

Short term rental platforms

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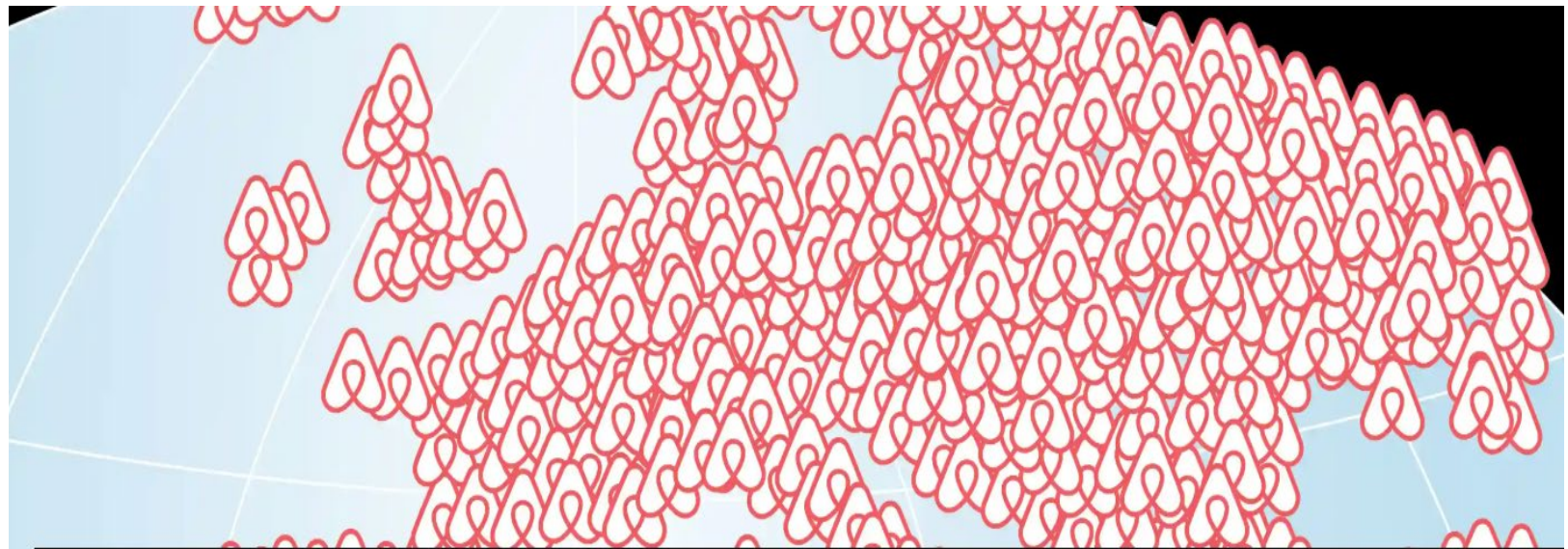
Agenda

- What is a short-term rental?
- The impact of Airbnb
- Professionalisation/Hotelification
- The cities response
- Obstacles within the EU framework
- How to regulate?

What is a short-term rental?

- A **short-term rental**, or vacation **rental**, is the **renting** out of a furnished home, apartment or condominium for a **short-term** stay.
- Through mass tourism and internet platforms like Airbnb, short-term rentals have increased dramatically in the last couple of years.

The impact of Airbnb



How Airbnb took over the world

Protesters occupy Airbnb HQ ahead of housing affordability vote

Activists in San Francisco showed support for Proposition F, which would restrict short term property rentals and faces a key local vote on 3 November



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AGENCIES

Barcelona - 23 JUN 2017 - 15:52 CEST

A woman in Barcelona has been forced to illegally occupy her rented it to listed the property without her knowledge on the Pérez only managed to seize control of her property, located neighborhood, after booking it on the online platform, moving according to Catalan regional daily *La Vanguardia*.



Hyresgästföreningen

Amsterdam, other EU cities, urge Brussels to take action on Airbnb data

Europe

Politics

Society



January 26, 2018 - By Senay Boztas



Hyresgästföreningen

The impact of Airbnb

City	Professional hosts	Active objects (%) of the housing stock	Objects (%) of the housing stock since 2010
Stockholm	16%	0,54%	2,63%
Oslo	25%	1,42%	5,59%
Berlin	26%	0,82%	3,83%
Barcelona	62%	2,85%	10,44%

