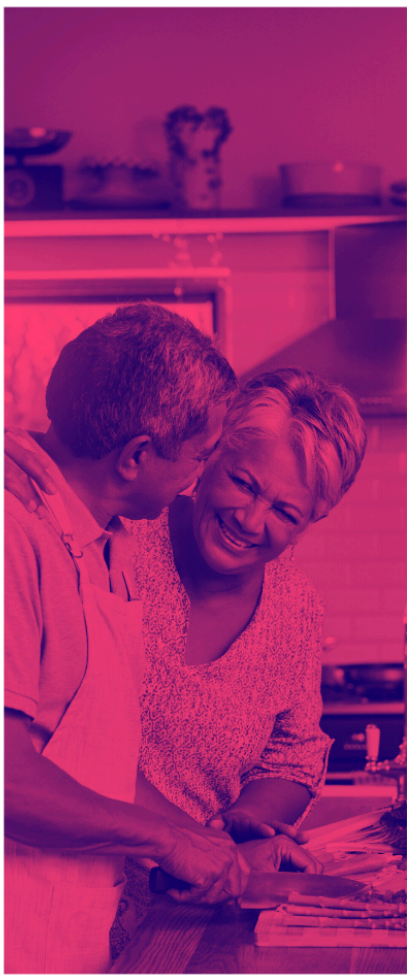
STATE OF THE SHORT-TERM RENTAL INDUSTRY REPORT

2024



RENT RESPONSIBLY

COLLEGE of CHARLESTON
OFFICE OF TOURISM ANALYSIS

Table of Contents

Executive Summary

Expanding on the inaugural 2022 study, the 2024 State of the Short-Term Rental Industry Report by Rent Responsibly and the College of Charleston is the largest study of its kind exploring the short-term rental (STR) industry and the local STR regulatory landscape across the US.

The purpose of this study was to glean new insights that support strategic decision-making of both STR operators and local governments, from how to collaborate on effective community management programs to how to operate more responsible private accommodations.

In April 2024, researchers surveyed more than 5,000 STR owners and property managers about their properties, operations, technology, marketing, regulations, and more. Researchers also surveyed more than 2,000 local government staff and elected officials about their communities, including their housing supplies, tourism economies, STR ordinance provisions, policy objectives, and more.

With the resulting 4,004 and 1,540 viable responses respectively, the combined surveys yielded more than 130,000 new data points.

Contributors

Rent Responsibly

Alexa Nota, Co-Founder and COO
Editor

David Krauss, Co-Founder and CEO
Lead Contributor

Garrett Dobbs, Director of Product
Data Analysis and Visualizations

College of Charleston

Brumby McLeod, Ph. D.
Associate Professor, Riley Research Fellow
Department of Hospitality & Tourism Management

Melinda Patience, MS
Research Coordinator
Office of Tourism Analysis

Key Findings

A Small-Business Industry

- On average, owners owned 1.9 properties, with more than two-thirds owning one. Nine in 10 owners self-manage their STR(s).
- More than seven in 10 respondents (71.8%) were 50 years old or older.
- Four in five STR owners use their property personally for some amount of time each year, and one in three STR owners use their property for more than short-term rentals only.
- STRs are a supplemental income source for a majority of owners (they rely on hosting for 27% of their income on average). About half of owners (44.1%) earned 41% or more of their income through short-term renting. One in four made no profit or lost money, while 47.8% made up to $24,999 in profit.
- The most common reason respondents elected to rent their homes was that they purchased or built a vacation home (42%), followed by the desire to host guests and travelers, purchasing or building a home for retirement, and covering the costs of improving a property.

Local Economic Impact

- Locally owned and operated businesses were supported by 94.6% of the respondents via purchases and referrals, and the most common amenity hosts offer to their guests is personalized recommendations to local restaurants, attractions, and activities.
- Most STR operators (75%) catered primarily to families, followed by wellness travelers, public event attendees, and corporate travelers.
- 68% of managers employed full-time employees, and 72% employed part-time employees.
- A majority of government officials rank tourism as important to their local economies, and government officials rank guest spending as highly important to their jurisdiction, second only to property values. Furthermore, elected officials often cited the amount of guest spending driven by STRs as data that helps inform policy decisions.

Housing

- 83% of government respondents reported their jurisdiction is facing an affordable housing shortage, citing the following as the top three factors having the biggest negative impact on their affordable housing supply:
    1. Cost of building new housing
    2. Real estate values
    3. Lack of space to build new housing
- Across the various solutions that government officials have implemented to alleviate affordable housing issues, those that were deemed most effective focused on increasing new housing supply in their jurisdictions. The three strategies that respondents ranked highest were:
    - Opened new space to build new housing (55.3%)
    - Supplemented the cost of or otherwise incentivized building new housing (50.5%)
    - Created more favorable zoning policies (45.9%)

Current STR Regulations

- Government officials have mixed views on STRs but lean positive with 48% reporting a favorable opinion, compared to 30.1% with an unfavorable opinion and the remainder neutral or unsure. Positive sentiment tended to drop with age, and respondents who had stayed in an STR more frequently reported positive sentiments than those who had not.
- Two-thirds of government staff reported less than 10 verified complaints against short-term rentals in the last 12 months, including one in five who reported zero.
- Around half of the respondents indicated their jurisdiction has an existing STR ordinance.
    - Of those with an STR ordinance, 22.4% thought it would be modified in the next 12 months.
    - Of those without an STR ordinance, more than half felt one was needed, and about one in four expected their jurisdiction to enact one in the next 12 months.

- Of jurisdictions with STR ordinances, the top three ordinance provisions respondents said were working well for their communities were:
    1. Permit or license requirements and fees
    2. Local responsible party requirements
    3. Parking management requirements

  The lowest-rated provisions were the requirement that the host lives on-site and density limits.

Local STR Policymaking

- More than half of elected officials said STRs were an important issue but not their top legislative priority, and 82% of elected officials said they didn't have an adequate amount of information on STRs to inform their policy decisions.
- Through multiple questions, both elected officials and government staff reported that the top challenge in managing short-term rentals was knowing where and how many were in their jurisdiction.
- More than 55% of STR operators want their local government to involve them more in the ordinance process, and more than 40% of all respondents plan to participate in advocacy in the next 12 months.

Observed Opportunities

In addition to the highlighted findings above, researchers identified opportunities for mutually beneficial solutions between the two survey data sets.

Responsible Hosting

Throughout several survey topics, government staff and elected officials cited nuisance prevention and mitigation as top challenges, including noise, parking, and trash.

According to STR operator responses, there are a number of opportunities to employ nuisance prevention measures throughout commonly adopted technology and operational practices, such as:

- Appointing a local responsible party, even if it is not required in the jurisdiction's STR ordinance.
- Communicating noise, parking, and trash policies to guests in property listings and in direct messages throughout the booking journey. (Nearly all (97.6%) of STR operators reported that they communicate directly with each guest at least once on average, and 77.2% reported that they communicate at least once with guests in each reservation phase: prior to booking, before arrival, and during their stay.)
- Providing in-unit nuisance prevention resources to guests, such as signage, guidebooks, and monitoring technology. Nearly six in 10 STR operators report using at least one of either a printed guidebook, digital guidebook, or guest app where they can provide good neighbor information.

Compliance and Communication

Through several survey topics, STR operators reported challenges with tracking changes to and complying with local regulations. One of the most significant areas of disconnection is between how governments share information about regulations and how operators get it. Government staff most frequently selected "by responding to inbound inquiries from operators" and their government website as methods for communicating regulations and compliance information to operators.

However, government websites ranked sixth among the sources operators get their regulatory information from, behind online travel agencies such as Vrbo or Airbnb, an STR alliance or association, social media, emails from their local governments, and news outlets.

While operators can proactively check their local government sites more often and subscribe to alerts or emails, governments can reach more STR operators by leveraging these additional communication channels, like asking online travel agencies and STR associations to disseminate this information more widely.

Policymaking

Notable percentages of government respondents selected ‘unsure’ to questions about their jurisdictions’ current STR ordinances and their enforcement, and only 18% of elected officials affirmed they have an adequate amount of information to inform their STR policy decisions. Most significantly, 46.8% of elected officials and 35.0% of government staff were unsure of the number of STR units in their jurisdiction, and more than half (54.5%) of elected officials and 40.1% of government staff reported being unsure of the number of housing units in their jurisdiction.

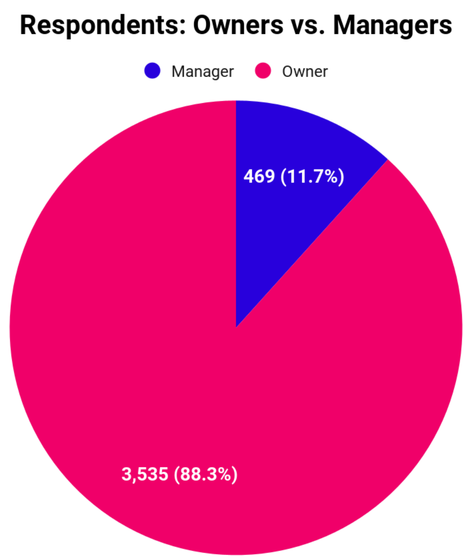
In addition to governments employing better information collection and sharing mechanisms across departments and policymaking bodies, STR operators can fill in information gaps by supplying data about STRs in their communities, including property quantities, market characteristics, host demographics, guest profiles, and local economic impact, particularly guest spending.

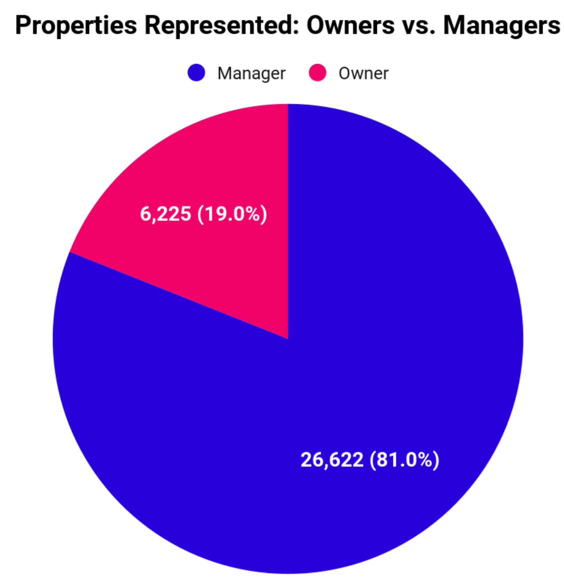
Elected officials most often selected public comment forums as a way they gather community input on STR ordinances, but among operators, testifying in a public hearing ranked fourth in how they engaged in advocacy in the past 12 months, falling significantly behind talking with community members, writing to legislators, and engaging on social media. While operators can more frequently attend public forums, both operators and governments can leverage and create other channels to share and receive input.

Part I: Hosts & Managers

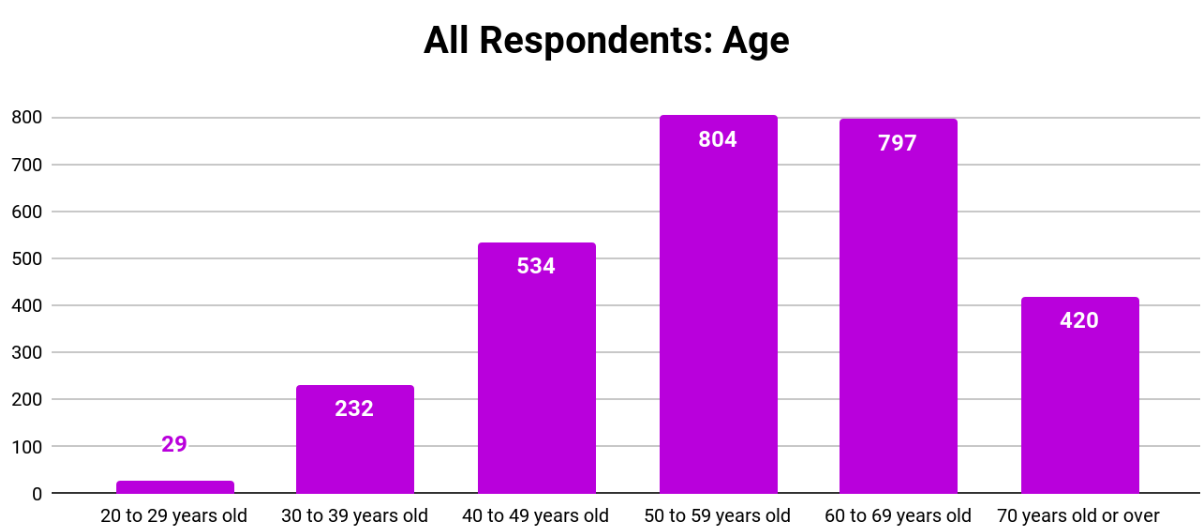
Respondent Overview

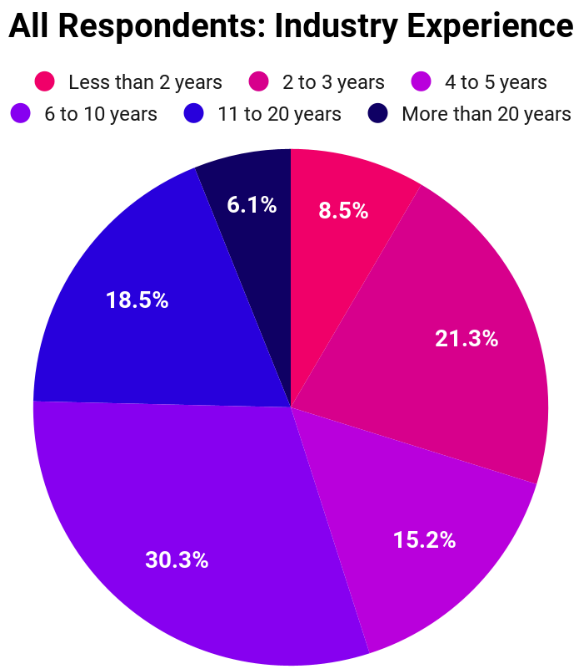
The survey collection period resulted in 4,004 usable responses. Just over 88% of respondents identified as owners, those who own short-term rentals (STRs) but do not manage STRs belonging to others. In contrast, nearly 12% of respondents were property managers (those who manage STRs on behalf of the property owners), but they represented in total more than four times as many properties as owners.





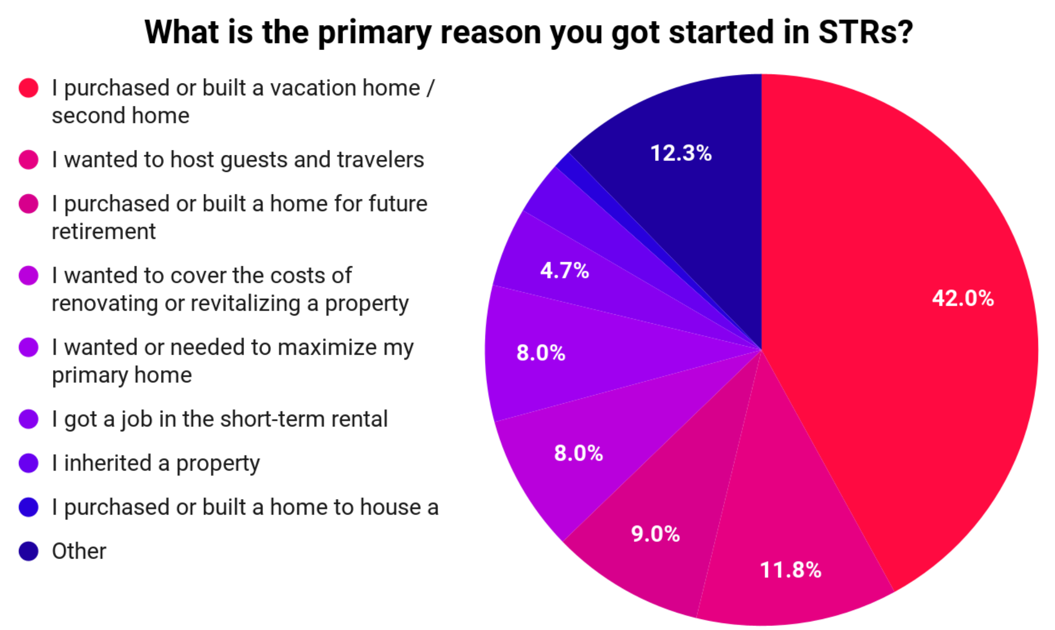
More than seven in 10 respondents (71.8%) were 50 years old or older.





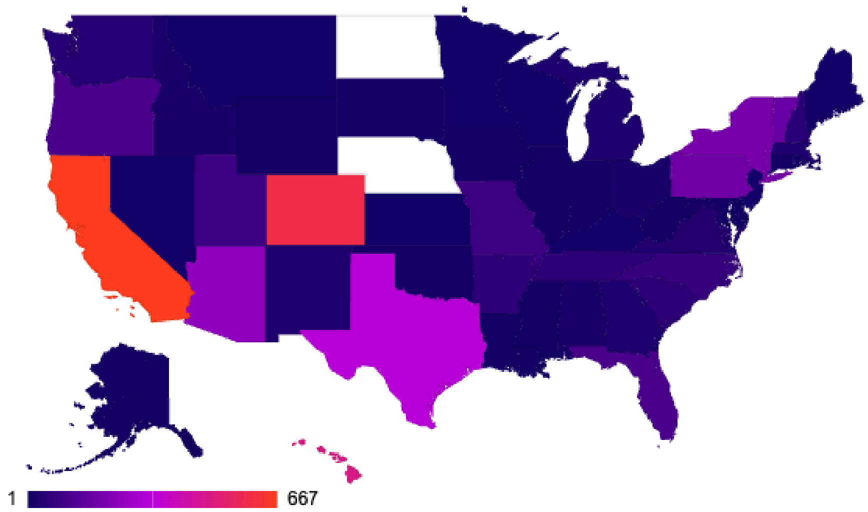
Respondents had been in the STR industry for an average of 8.3 years. Seven in 10 had been in the industry since before the COVID-19 pandemic (left).

The most common reason respondents elected to rent their homes was that they purchased or built a vacation home (42%), followed by the desire to host guests and travelers, purchasing or building a retirement home, and covering the costs of improving a property (below).



Among respondents who selected “other,” the most common responses were a variation of income needs.

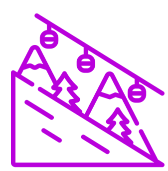
This map shows the geographic distribution of respondents, with more operators located in orange states and no operators from either North Dakota or Nebraska.



Primary Market Type

27.1%

Coastal Beach or Island

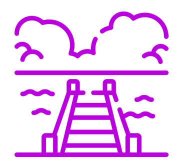


16.6%

Mountain - Ski

11.6%

Mountain - Non-Ski

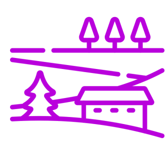


10.3%

Lake or Riverside

10.1%

Urban



8.8%

Rural

8.7%

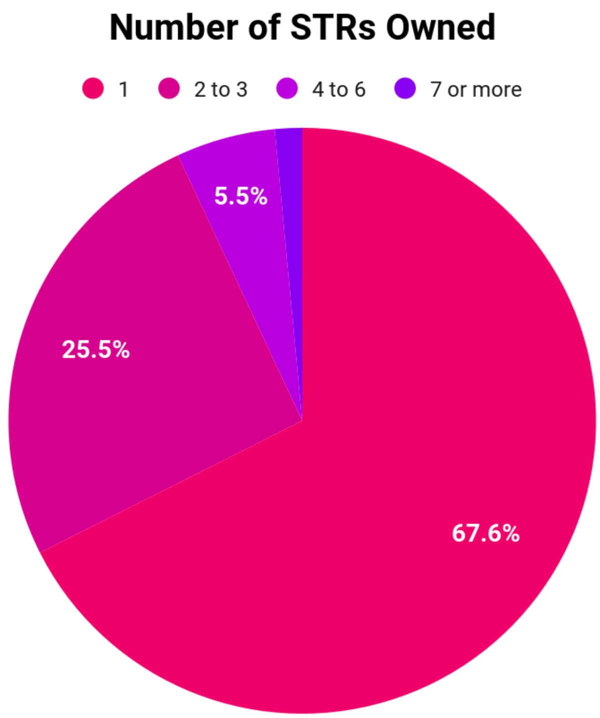
Suburban

6.7%

Other

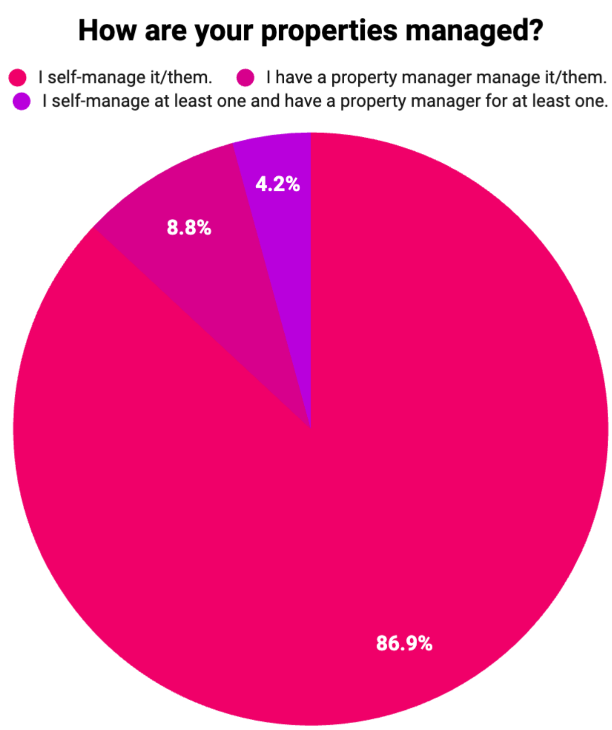
Among respondents who selected “other,” the most common response was desert.

