



## Short-Term Rentals Inventory and Revenue

Airbnb and other online short-term rental platforms have grown in popularity in recent years. These services act as middlemen between customers searching for short-term rentals and property owners listing their homes, apartments and rooms for rent. In 2015, Airbnb, the world’s largest short-term rental platform, posted 550,000 listings in cities across the United States, according to Airbnb data analysis company Airdna.

Airbnb is marketed as a way for homeowners and renters to generate extra income by renting out a house while away on vacation or a spare bedroom. However, hosts who rent multiple properties or list properties for large portions of the year constitute a growing segment of Airbnb operators. In a recent study, Pennsylvania State University researchers found that full-time hosts who rent out units at least 360 days a year were responsible for nearly 29 percent of Airbnb revenue across 12 major U.S. cities.<sup>1</sup> In addition, they reported that 39 percent of all revenue was attributed to hosts with two or more units.

### Airbnb in Las Vegas

Las Vegas does not place among the top 20 metropolitan areas for most Airbnb metrics, including listings, bookings and hosts. However, it does rank No. 20 with an annual average booked revenue per listing of \$9,283, according to LearnAirbnb.com data.<sup>2</sup> Honolulu ranks No. 1 on that list with \$16,928 in average revenue per listing.

Currently, the Las Vegas area has about 2,100 active listings on Airbnb, according to Airdna.

Airbnb - Top 10 Metropolitan Areas (2015)*			
	Listings	Bookings	Hosts
New York	86,624	997,208	53,861
Los Angeles	44,484	570,506	25,468
San Francisco	27,644	426,711	16,399
Miami	22,669	276,720	10,194
Philadelphia	13,033	103,052	10,452
Washington, D.C.	13,014	182,678	8,357
Chicago	12,750	194,322	7,991
Boston	12,240	205,269	7,402
Austin	12,114	121,634	7,791
San Diego	11,042	135,932	7,037

\* Data collected between October 2014 and October 2015

Source: LearnAirbnb.com<sup>2</sup>

### Hotel Occupancy Tax Collection

In 2015 Airbnb announced its “Community Compact,” which includes a pledge to partner with cities to collect hotel occupancy and other applicable tourist taxes on Airbnb rentals. Airbnb has reached agreements with at least a dozen U.S. cities and six states to collect and remit room taxes to the appropriate jurisdictions. That list does not include any jurisdictions in Nevada.

San Francisco, which in 2014 became one of the first cities to reach an agreement with Airbnb, estimated it would collect about \$11 million in additional annual occupancy tax revenue under the arrangement. Airbnb estimated how much other U.S. cities would have collected in additional tax revenue in 2015 if they had had such agreements.<sup>3</sup> Those cities were: Los Angeles (\$23 million), Austin (\$7 million), Boston (\$3 million), Nashville (\$3 million) and Denver (\$2 million). Although an estimate for Las Vegas was not provided, a preliminary estimate can be made using available data.

### Preliminary Estimate of Annual Room Tax Revenue on Airbnb Rentals in Las Vegas

Active Listings	X	Revenue Per Listing	=	Total Room Revenue	X	Room Tax Rate	=	Add'l Room Tax Revenue
2,100		\$9,283		\$19.5 million		12%		<b>\$2.3 million</b>

<sup>1</sup> From Air Mattresses to Unregulated Business: An Analysis of the Other Side of Airbnb, Pennsylvania State University, January 2016.

<sup>2</sup> The State of Airbnb Hosting (2016 Q1), LearnAirbnb.com, 2016.

<sup>3</sup> Airbnb: Generating \$2 Billion in Potential Tax Revenue for America’s Cities, Airbnb.