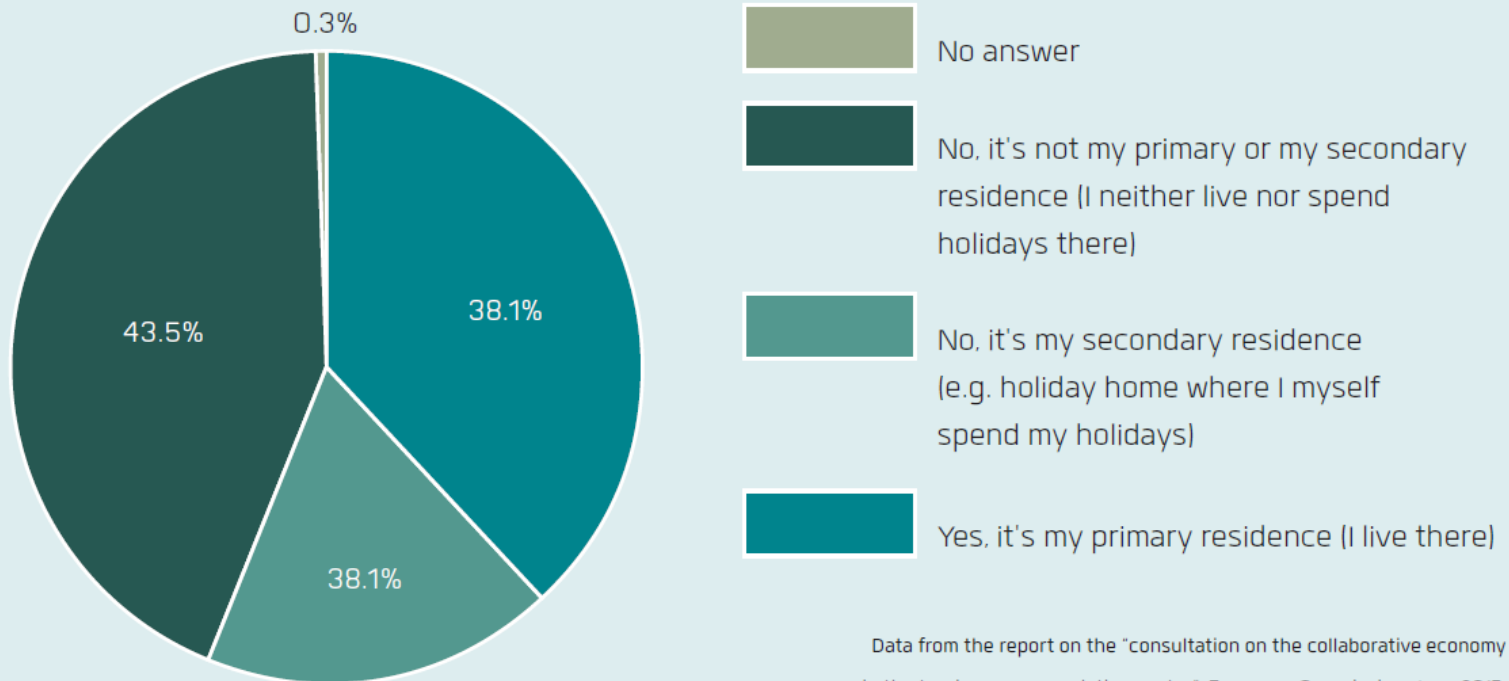
The impact of Airbnb

- Short-term rentals are more prevalent in cities with a high degree of private ownership (with a legal framework that allows for citizens to have access to more than one apartment)
- This allows for hotelification of parts of the housing stock

Professionalisation/Hotelification

Professionalisation/Hotelification

Is the apartment/house that you are renting out your primary residence?





▲ Airbnb's biggest hosts in Barcelona manage hundreds of apartments. Photograph: Starcevic/Getty Images/iStockphoto

One Airbnb “host” manages a portfolio of 204 apartments in Barcelona worth €37,721 (£33,369) a day in rental income during the high season, a data organisation established to look into Spain’s tourist apartment industry has found.

The 10 biggest hosts in the Spanish city manage 996 apartments between them, while a further 666 manage five or more, and 3,633 host between two

Italy The Observer

Who now can stop the slow death of Venice?

The population of Venice peaked at 164,000, but there has been a mass exodus from the world's most beautiful city. Jobs have disappeared to the mainland and tourists now outnumber residents. Tom Kington talks to locals who fear that the Queen of the Adriatic is in danger of losing her soul

In pictures: Views of the decline of Venice



The cities fight back

Local regulations

- Local attempts in Berlin, Barcelona, Amsterdam, et al
- Registration of hosts and issuing of permits
- Time limits for short term rentals (nr of months a year on airbnb)
- Fines for illegal listings
- Demands from municipalities to systematically search the Airbnb database for illegal listings
- An army of inspectors searching Airbnb och going through neighbourhoods searching for illegal listings

EU: Two directives from another era

The e-commerce directive

- The e-Commerce directive was adopted in June 2000, many years before short-term accommodation rental on internet platforms was a significant phenomenon.
- Under the E-commerce Directive, authorities are not allowed to impose a “general obligation” to monitor activity on the website.
- This could mean that AirBnB can be asked to act on a specific suspicion of an illegal listing, but in principle it cannot be asked to check systematically if listings are illegal.
- This means housing rented through AirBnB is de facto unregulated.

The services directive

- Under the Services Directive, many conditions will have to be fulfilled if the authorities are to require permits, licences, or authorization. Under the directive requirements of all sorts must be necessary, proportionate, and non-discriminatory.
- The obstacles to authorization and licensing schemes become bigger when the prohibition against “quantitative restrictions” is taken into account. According to article 15, the imposition of limits of this kind – such as measures that aim to limit the number of houses or apartments for rent – have to be approved by the Commission.

How to regulate - discussion

- Municipal registration of hosts – how to follow up
- Systematic search of Airbnb and other platforms – is it possible?
- Taxation, limitation and control of short-term rentals on a municipal level – what obstacles?
- How to tackle the EU directives

Further reading

- The economic costs and benefits of Airbnb:
- <https://www.epi.org/publication/the-economic-costs-and-benefits-of-airbnb-no-reason-for-local-policymakers-to-let-airbnb-bypass-tax-or-regulatory-obligations/>
- Unfairbnb:
- <https://corporateeurope.org/sites/default/files/unfairbnb.pdf>