Owner Profile



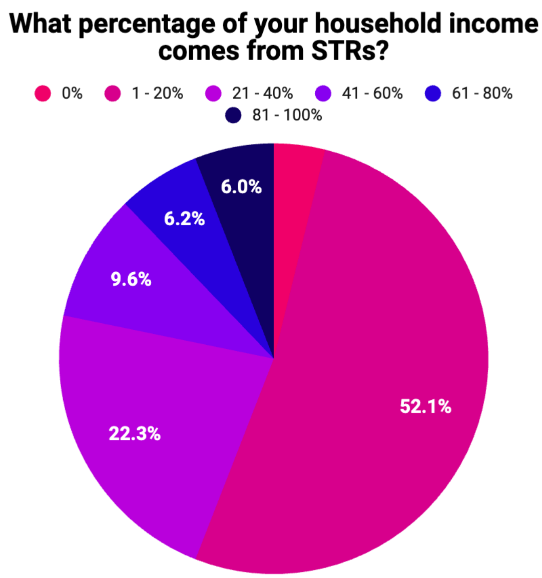
Average Properties Owned: 1.9

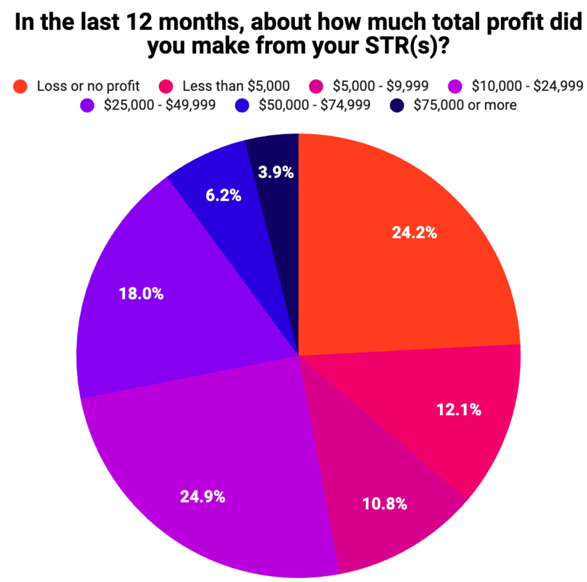
More than two-thirds of owners owned one STR.



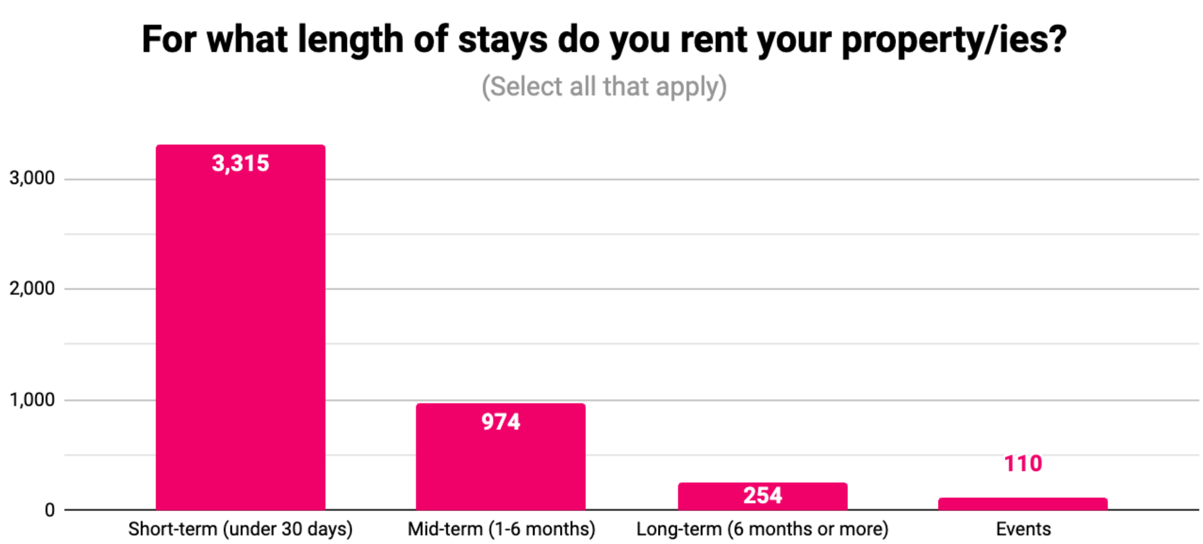
Nearly nine in 10 owner respondents said they managed their properties themselves.

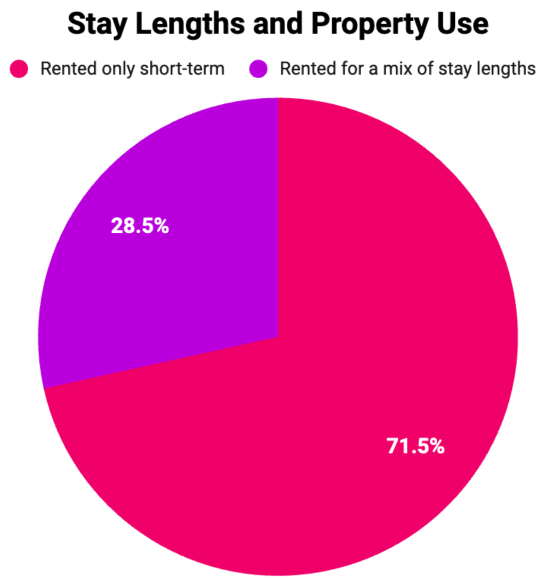
In the last 12 months, nearly half of owners (44.1%) earned 41% or more of their income through short-term renting. One in four made no profit or lost money, while 47.8% made up to $24,999 in profit. One in ten made $50,000 or more in profit.



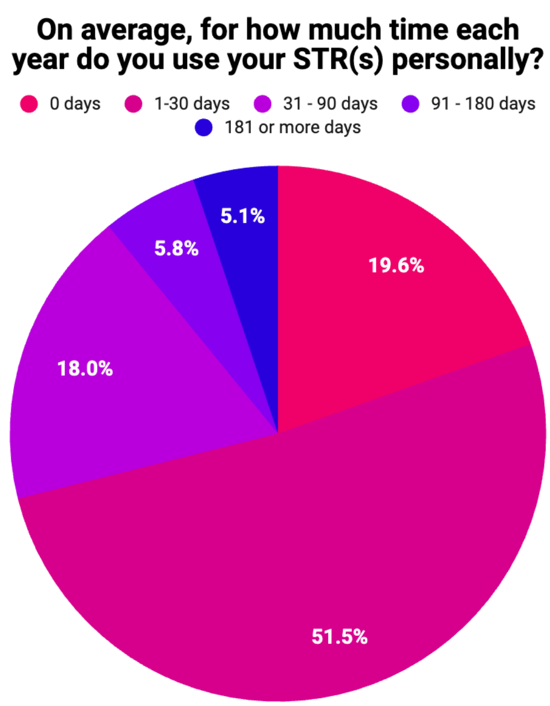


One in three STR owners use their properties flexibly with stays in the short-, mid-, and/or long-term, and only 3.1% rent their properties for events.



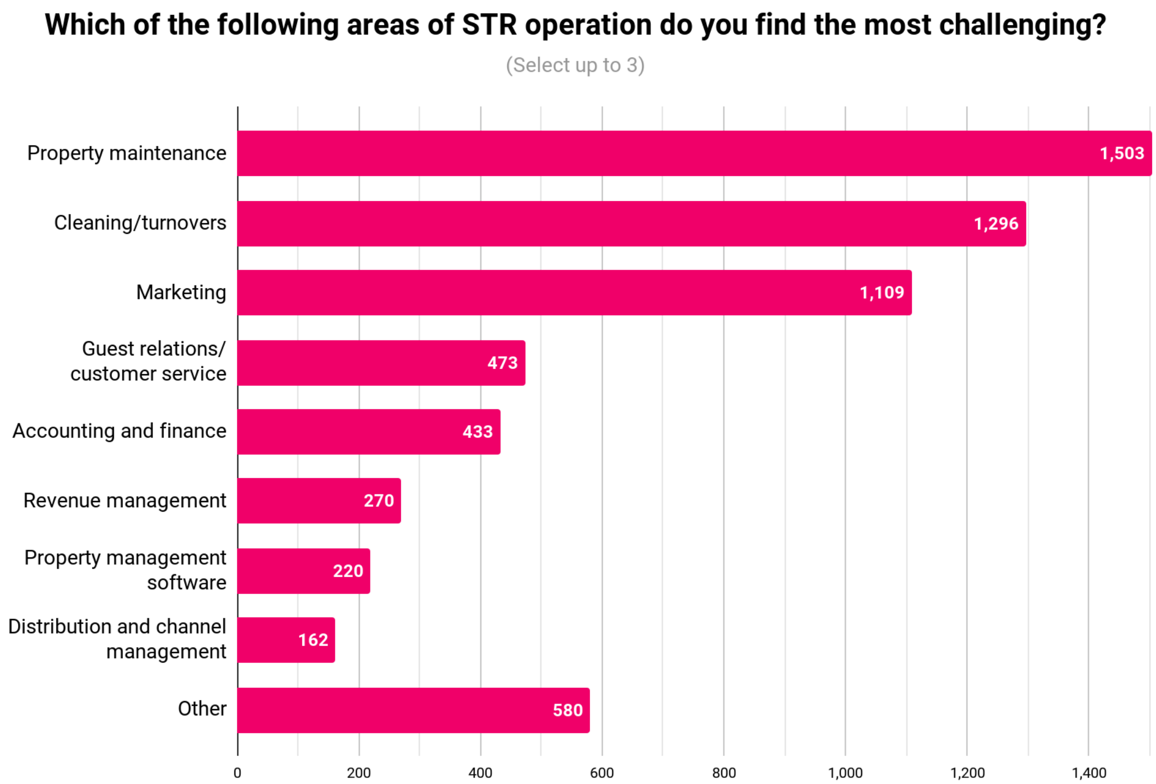


Seven in 10 STR owners rent only for short-term stays, while 28.5% rent for a mix of stay lengths, including short-, mid-, and/or long-term.



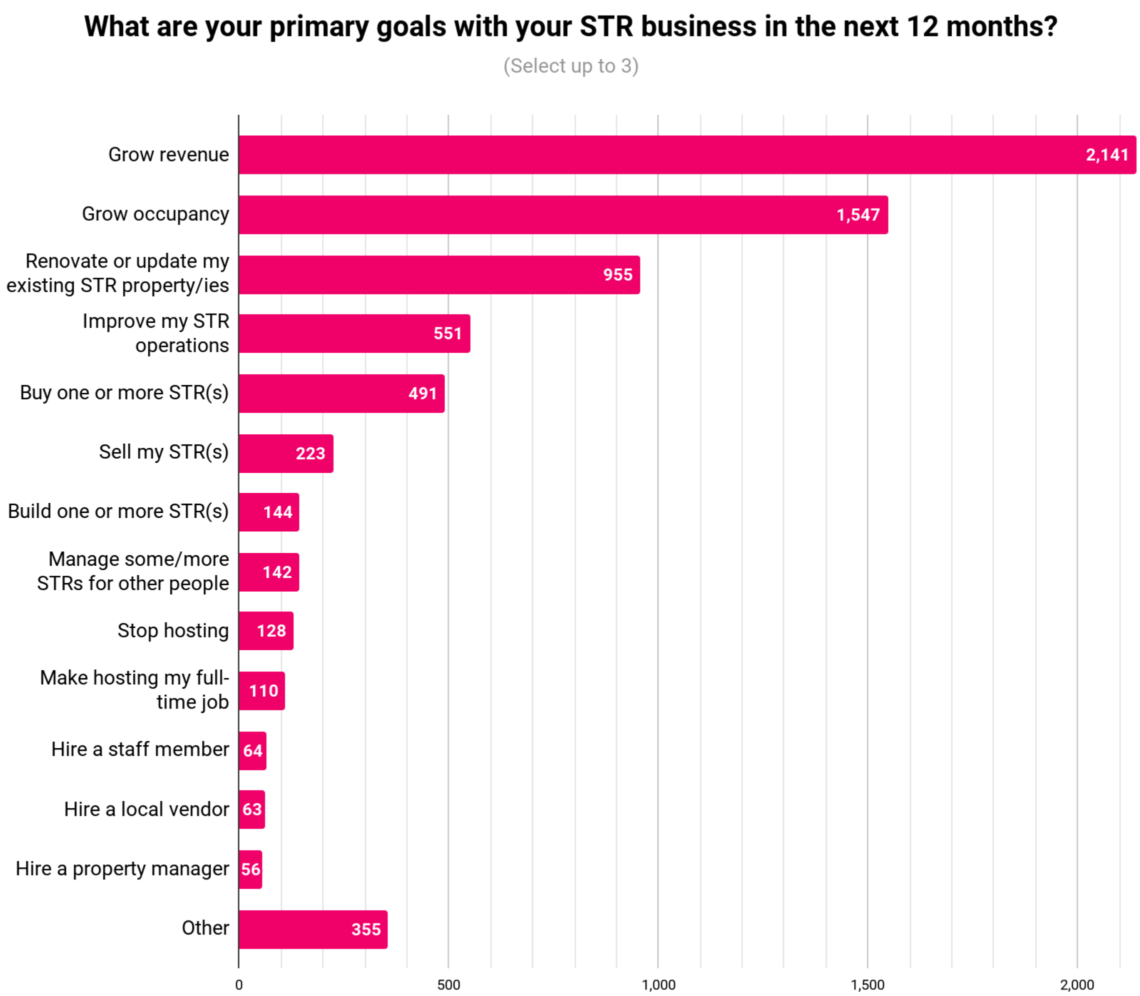
Four in five STR owners use their property personally for some amount of time each year.

Owners ranked maintenance, cleaning, and marketing as the top three most challenging elements of hosting.



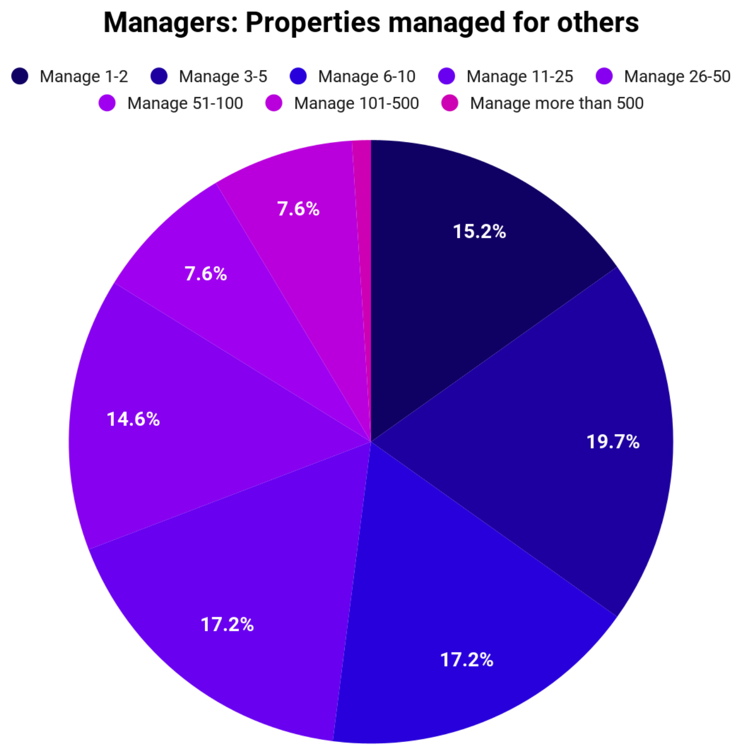
Among respondents who selected "other," the most common response was government regulation.

Revenue and occupancy growth followed by a renovation were the top three primary goals for STR owners in the next 12 months.



Among respondents who selected “other,” the most common response was to maintain their business.

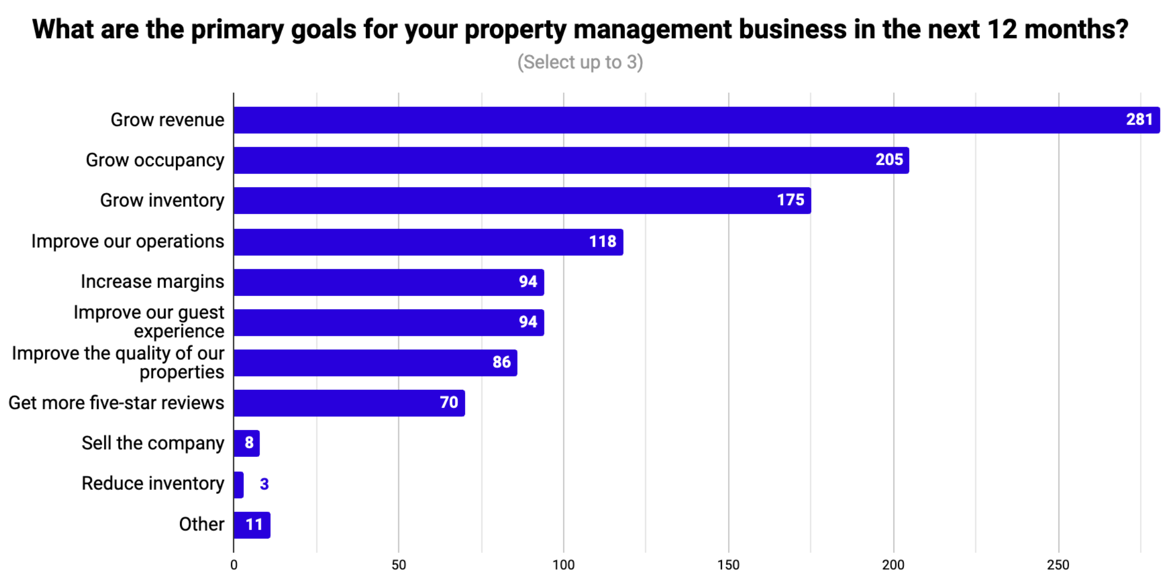
Manager Profile



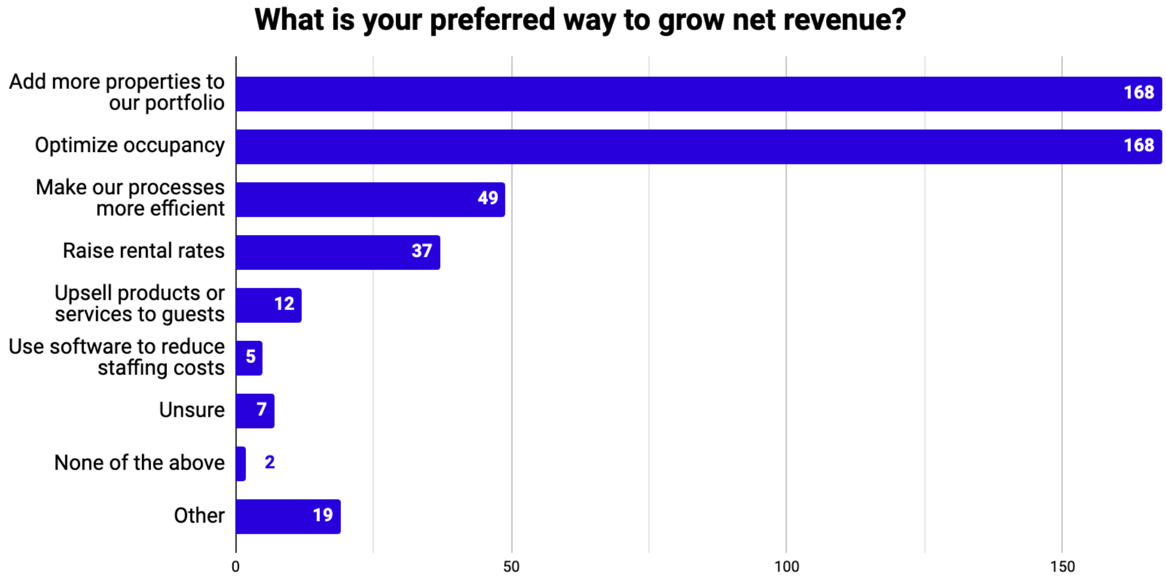
Average Portfolio Size: 52 Properties

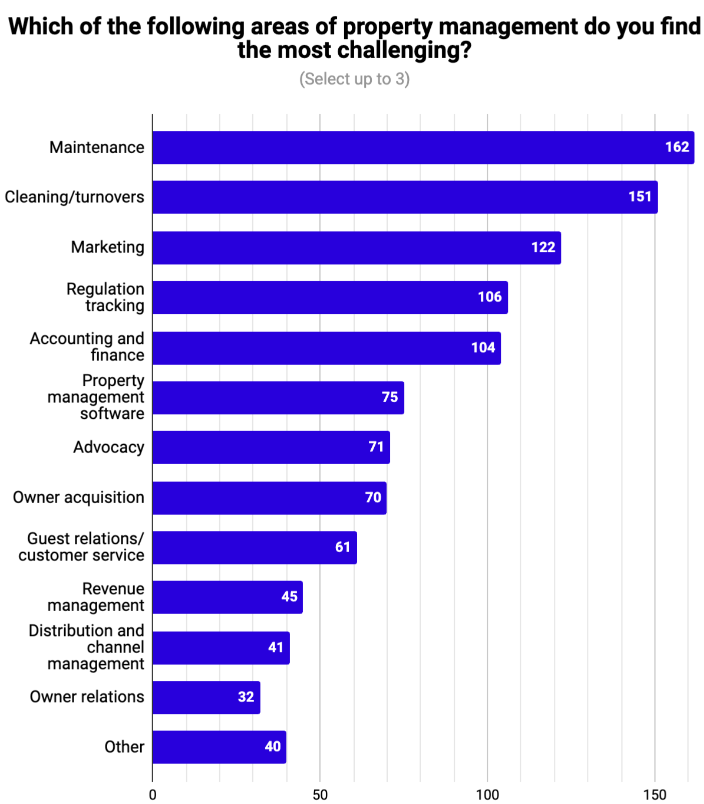
About half of property managers (52.1%) manage 10 or fewer properties. About one-third (31.8%) manage between 11 and 50 (left).

