

TRAVEL AND HOSPITALITY

Primo Destinations solicits real estate firms for vacation rental network

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Primo Destinations Panama City Beach, FL rental

By FORREST CARDAMENIS

Luxury vacation rental network Primo Destinations is the latest to put a luxury twist on the home-sharing model.

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Operating as if it were a hospitality franchise, Primo Destinations supports local property management with centralized technology, marketing and reservation management. As the luxury rental market takes off, Primo offers second-home owners and real estate companies alike a chance to capitalize.

"Unlike the major marketing companies, Primo Destinations is franchise system that provides turnkey vacation rental management," said Robert Dickhaus, founder of Primo Destinations. "One unique point of difference from the market leading vacation rental marketing sites is the fact we integrate multiple marketing channels including Airbnb, Homeaway, VRBO and Flipkey."

Home network

Primo has stated its intention to create a national vacation rental company that will serve at least the top 100 luxury rental markets in North America. Currently, homes are available for rent in the area surrounding Panama City Beach, FL and in Colorado.

According to statistics portal Statista, the national vacation rental market will exceed \$8 billion this year and has an estimated growth rate of nearly 10 percent through 2020.



Primo Destinations Santa Rosa Beach, FL rental

Individual investors seeking second homes in vacation destinations are fueling that growth. That means that many of these homes are empty for many parts of the year, opening them up to rental from either the owner or from a real estate firm representing an unsold company.

Primo is looking specifically for such homes valued at more than \$1 million, keeping it exclusive to luxury as a point of differentiation.

Among Primo's first franchisees is Blue Water Property Management of NWF, LLC, to serve the Panama City Beach, FL area.



Santa Rosa Beach rental

In a statement, Kevin Giddis, managing partner of Blue Water Property Management, commented, "We are happy to be associated with, and part of the Primo Destinations national brand. Their dedication to customer service, which enables us to enhance the vacation experience, is the reason why we chose to align our business with Primo."

While the eventual goal is to expand to the top markets, Primo is currently in discussion with franchisees serving ski communities in the west, likely including Colorado and Utah.

Luxury homesharing

With homesharing gaining popularity, some services were quick to offer a luxury-specific alternative.

For example, vacation rental Web site Luxury Rentals from HomeAway began to expand its luxury section to capitalize on the travel trends of affluent consumers in 2014.

The travel sector has been undergoing some major structural shifts, with consumers gaining more control than ever before over where and how they will vacation. As alternate players enter the market, competition will only increase, making it critical to secure brand loyalty ([see story](#)).

Noticing the popularity of such services, hotels have begun to offer their own alternatives for those looking for the independence and amenities unique to homes.

Four Seasons Hotels and Resort expanded its digital booking options to include its residential rental properties with the introduction of its dedicated Vacation Rentals Web site.

The properties included on the Web site are managed by Four Seasons to ensure a degree of quality control for the hotelier's discerning guests. With the disruptive power of home-sharing services such as Airbnb, hospitality brands must adapt their own offerings to reflect current market trends ([see story](#)).

"Vacation rental homes have become an attractive investment for many investors due to the uncertainties of the stock market and low yields from saving accounts," Mr. Dickhaus said. "Owners of second homes who rent their properties receive a cash return from rental revenue, depreciation and the possibility of property appreciation over time."

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