentals.

Offering solid cash flow with a less hands-on approach, mid-term rentals could be the ideal model for many investors navigating today's high-interest, high-demand market.