Revenue, occupancy, and inventory growth are the top three goals for property manager respondents in the next 12 months (below).



Managers identified adding properties and optimizing occupancy as their preferred choices to grow net revenue.



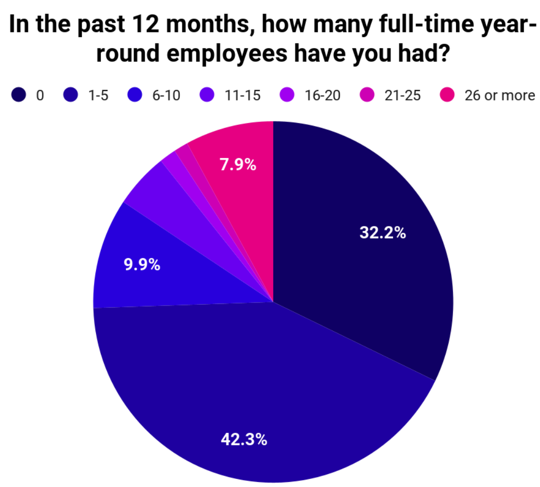


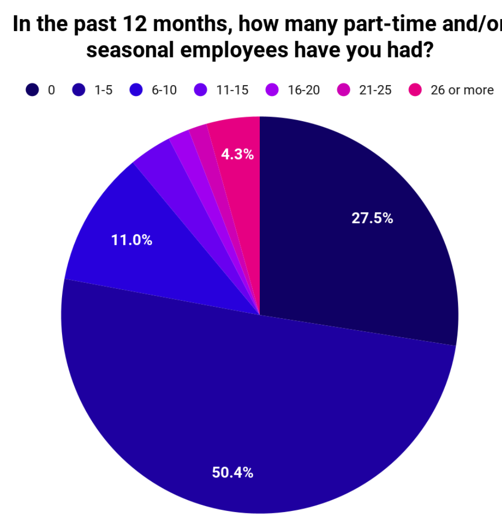
Managers find maintenance, cleaning, and marketing as the top three challenges in property management.

Among respondents who selected "other," the most common responses were related to government regulation tracking or compliance and staffing.

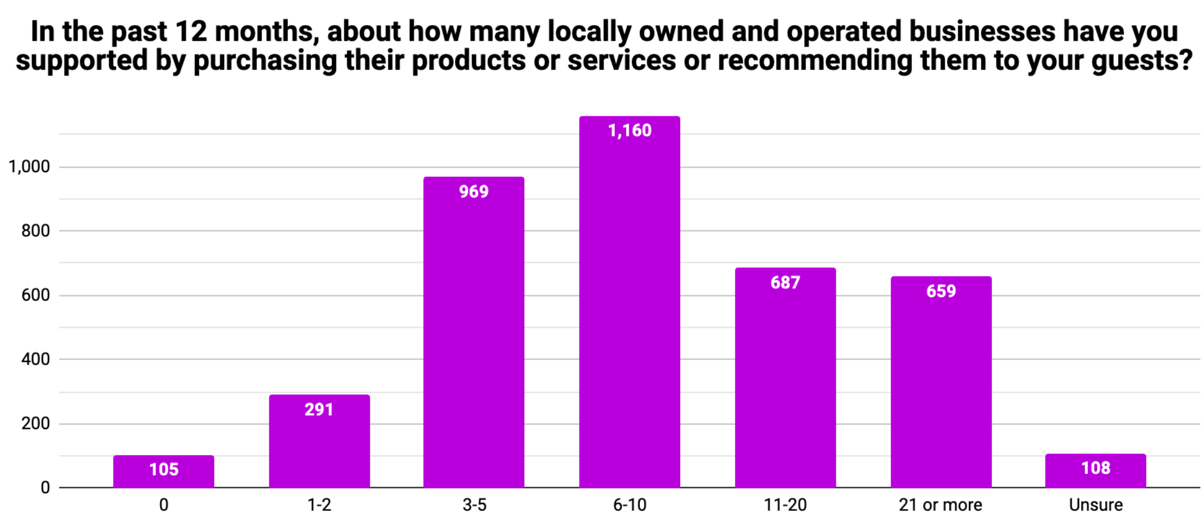
Economic Impact

More than two-thirds of managers employed full-time employees, and 72% employed part-time employees.

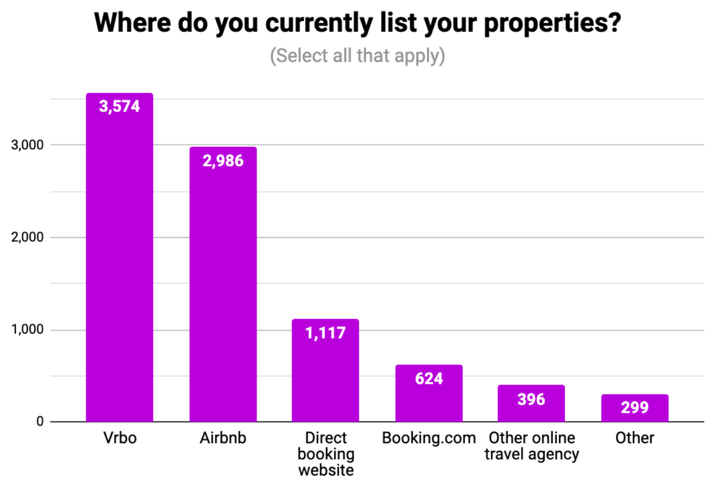




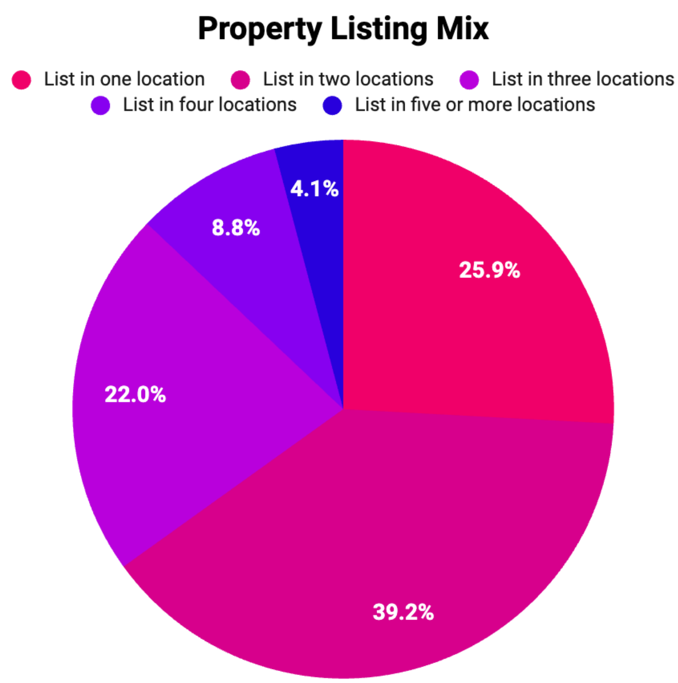
Locally owned and operated businesses were supported by 94.6% of the respondents via purchases and referrals.



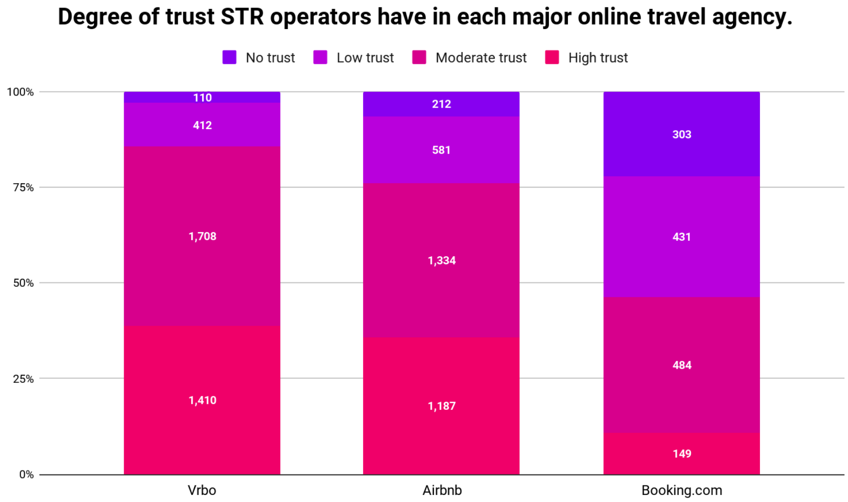
Marketing



Vrbo (89.2%) and Airbnb (74.5%) were the most popular listing sites of respondents, followed by their own website (25.7%) and Booking.com (15.6%).

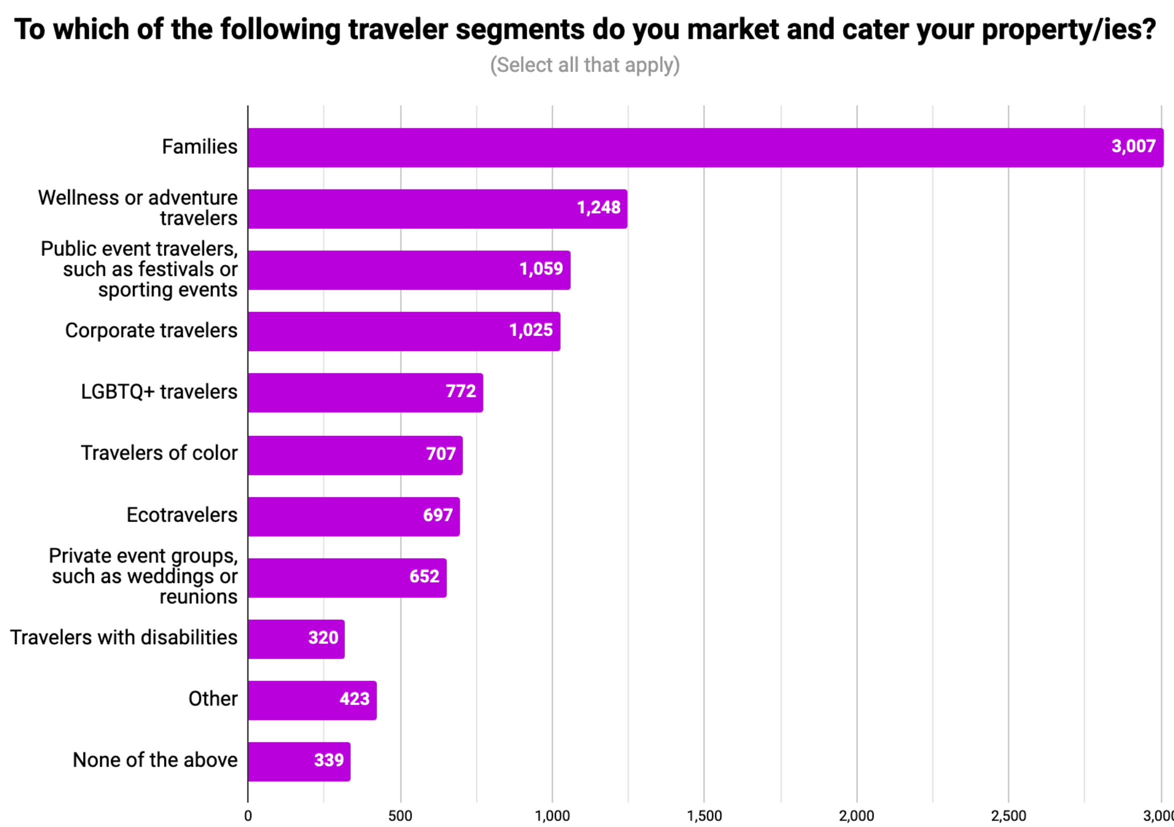


A majority of respondents (nearly three in four) listed their property/ies in multiple online locations.

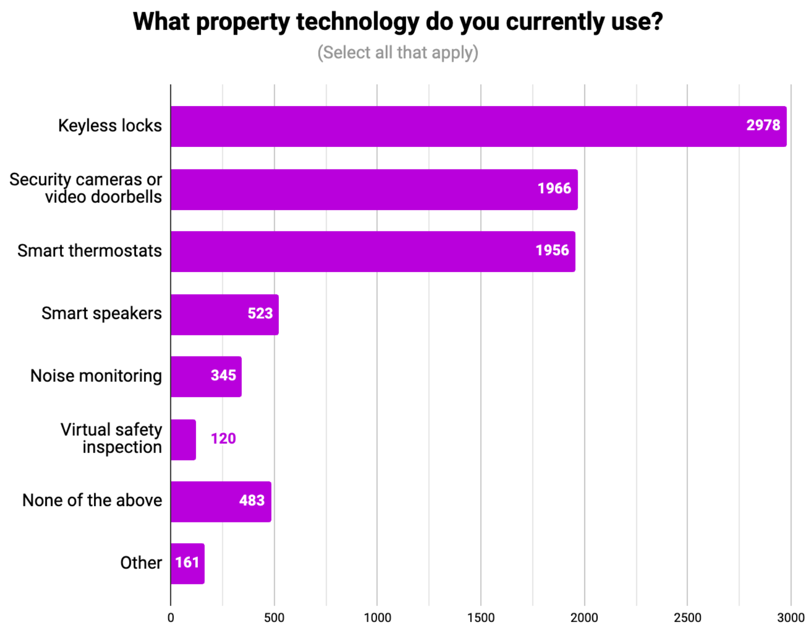


Of the three major platforms, Vrbo garnered the highest levels of trust in the distribution percentages.

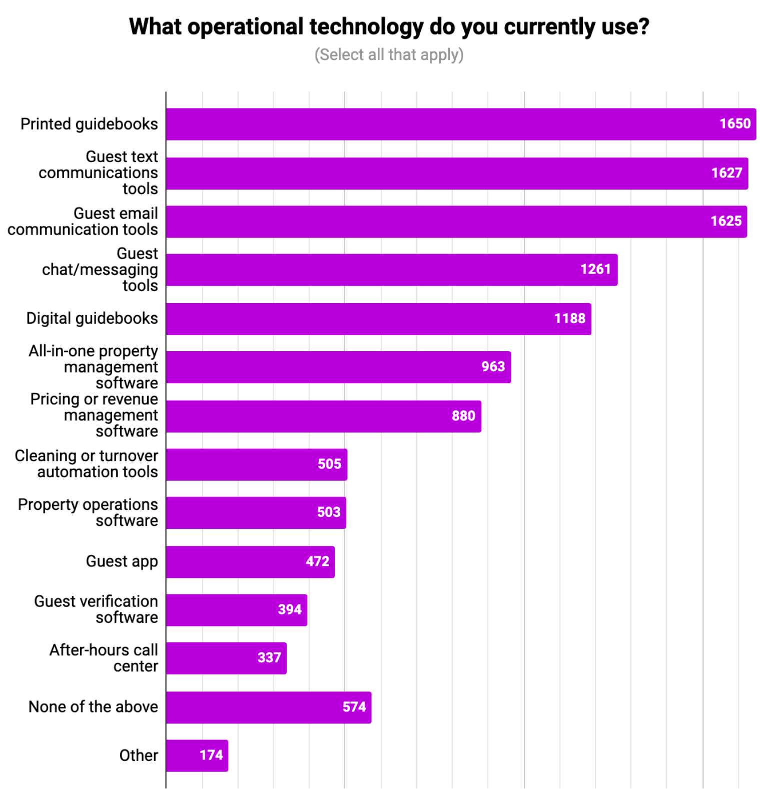
Respondents indicated families (75%) as the most commonly marketed traveler segment of the sample.



Operations & Technology

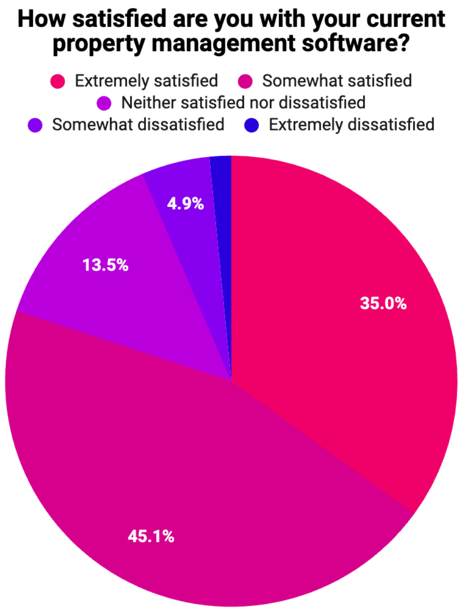


Keyless locks were the most popular technology used by respondents (74.4%). Security cameras and smart thermostats were both in use by approximately 49% of respondents.



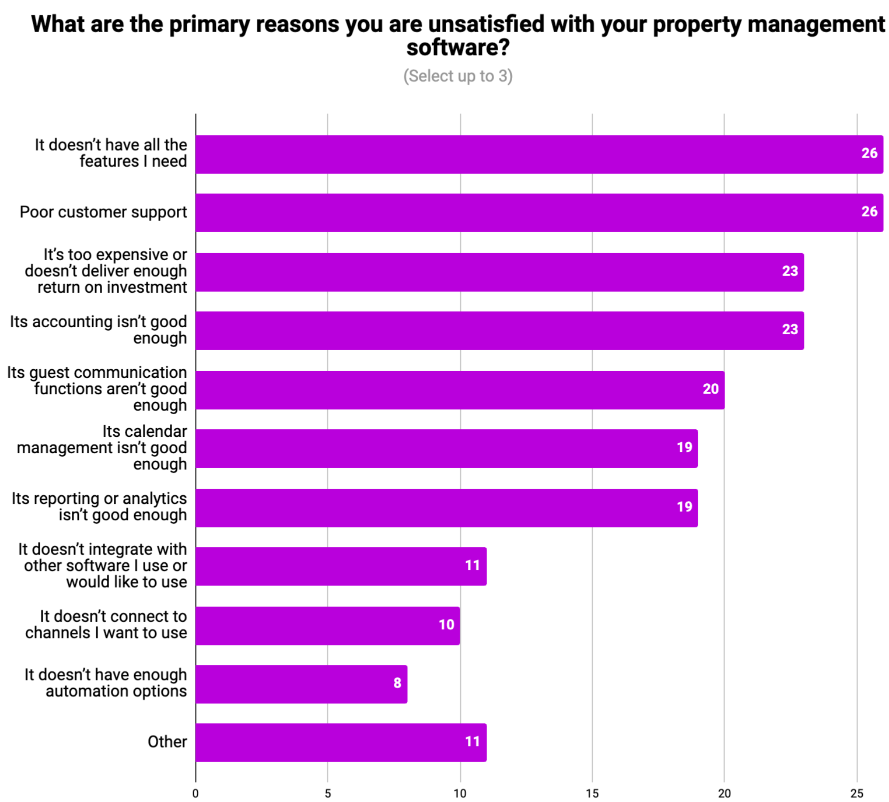
Operators' most common operational technologies involved guest communication: printed guidebooks, guest text tools, and guest email tools.

Among respondents who selected “other,” the most common responses were Vrbo and Airbnb.



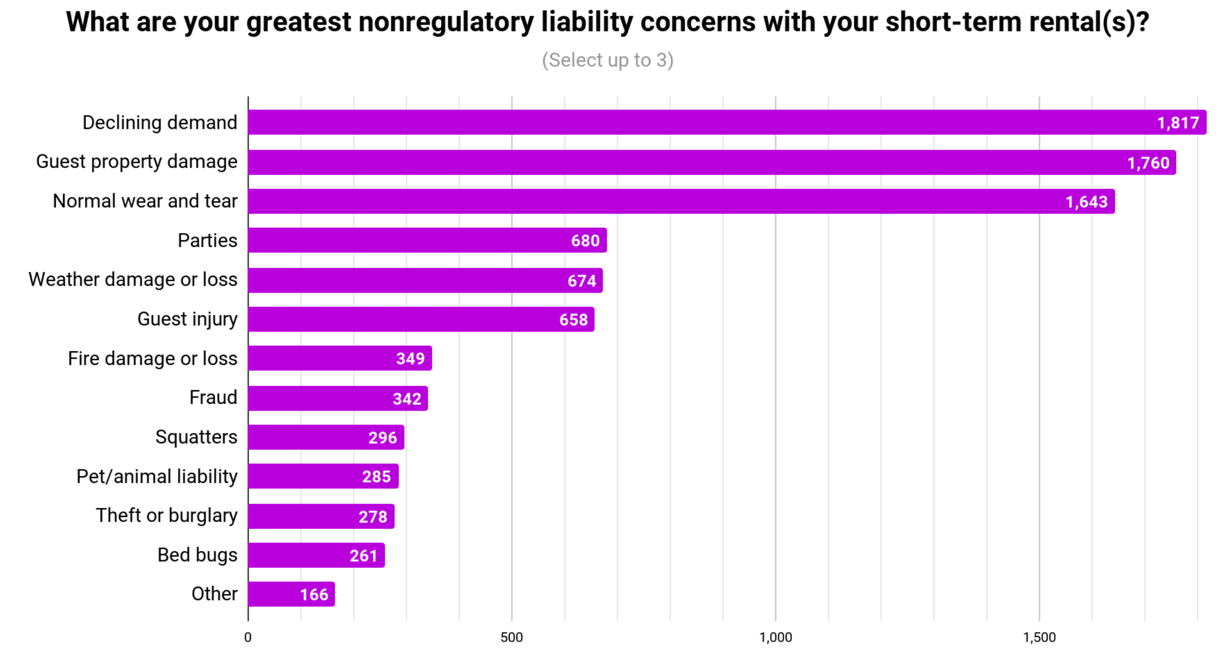
More than eight in 10 respondents were extremely or somewhat satisfied with their property management software (left).

Of respondents who were dissatisfied, the top reasons were equally that their software does not have all the features they need and poor customer support, followed by being too expensive and subpar accounting (below).



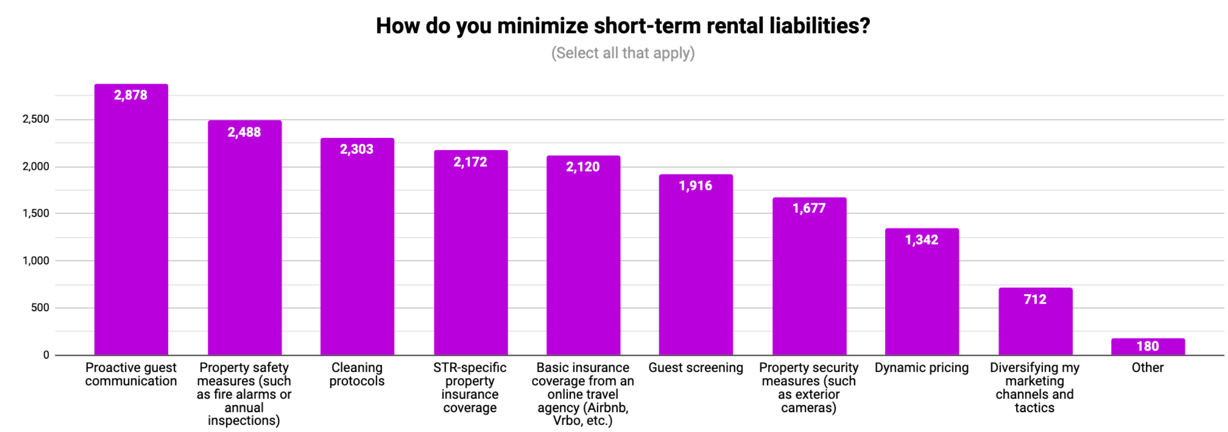
Among the respondents who selected "other," the most common responses were related to user experience issues or bugs.

Respondents' three greatest nonregulatory concerns were declining demand (45.3%), guest property damage (43.9%), and normal wear and tear (41.0%).



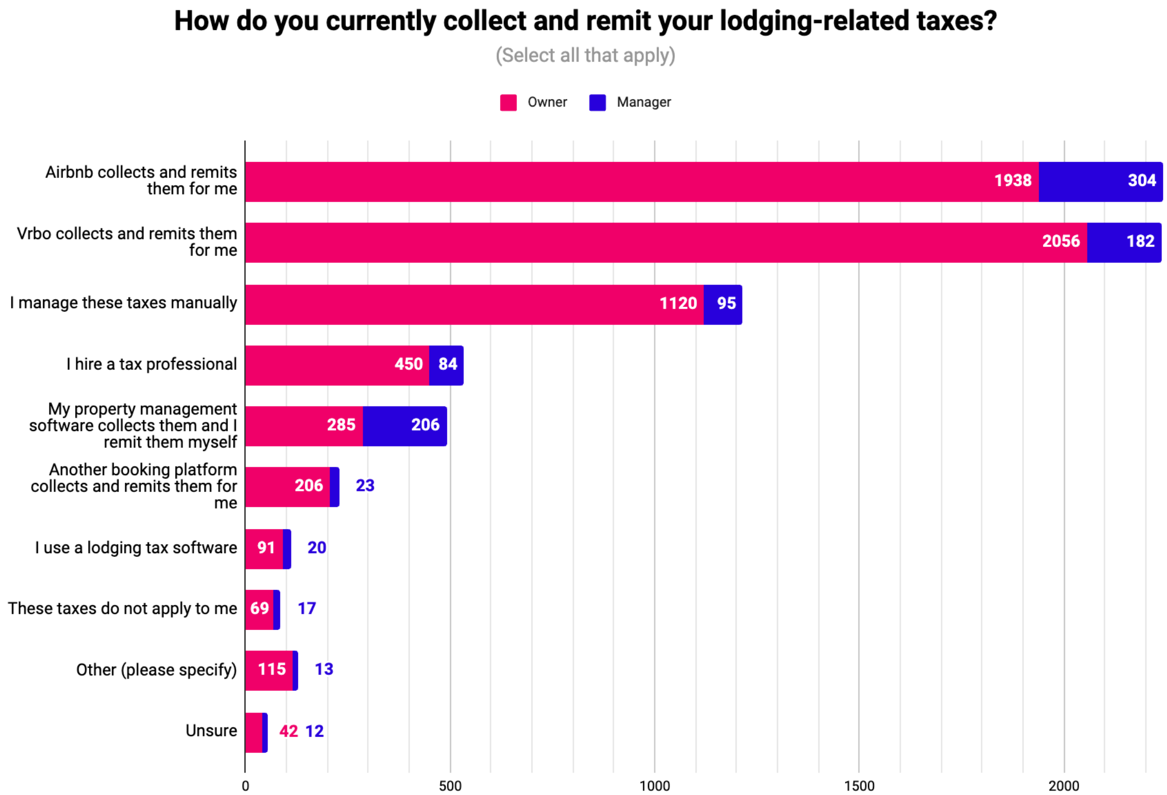
Among the respondents who selected "other," the most common responses were competition, problematic neighbors, and guest malfeasance.

Proactive guest communication (71.8%) and property safety measures (62.1%) were the leading methods for minimizing short-term rental liabilities.



Among respondents who selected "other," the most common responses were minimum night stays, security deposits, and on-site procedures like greeting guests in person or living nearby and monitoring their property/ies.

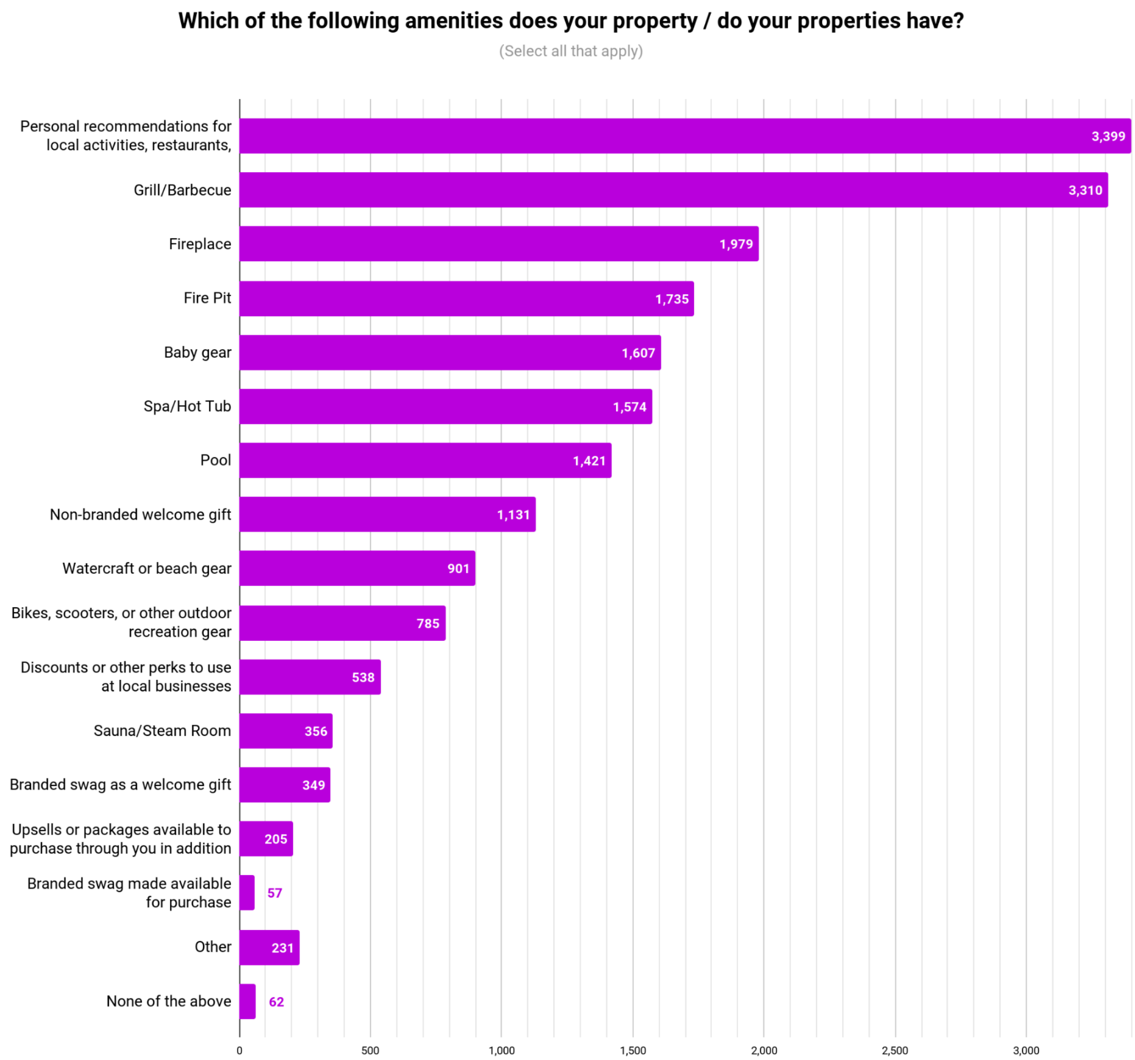
Most operators reported that the platforms handle lodging tax collection and remittance, followed by manually managing these taxes.



Among respondents who selected "other," the most common responses were a hybrid system or, for owners, that their property manager handles the taxes for them.

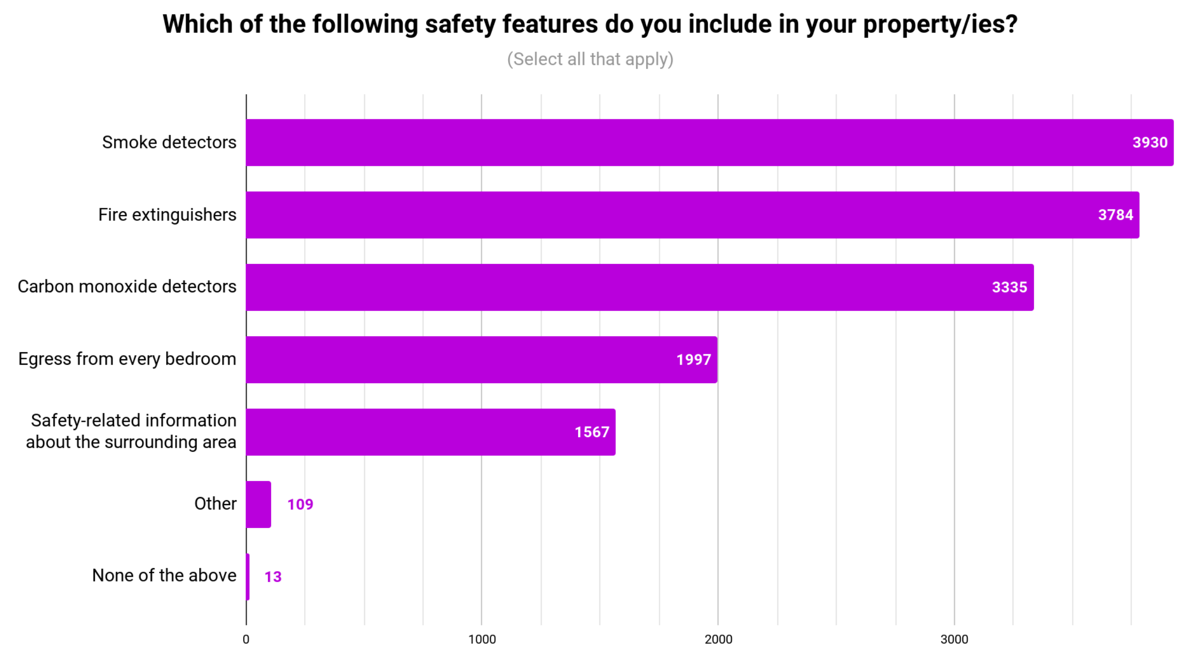
Property Features & Amenities

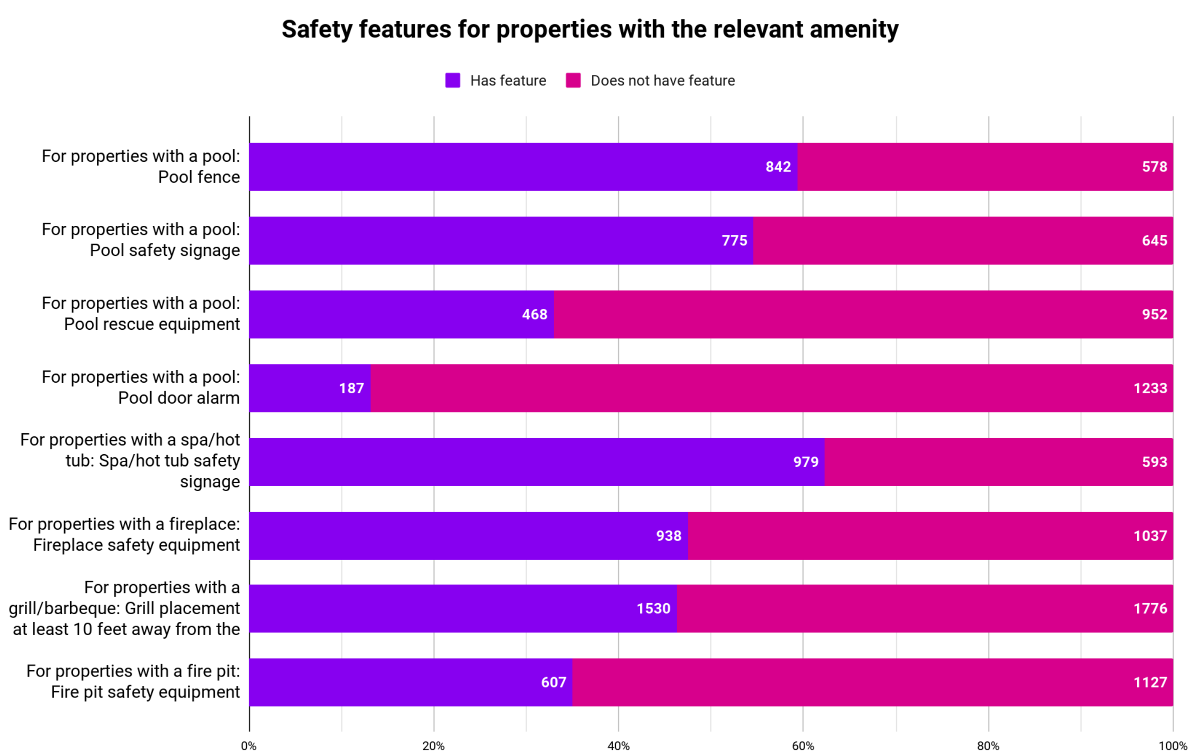
The most common amenities implemented by STR operators were personal recommendations to local activities, restaurants, and attractions, followed by a grill or barbecue.



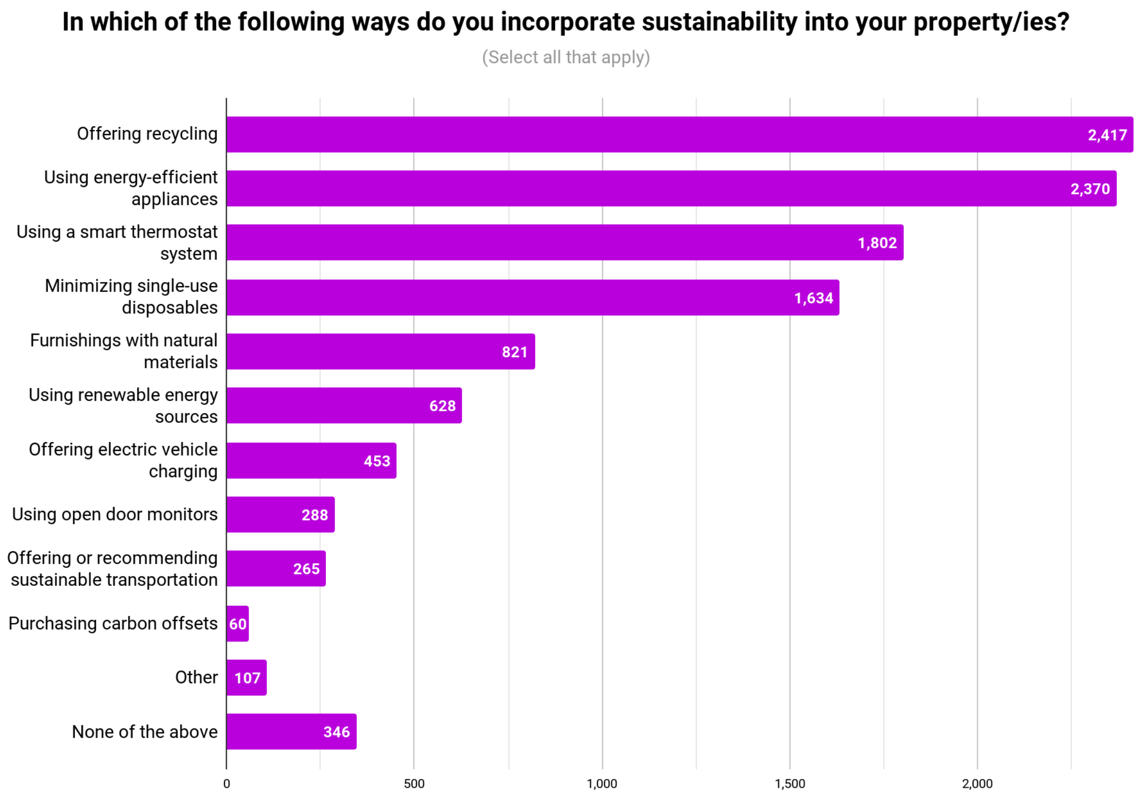
Among respondents who selected "other," the most common responses were food, coffee, or kitchen items; indoor games; and access to community amenities such as pools, fitness, or recreation facilities.

Smoke detectors, fire extinguishers, and carbon monoxide detectors were the most common safety features in STR properties.



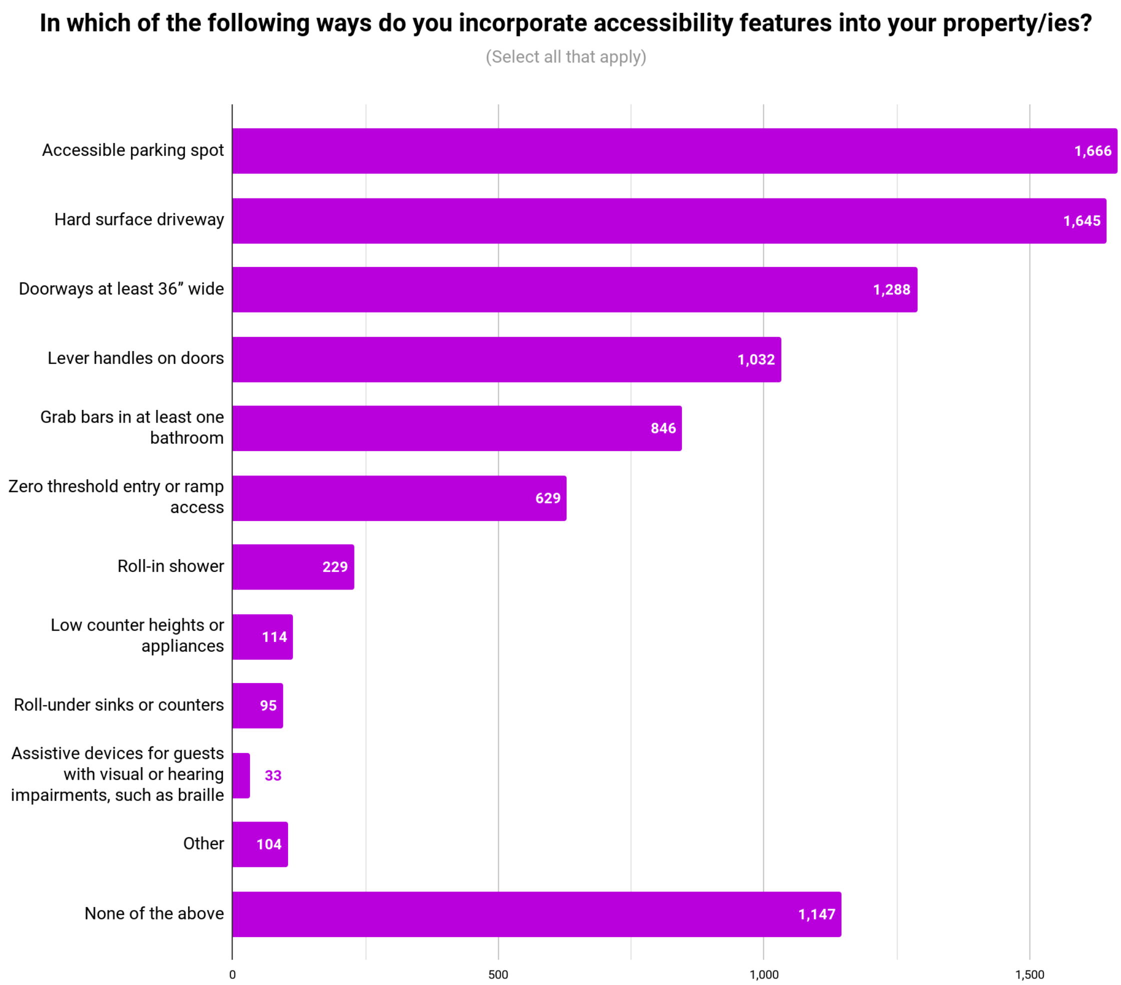


Recycling, energy-efficient appliances, smart thermostats, and minimizing single-use disposables were the most common sustainability features implemented by respondents.



Among respondents who selected "other," the most common responses were compost and eco-friendly cleaning products or processes.

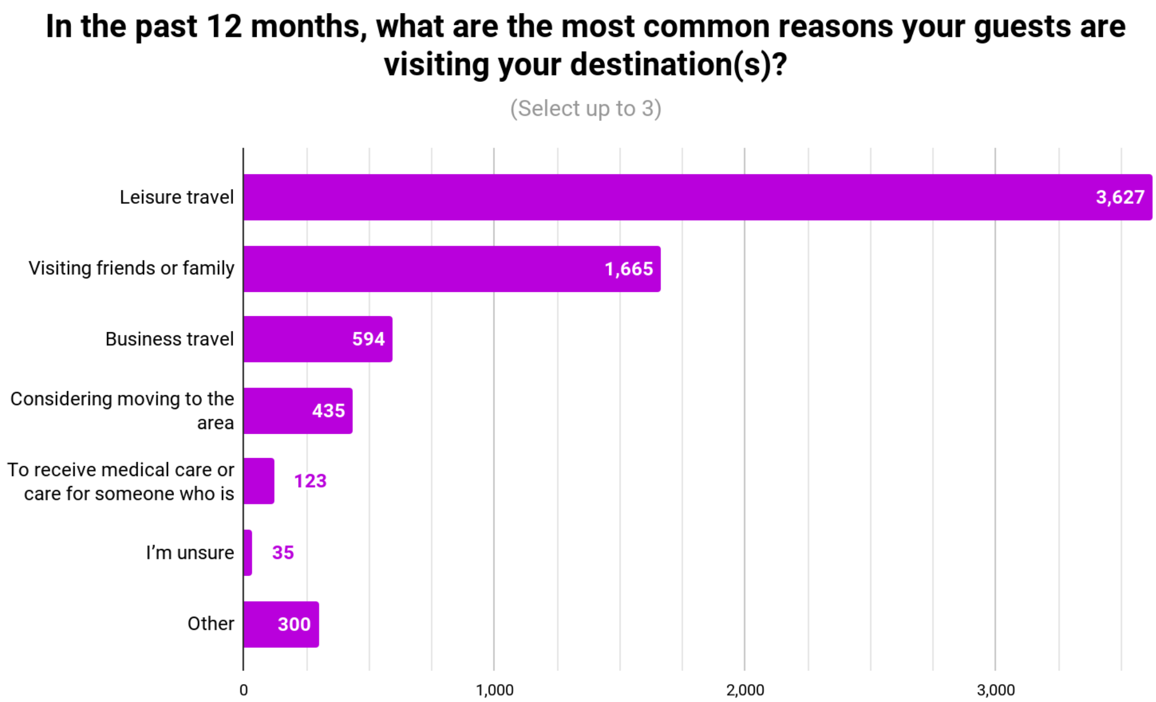
The most common accessibility features implemented by operators were accessible parking spots, hard surface driveways, and doorways at least 36” wide.



Among respondents who selected "other," a common response was that accessibility features varied across multiple properties.

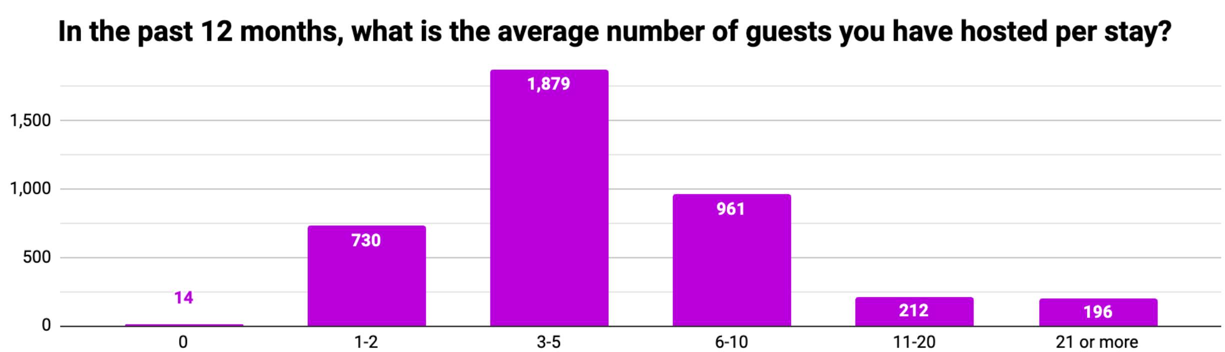
Guests & Good Neighborliness

Leisure travel was identified as the most common reason for guests visiting the destinations, followed by visiting friends and relatives. Consideration for moving to the area was 10.9% of the most common reasons for guests visitation.

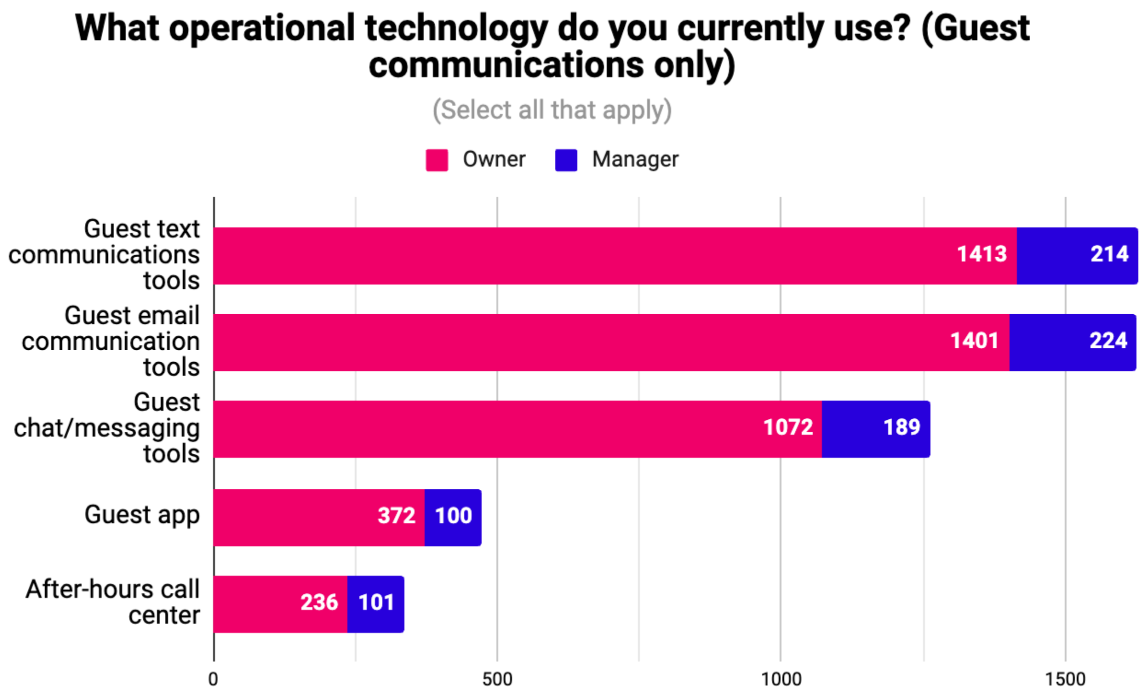


Among those who selected "other," the most common responses included local family gatherings like weddings or graduations, sporting events or concerts, and outdoor recreation.

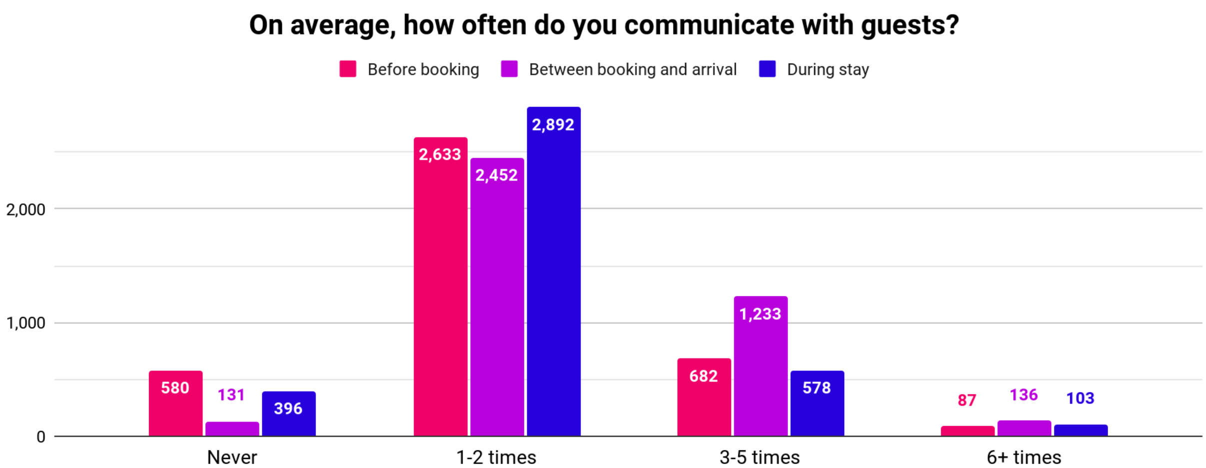
The majority of travel party sizes are three to five people (47.0%) and six to 10 people (24.1%).



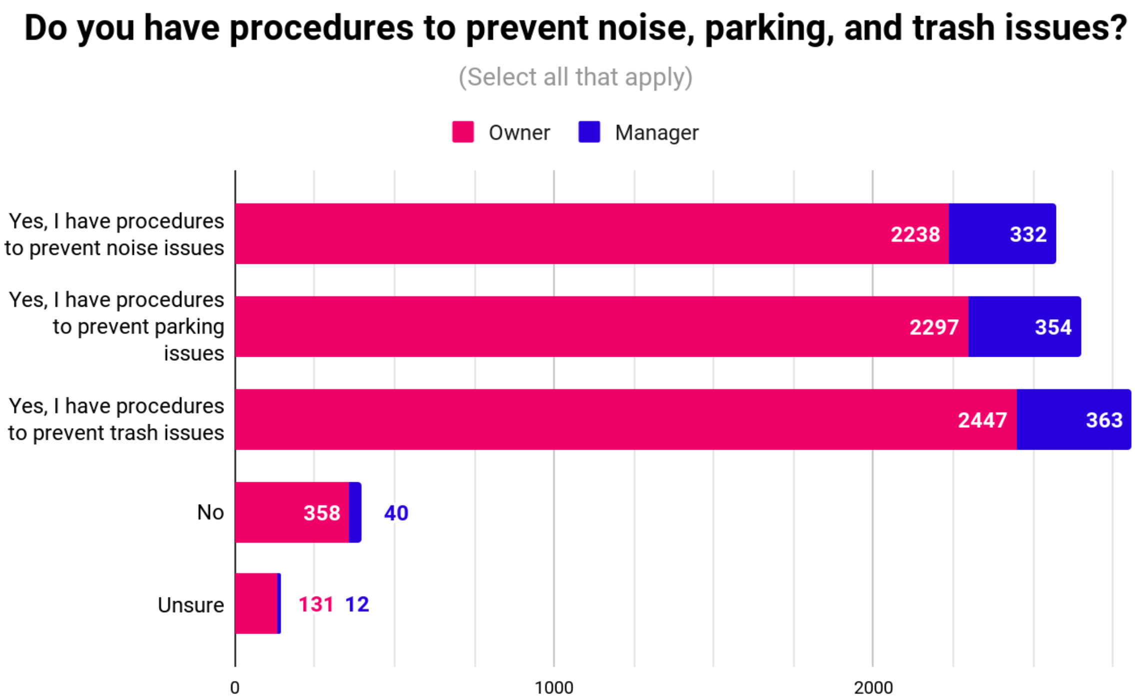
The most common guest communication technology is email and text, followed by chat messaging tools.



A majority of operators communicated with guests one to two times in each phase of the booking journey: pre-booking, pre-stay, and during-stay.



A majority of operators (two-thirds of owners and three-quarters of managers) have good neighbor procedures in place to prevent noise, parking, and trash issues.

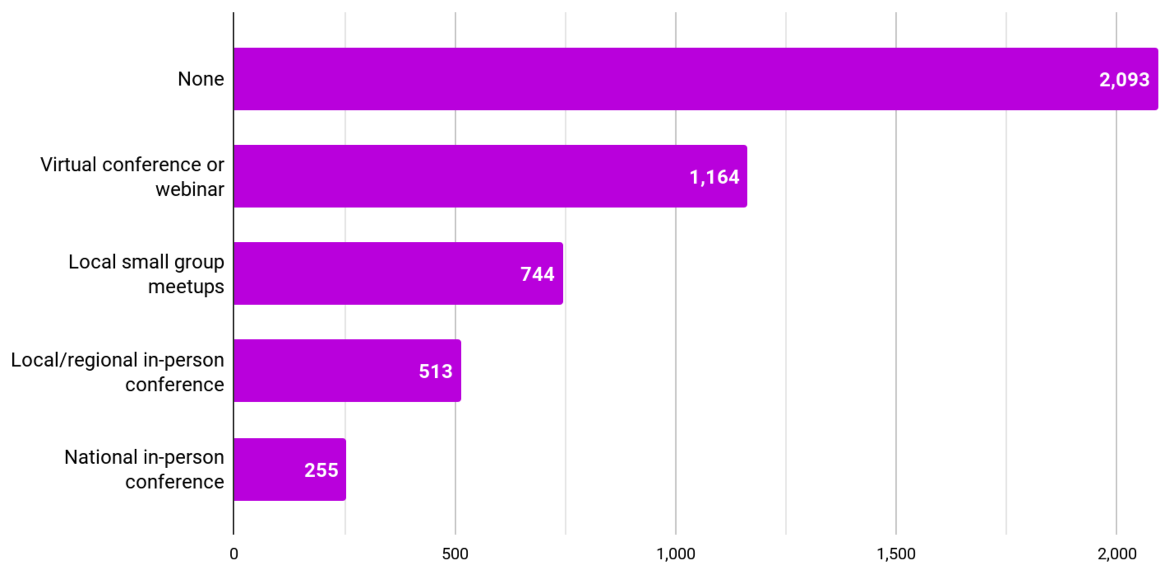


Industry Events & Networking

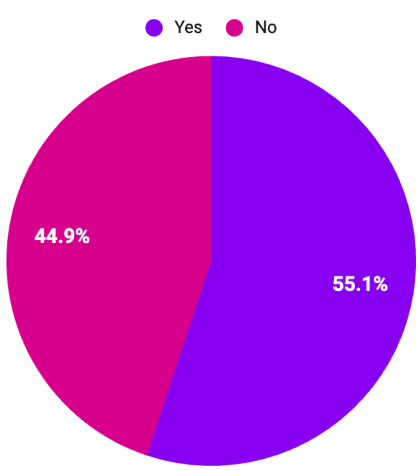
While most owners and managers reported that they did not plan on attending any events or conferences in the next year, those who do plan on attending at least one most often chose a virtual conference or webinar, followed by local small group meetups.

What types of STR industry events or conferences do you plan on attending in the next 12 months?

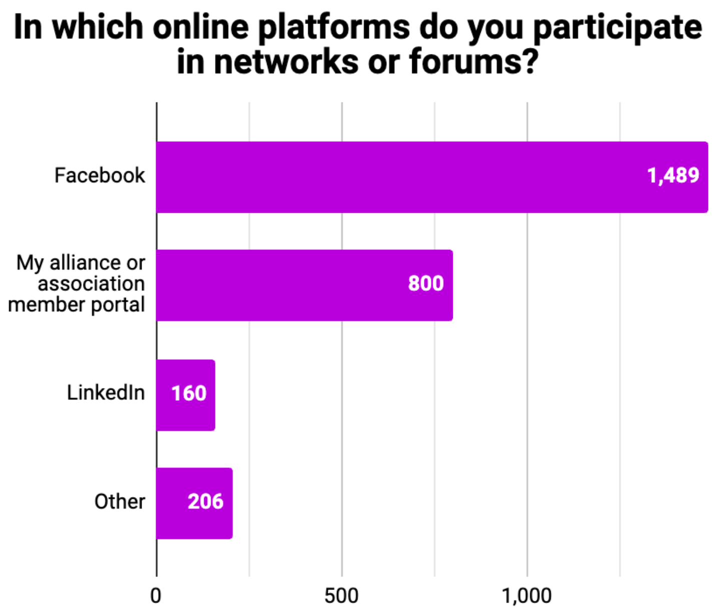
(Select all that apply)



Do you engage with other owners/managers in online networks or forums?



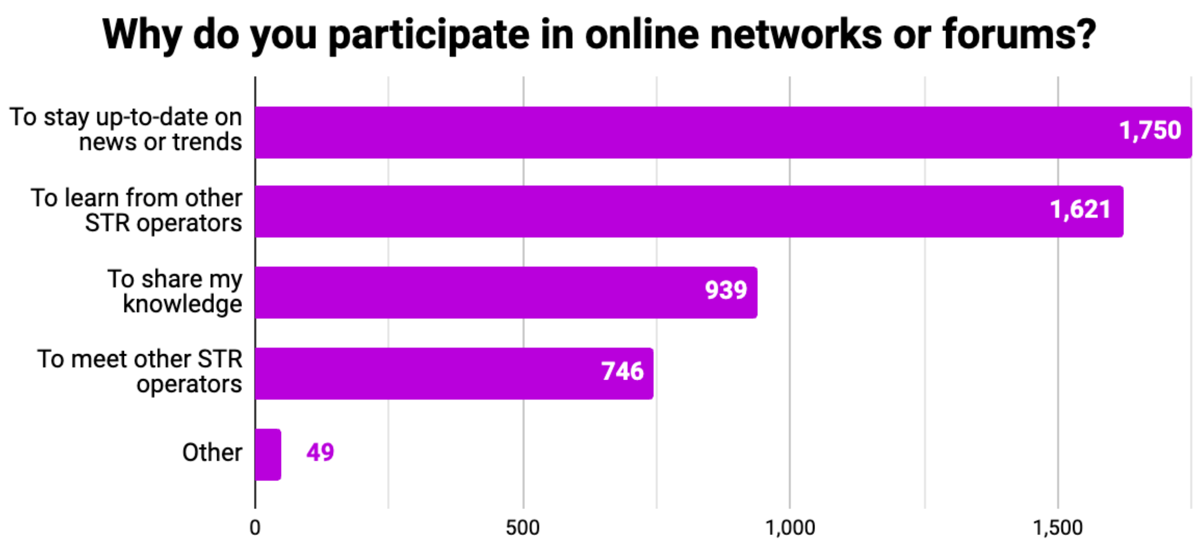
A majority of operators (55.1%) engage with their peers online in networks or forums.



The most commonly used online network platforms are Facebook and their alliance or association member portal.

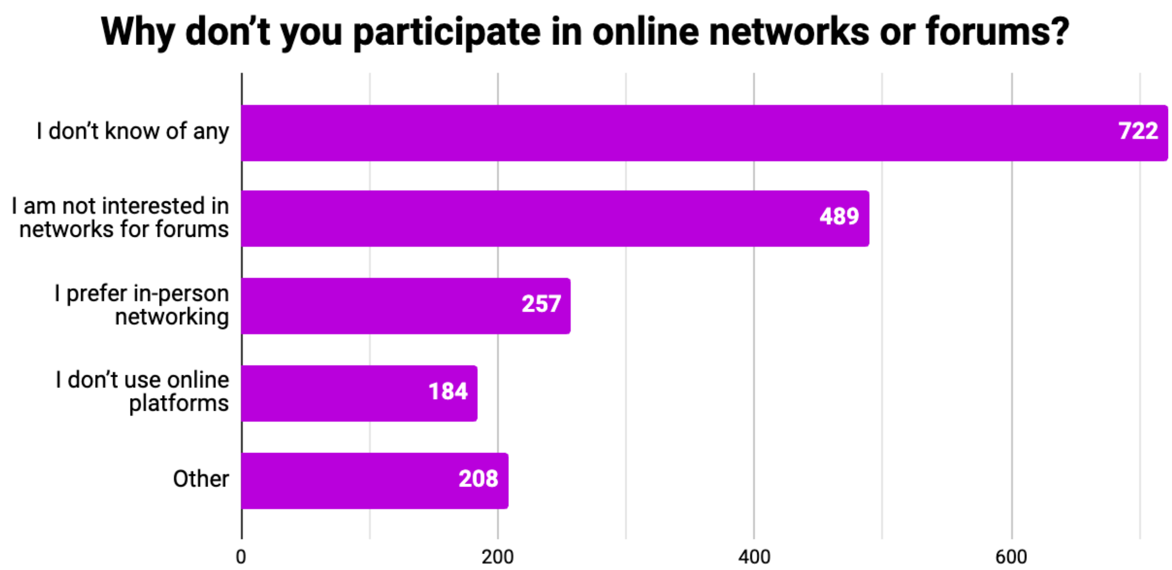
Among those who selected "other," the most common responses included Reddit, NextDoor, and WhatsApp.

The most common reasons STR operators participate in online networks or forums were to stay up-to-date on news or trends and to learn from other operators.



Among those who selected "other," the most common responses included collaborating on advocacy efforts and sourcing local vendors.

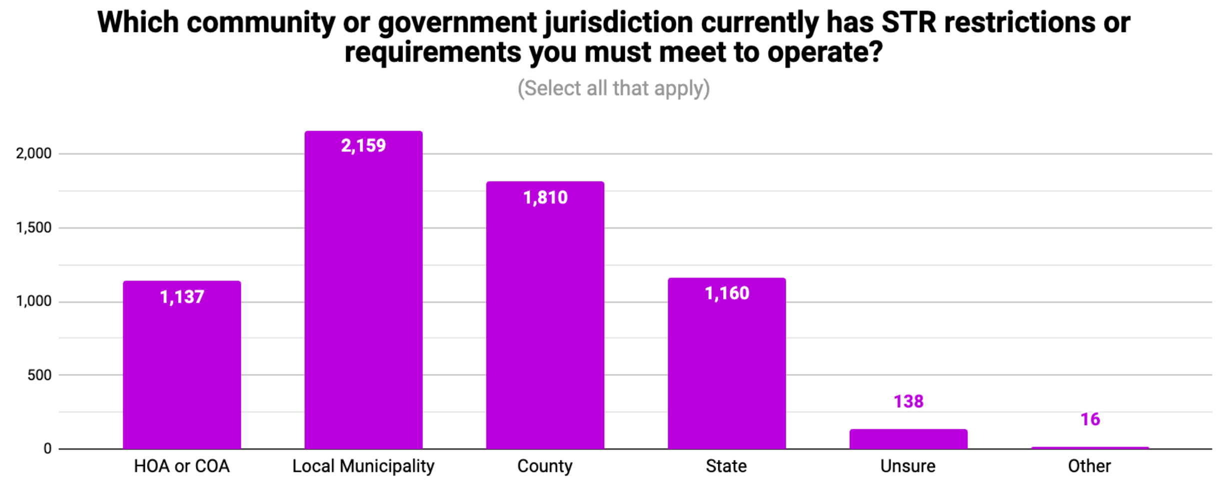
Among those who do not participate in online networks or forums, the most common reason was that they did not know of any.



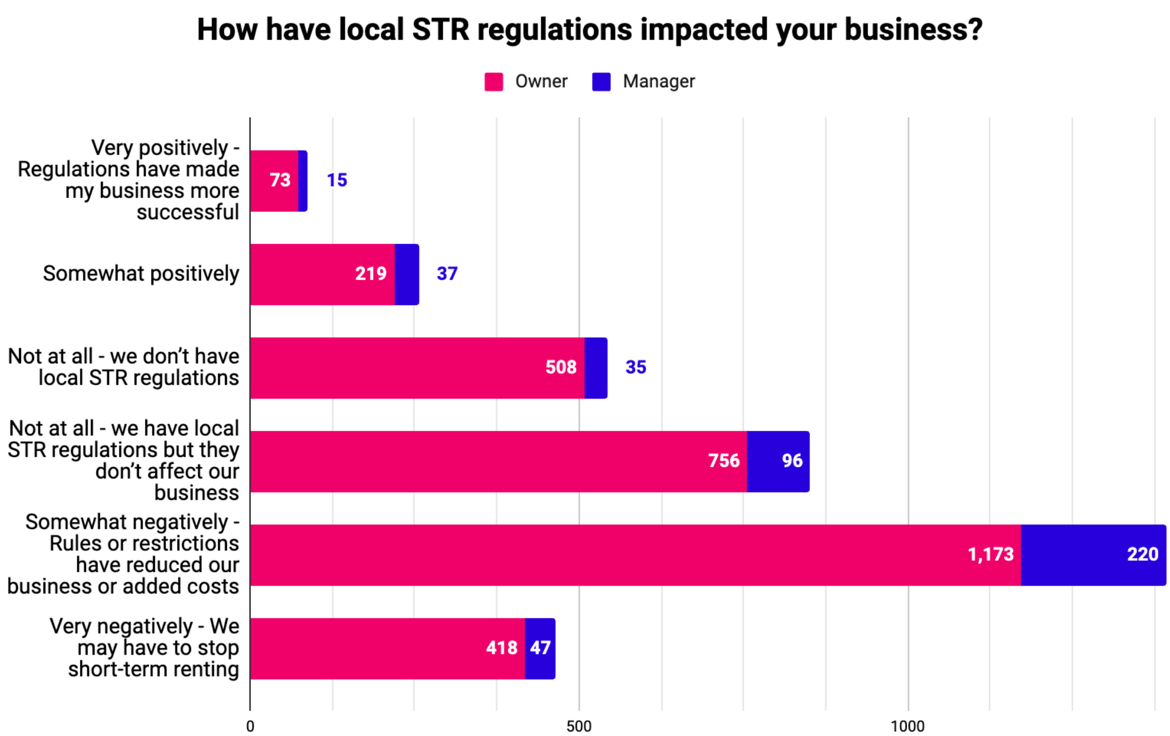
Among those who selected "other," the most common response was not enough time.

Regulations & Advocacy

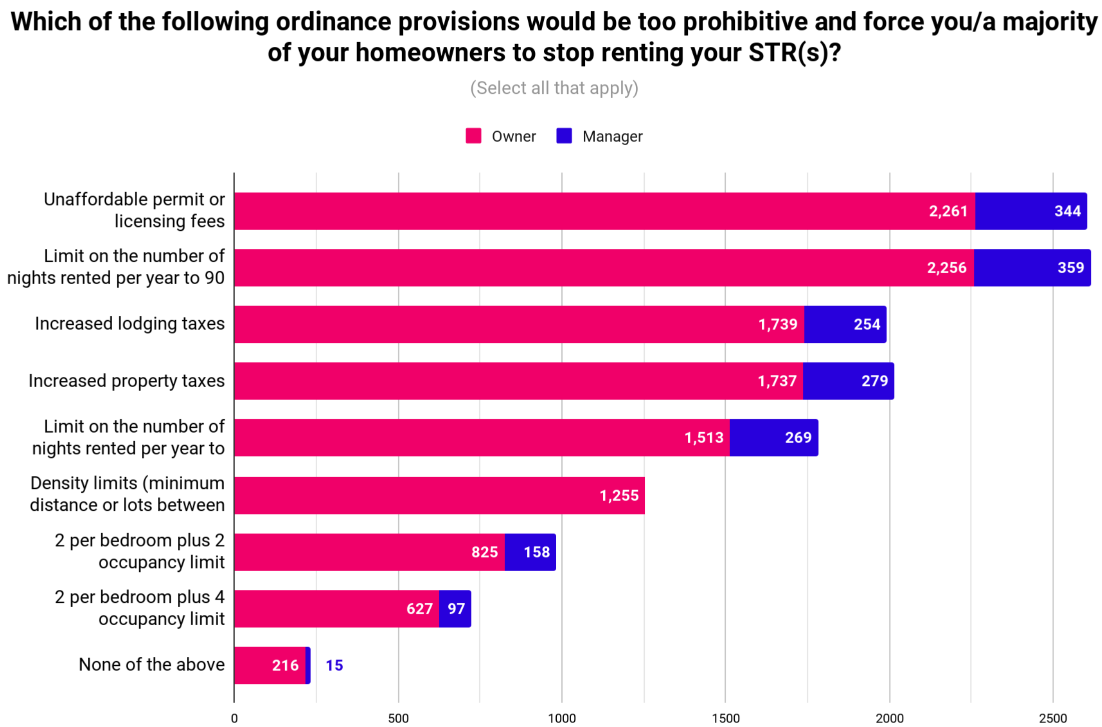
On the regulation front, respondents indicated requirements from their HOA (28.3%), municipality (53.6%), county (45.2%), and state (29%).



Over 50% of the owner sample indicated they were negatively impacted by STR regulations.

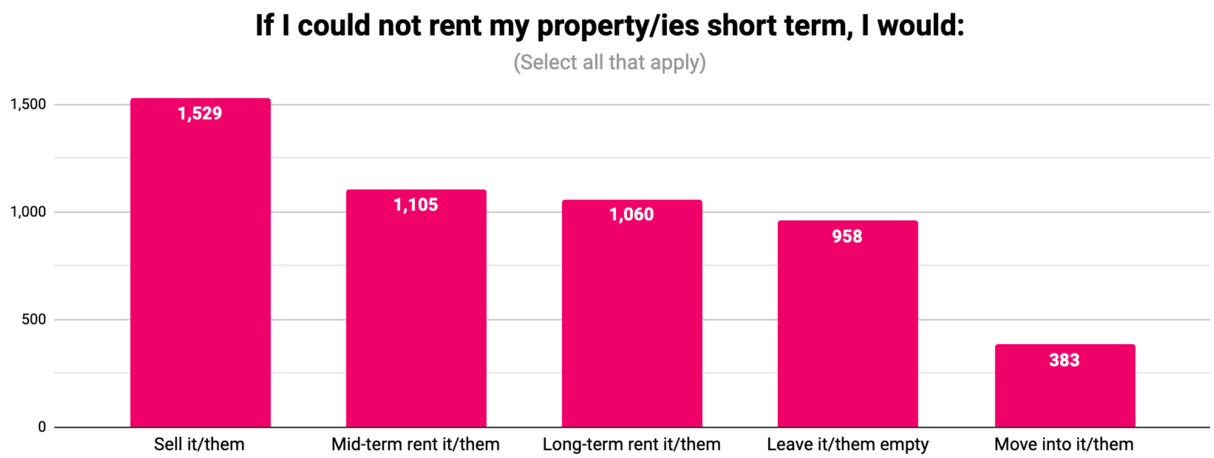


The study explored a number of ordinance provisions that have appeared across the country. Unaffordable permit or licensing fees and limits on the number of rental nights to 90 days had respondent rates of more than 63% as ordinance components considered too prohibitive to continue renting. Increased lodging taxes and increased property taxes had respondent rates of just under 50% as too prohibitive and forced to stop renting.

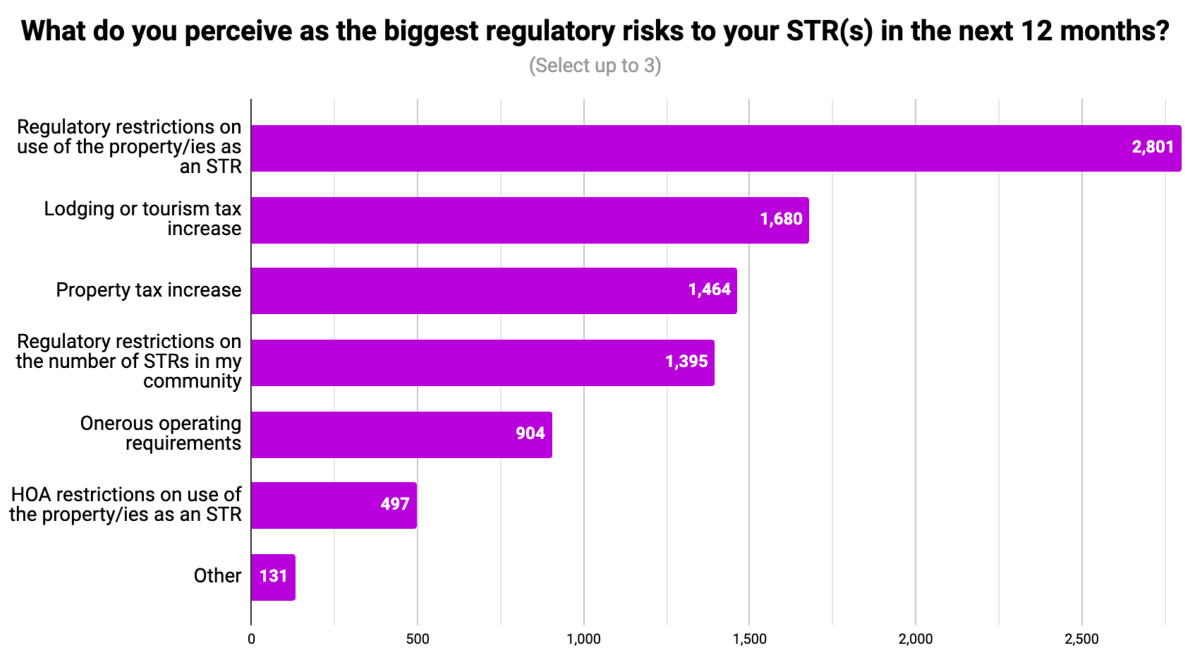


**Note: Managers did not have limits as an answer choice.*

If they could not short-term rent their property, owner respondents indicated a preference to sell (43.3%), followed by mid-term rent (31.2%), and long-term rent (30.0%).

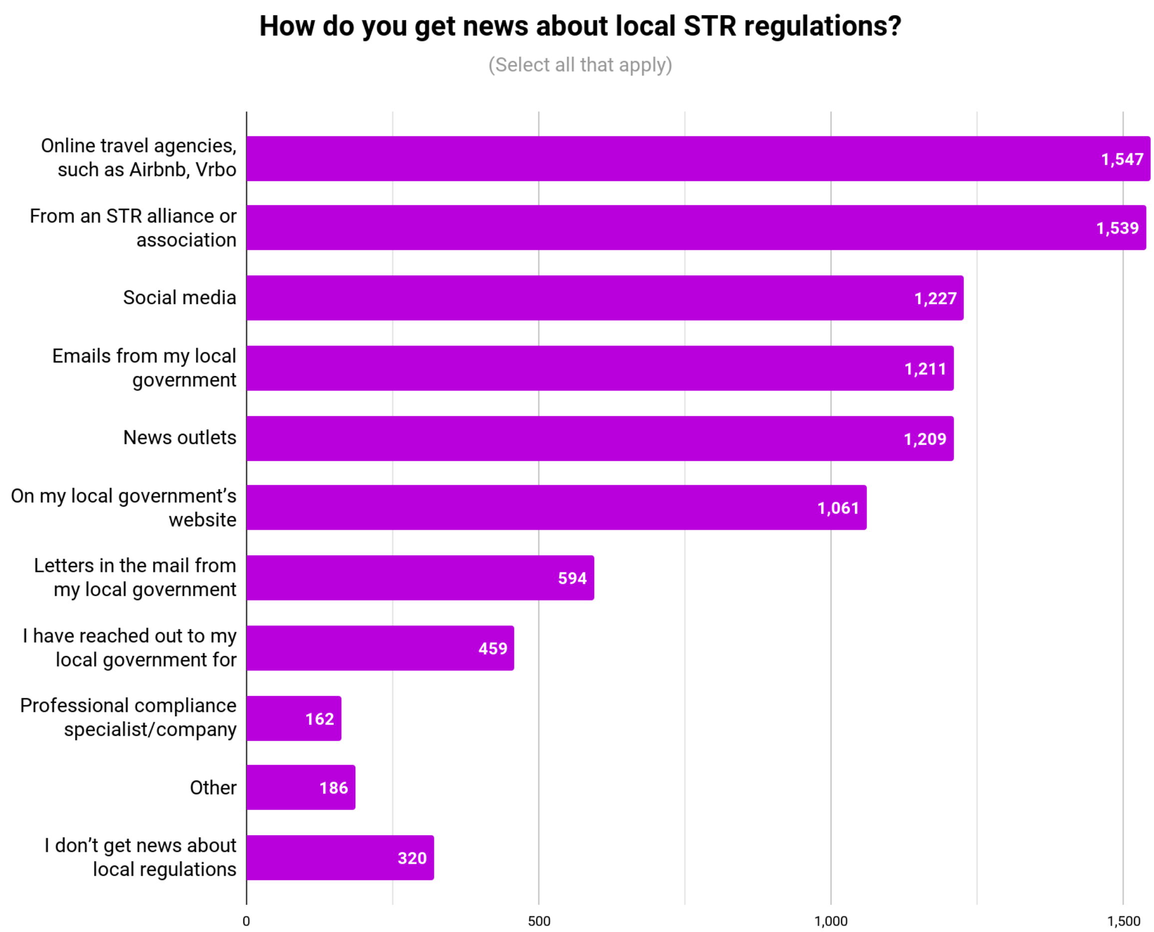


Nearly 70% of respondents' perceived the biggest regulatory risk in the next 12 months to be regulatory restrictions on the use of the property as an STR. That was followed by tourism tax increases (41.8%) and property tax increases (36.4%).



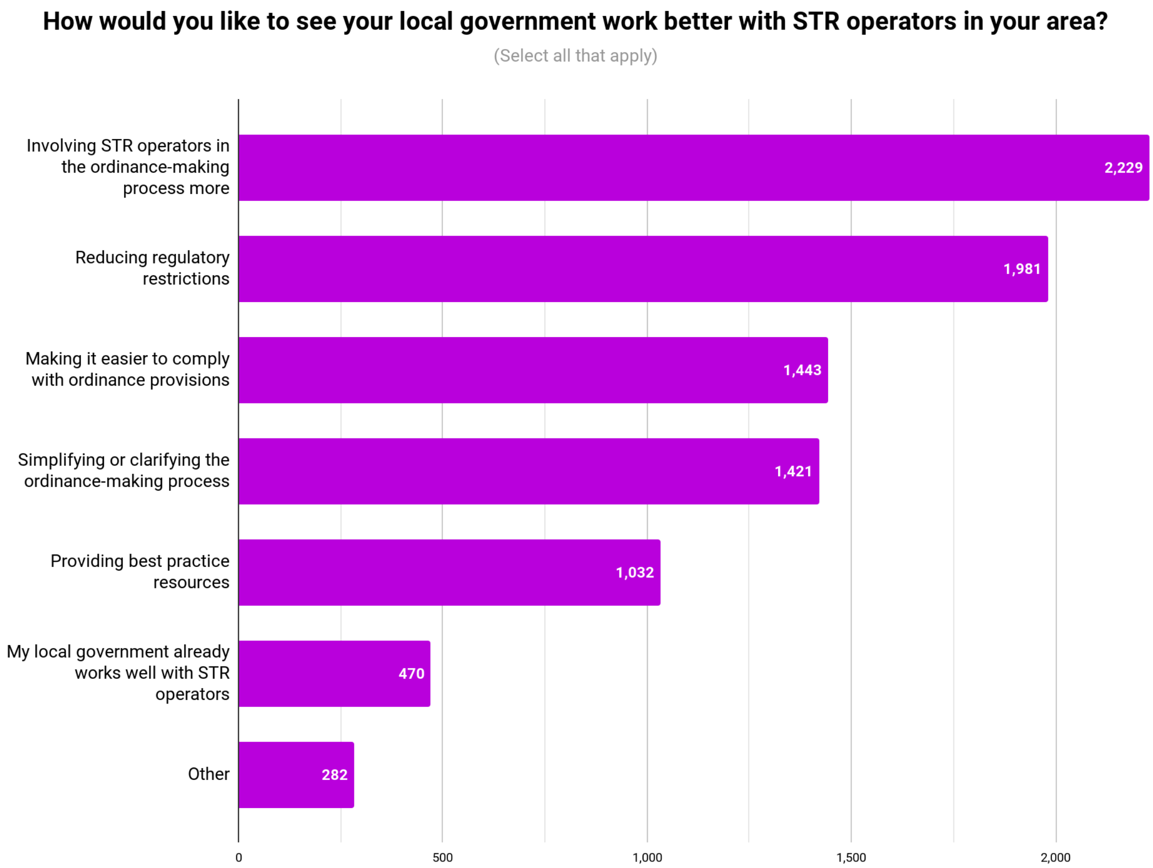
Among those who selected "other," the most common responses included insurance requirements or fees and platform fees.

The most common sources of updates about local STR regulations were online travel agencies (38.3%) and STR alliances (38.2%). News outlets, emails from local government, and social media were all around 30% each.



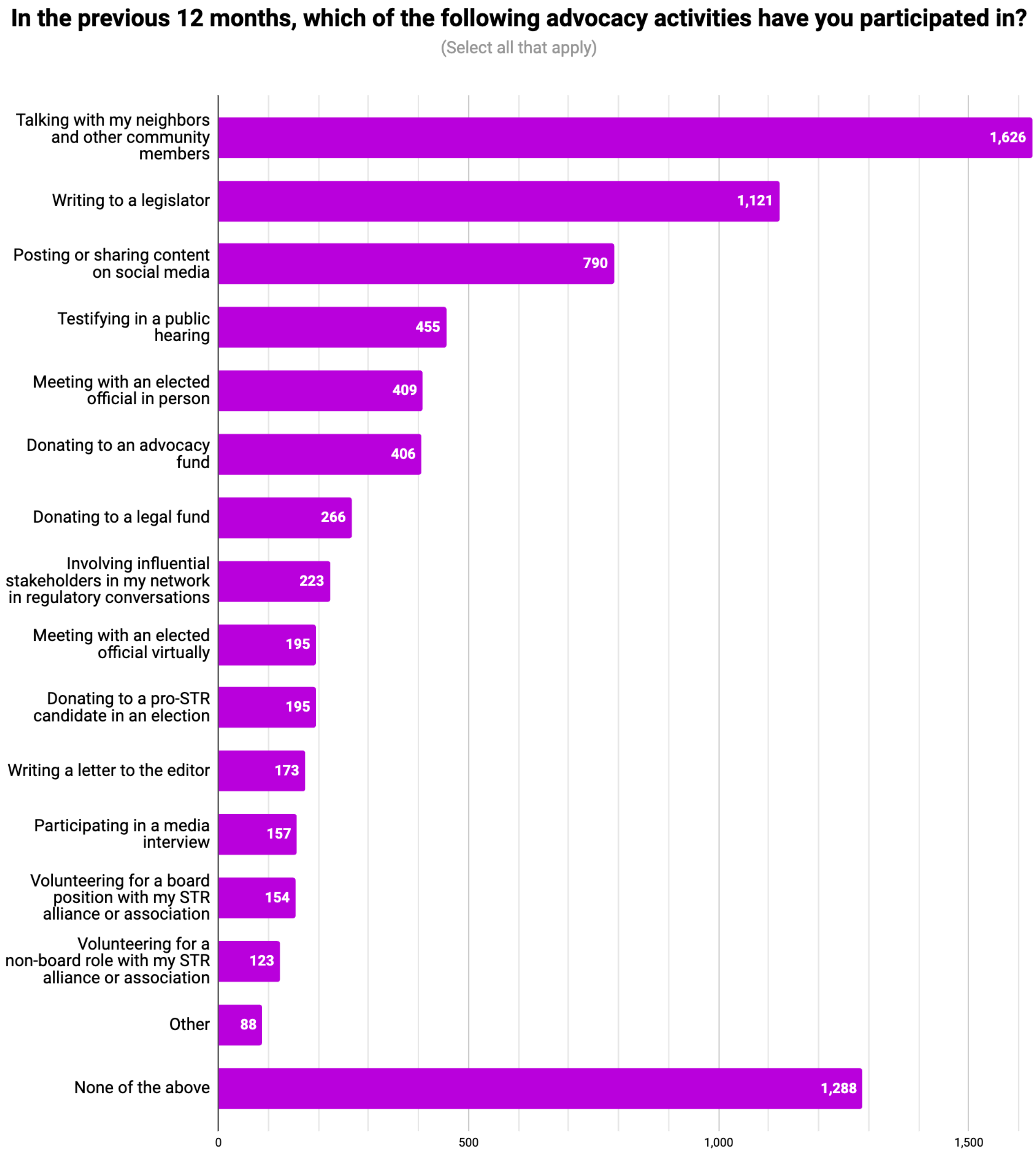
Among those who selected "other," the most common responses included their HOA, word of mouth, and attending council meetings.

Less than 12% of respondents felt their local government already works well with STR operators. Just under 50% think they should reduce regulatory restrictions.

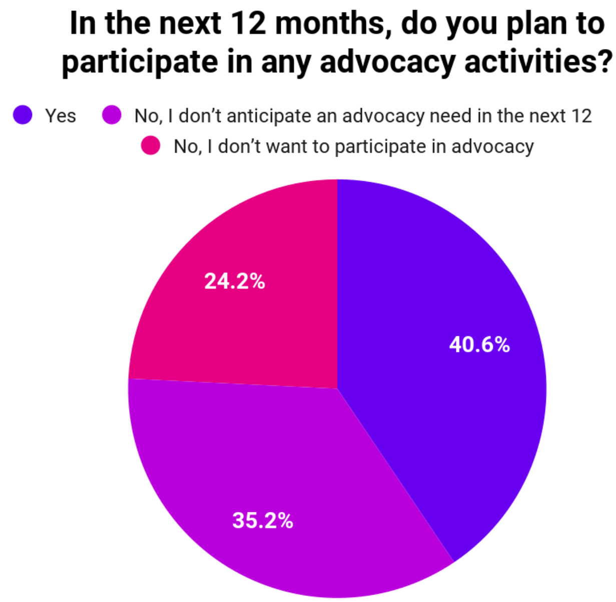


Among those who selected "other," the most common responses included fair enforcement mechanisms, removing bad actors, and collaborating with the OTAs.

The most common advocacy activity was talking with my neighbors and other community members (40.6%) and writing to a legislator (28.0%).

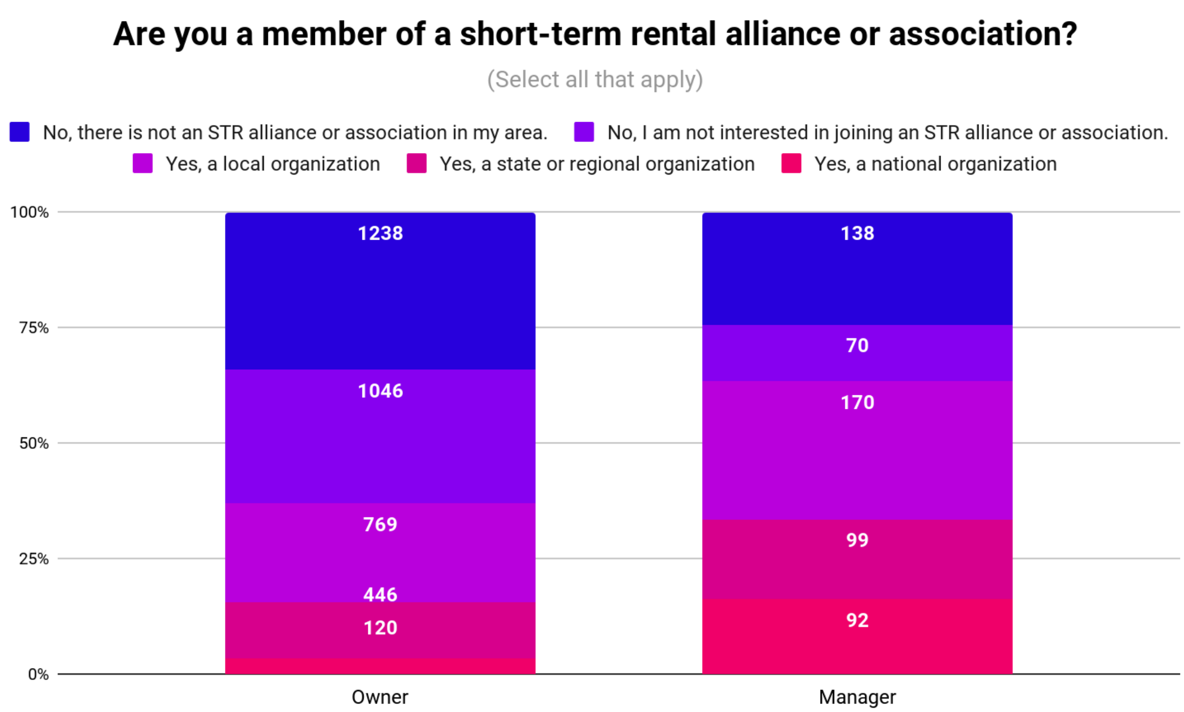


Among those who selected "other," the most common responses included attending HOA or council meetings, submitting written testimonies, and taking legal action.

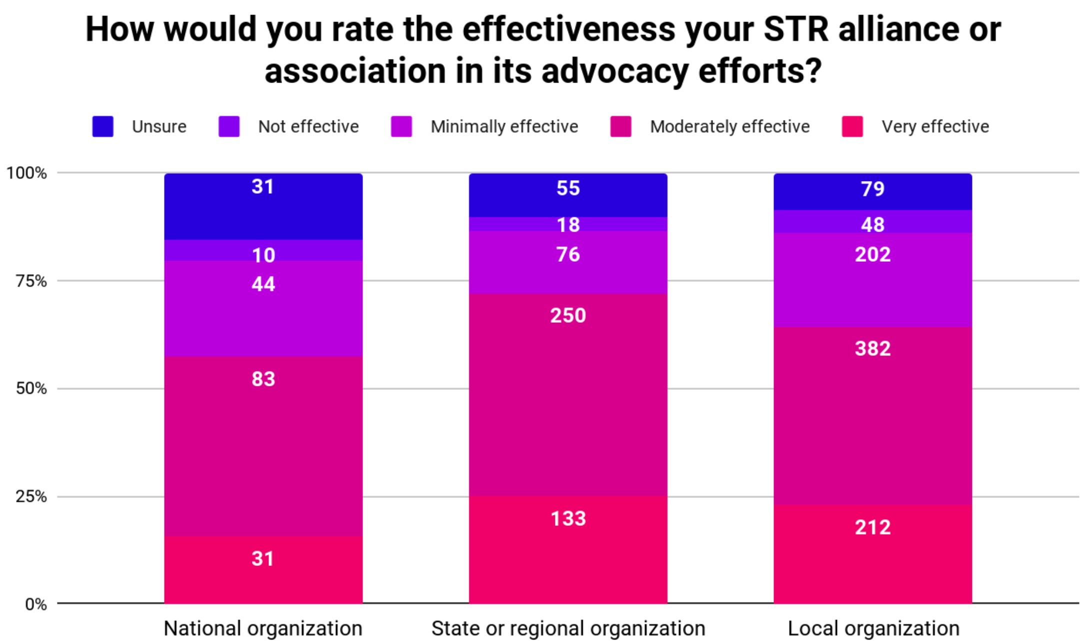


Over 40% of all respondents planned to participate in an advocacy activity in the next 12 months. Over 54% of managers planned to engage in advocacy activities in the next 12 months, versus 38.7% of owners.

About one-third of owners were a member of at least one STR alliance or association, compared with two-thirds of managers. Of those who were not members of any such organization, the primary reason was that there was not one in their area.



Of those who are members of an STR organization, state and regional associations were rated the highest in the effectiveness of their advocacy efforts.



Market Type Differences

Market-type evaluations revealed unique differences across the owner sample. For instance, owners in urban and suburban market types were much more likely to consider mid-term and long-term stays for their properties.

Most owners across all market types utilized their property for one to 30 days for personal use while urban market owners indicated the highest likelihood of zero personal use.

As far as ordinance provisions that would be too prohibitive to rent, owners from all market types shared similar concerns for unaffordable permit or licensing fees and a limit on the number of nights rented per year to 90 or 180. If unable to rent, owners in suburban and urban market types defaulted to mid-term and long-term rentals while owners in coastal beach or island, lake or riverside, mountain-non-ski, and mountain-ski market types revealed a preference to sell. The majority of owners across market types indicated local STR regulations impacted their business with the exception of rural and lake or riverside.

In regard to tax collections and remittance, the coastal beach or island market type owners saw the lowest percentage reliance on Airbnb and Vrbo and the highest percentage of managing these taxes manually.

Market-type evaluations for the property managers sample followed a similar pattern to owners. As far as ordinance provisions that would be too prohibitive for their homeowners to rent, managers from all market types shared similar concerns about exorbitant permit or licensing fees, a limit on the number of nights rented per year to 90, followed by limits of 180 days and increased property taxes.

The majority of managers indicated preventative measures for noise, parking, and trash issues. Rural noise prevention had the lowest indication of efforts across the market types.

Operator Type Differences

There were several areas where managers and owners produced different frequency distributions to survey questions. One such area is the collection and remittance of taxes. Managers had a much higher use of property management software and a lower reliance on Vrbo to collect and remit taxes. Managers also revealed a higher percentage of procedures to prevent noise, parking, and trash issues.

In addition, managers revealed a higher percentage of STR restrictions and requirements across community and jurisdiction levels. In regard to the biggest regulatory risks in the next 12 months, managers showed a higher concern for regulatory restrictions on the number of STRs in my community while owners showed a higher concern for property tax increases. Managers showed a higher engagement in association and alliance membership. They also forecast a higher likelihood of advocacy engagement and participation.

Part II: Local Government Staff & Elected Officials

Respondent Overview

The final analysis resulted in 1,540 usable responses with 46.6% of the sample elected officials and 51.2% of the sample government staff members. (The remaining 2.1% responded as "other.")

Respondents' Role

Elected Official

46.6% (743)

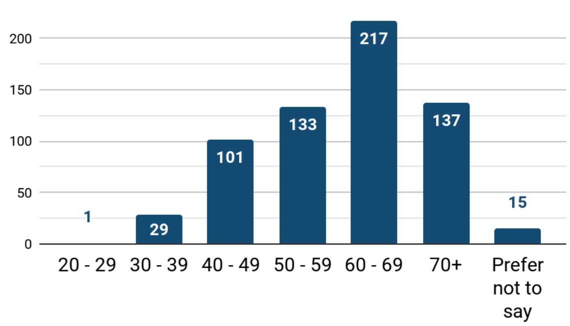
The most common elected official title was Council/Board followed by Administration.

Government Staff

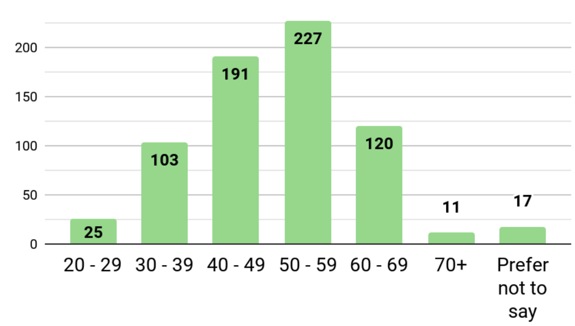
51.2% (816)

The most common government staff title was Planning/Zoning followed by Administration and Economic Development.

Elected Officials: Age



Government Staff Members: Age



Community Profiles

Market Type

30%
Rural

26.9%
Suburban

10.4%
Lake or Riverside

10.1%
Coastal Beach or Island

9.1%
Urban

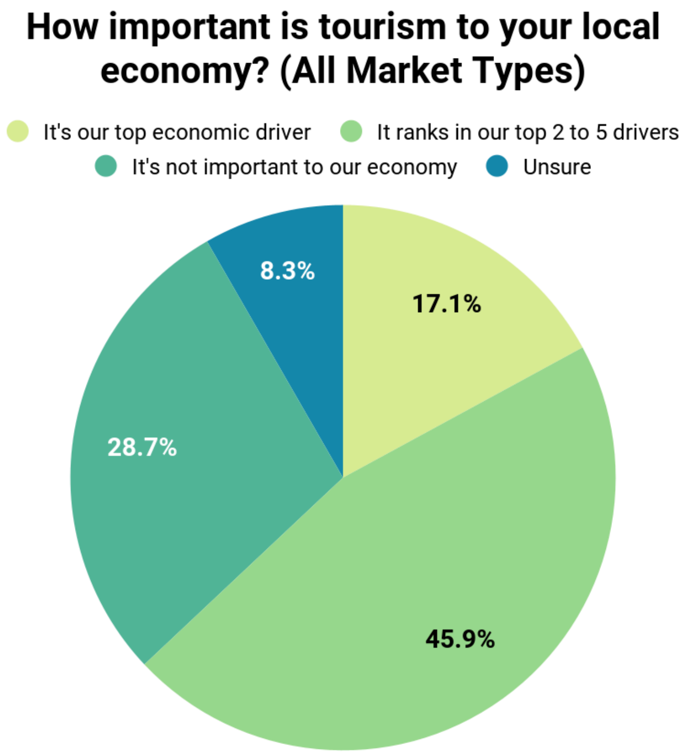
4.5%
Mountain - Non-Ski

3.8%
Mountain - Ski

3.2%
College Town or Other

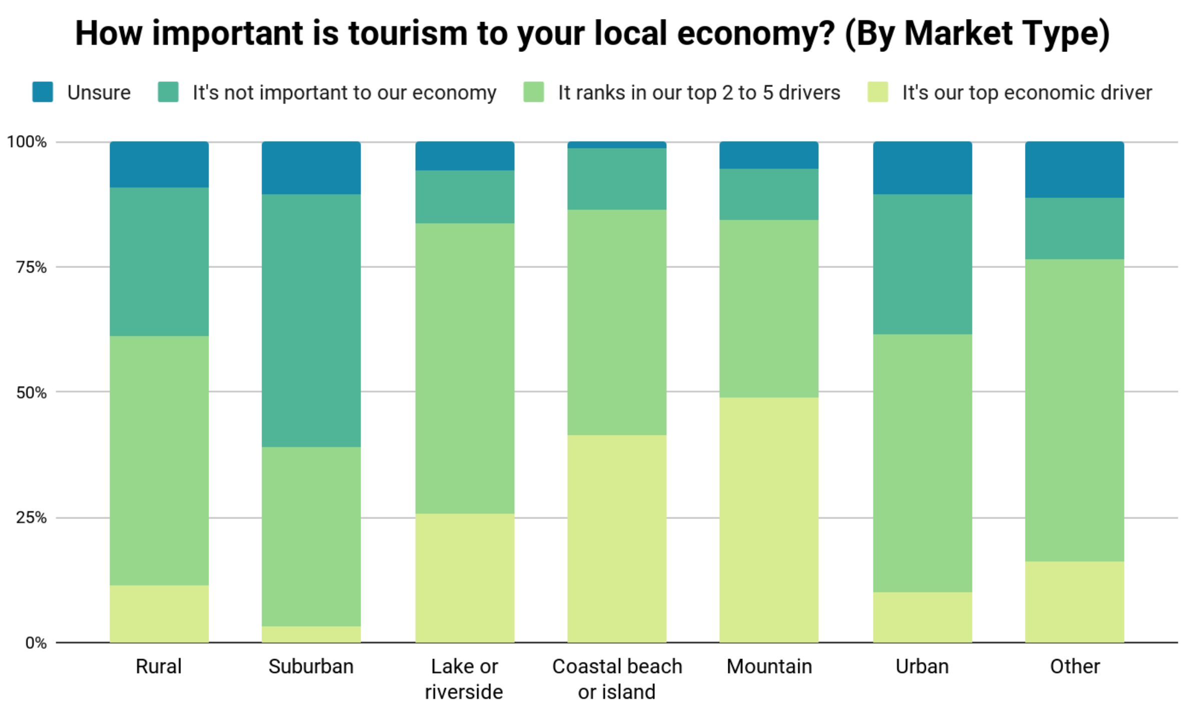
2.7%
Mix

Average Population: 43,264



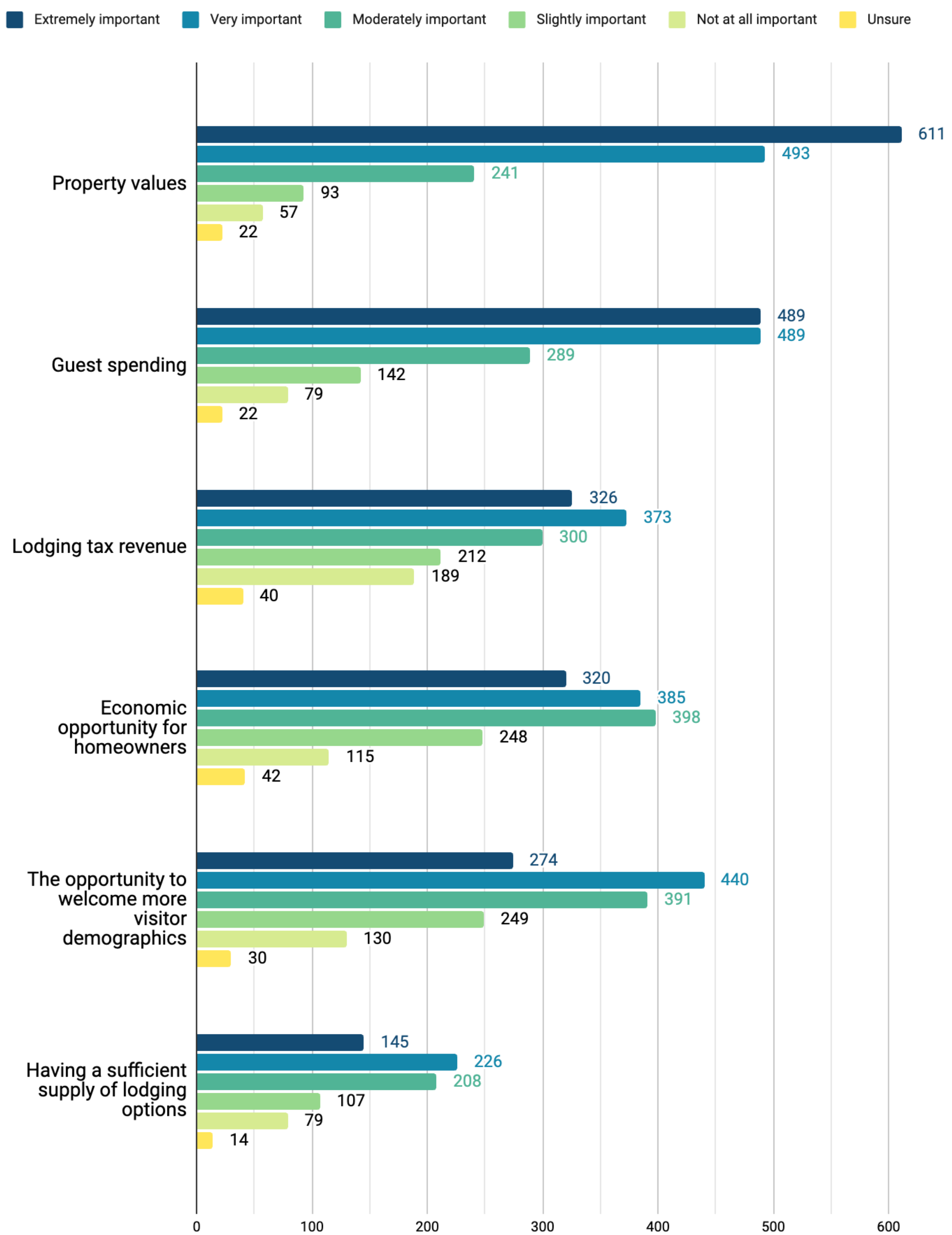
A majority of respondents rated tourism as having some degree of importance to their jurisdiction (left).

When analyzed by market type (below), the jurisdictions most likely to rank tourism higher in importance were coastal beach or island, mountain, and lake or riverside.



Across all market types, guest spending ranked second behind property values in being rated as extremely or very important to respondents' jurisdictions.

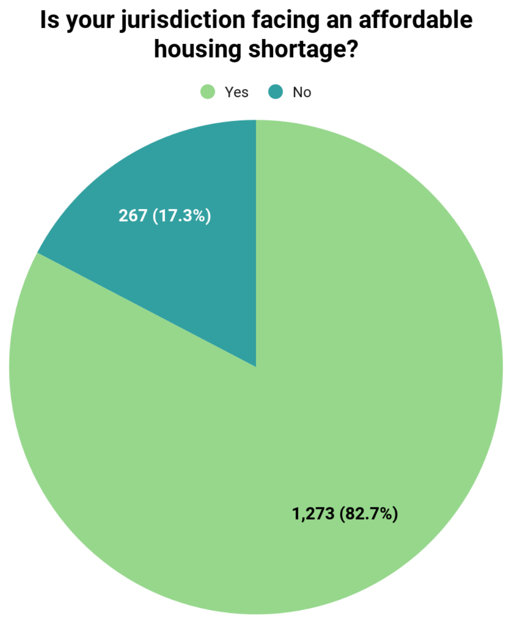
How important do you feel each of the following is to your jurisdiction?

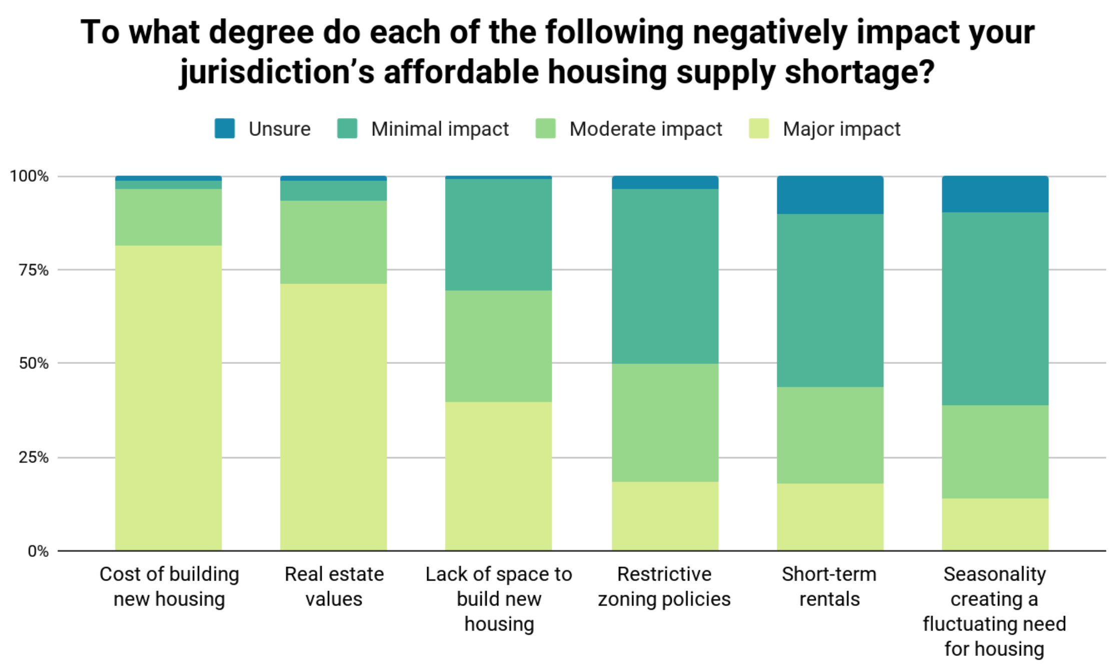


Housing

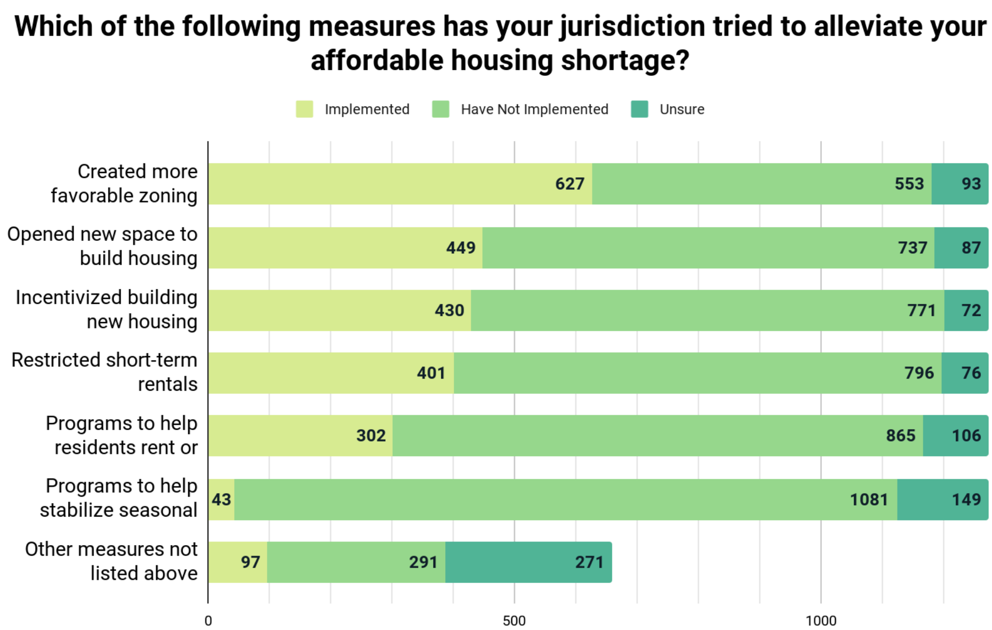
Four in five respondents indicated affordable housing was an issue in their jurisdiction (right).

Regarding the culprits of the affordability issues, the cost of building new housing (81.4%) and real estate values (71%) were the most commonly selected as the major impacts. Lack of space to build new housing was a distant third at 39.5%. Short-term rentals were rated second lowest in impact (below).





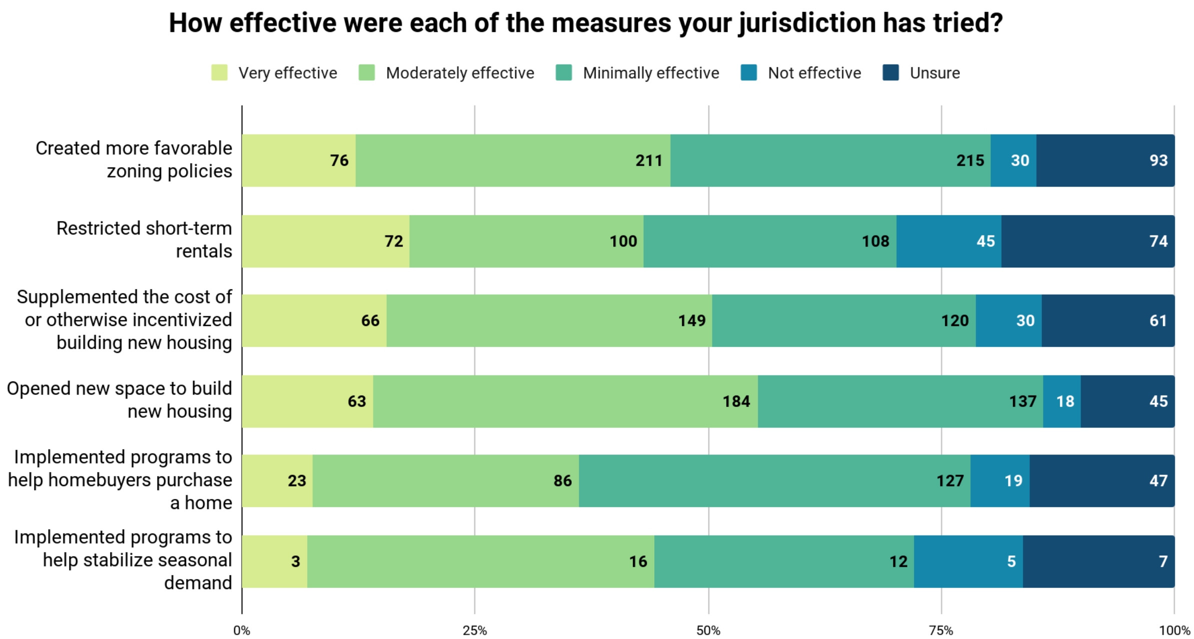
In regard to measures taken to alleviate affordable housing, creating more favorable zoning laws (49.3%), opening new space to build housing (35.5%), and incentivizing building new housing (33.8%) were most commonly implemented.



One in 10 respondents reported their jurisdictions had tried none of the above.

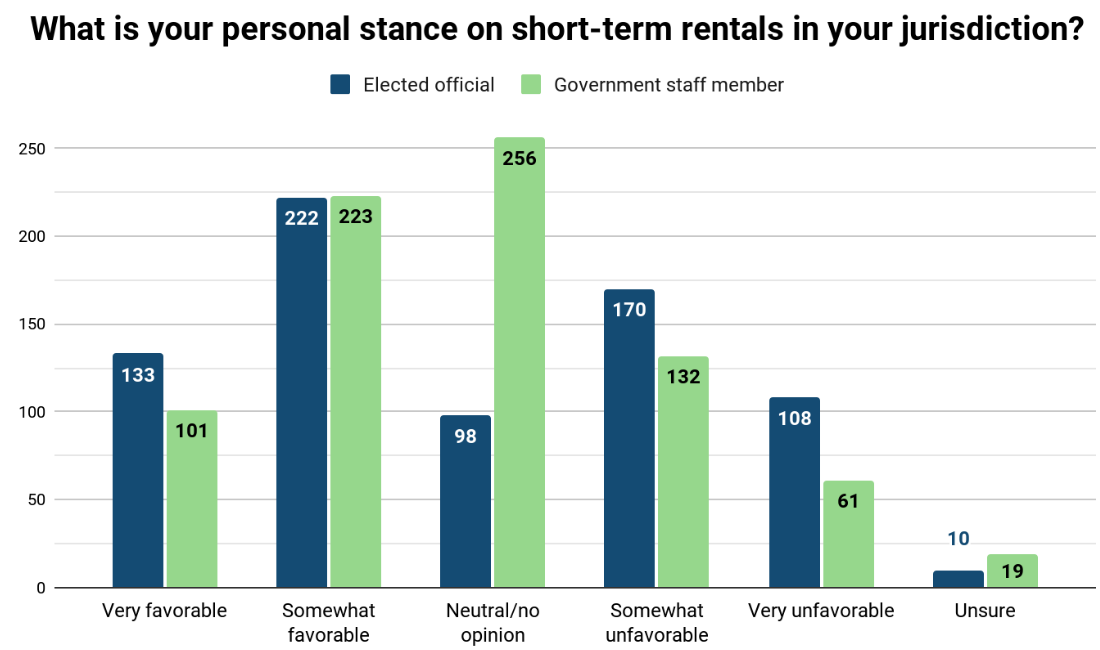
The solutions deemed most effective focused on increasing new housing supply in their jurisdictions. The three strategies that respondents ranked highest were:

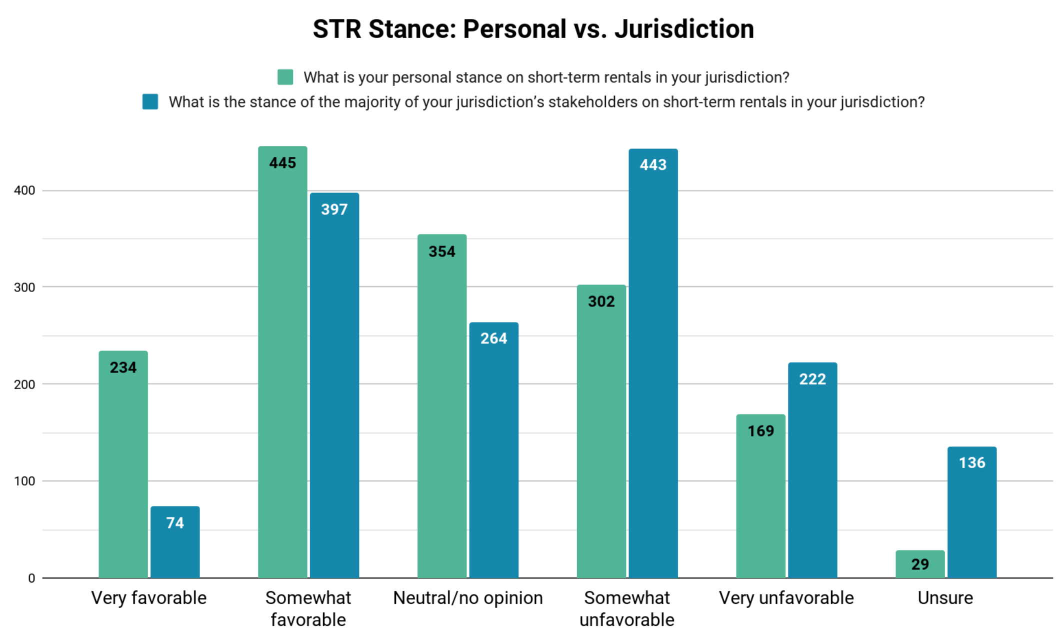
- Opened new space to build new housing (55.3%)
- Supplemented the cost of or otherwise incentivized building new housing (50.5%)
- Created more favorable zoning policies (45.9%)



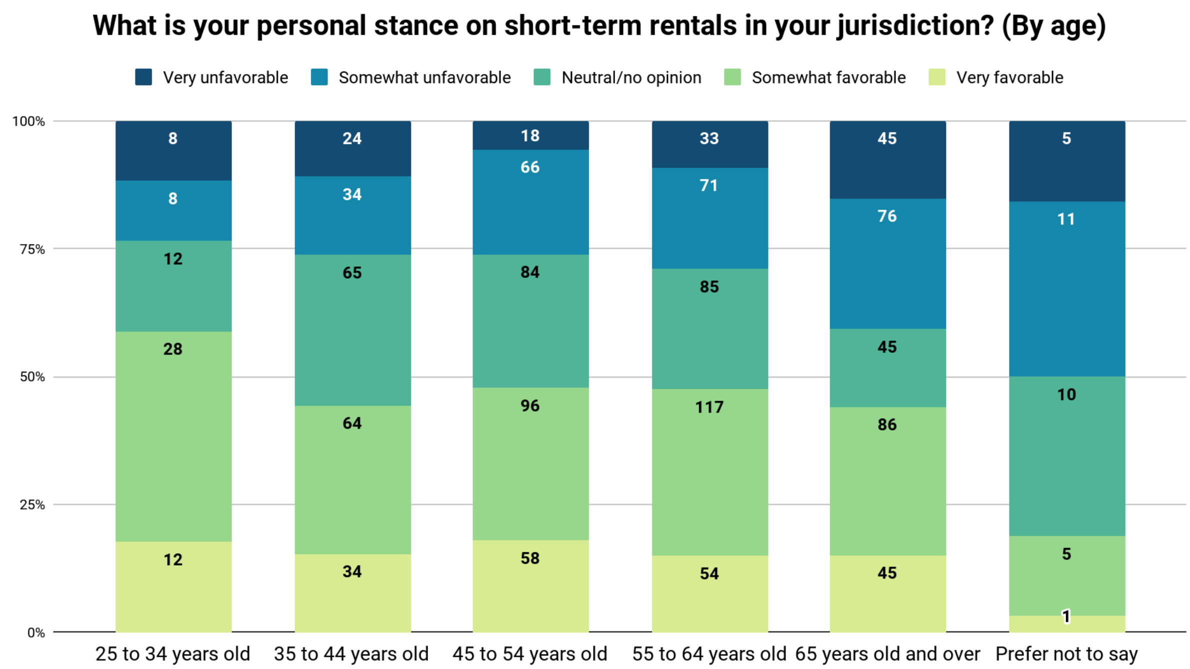
Sentiment

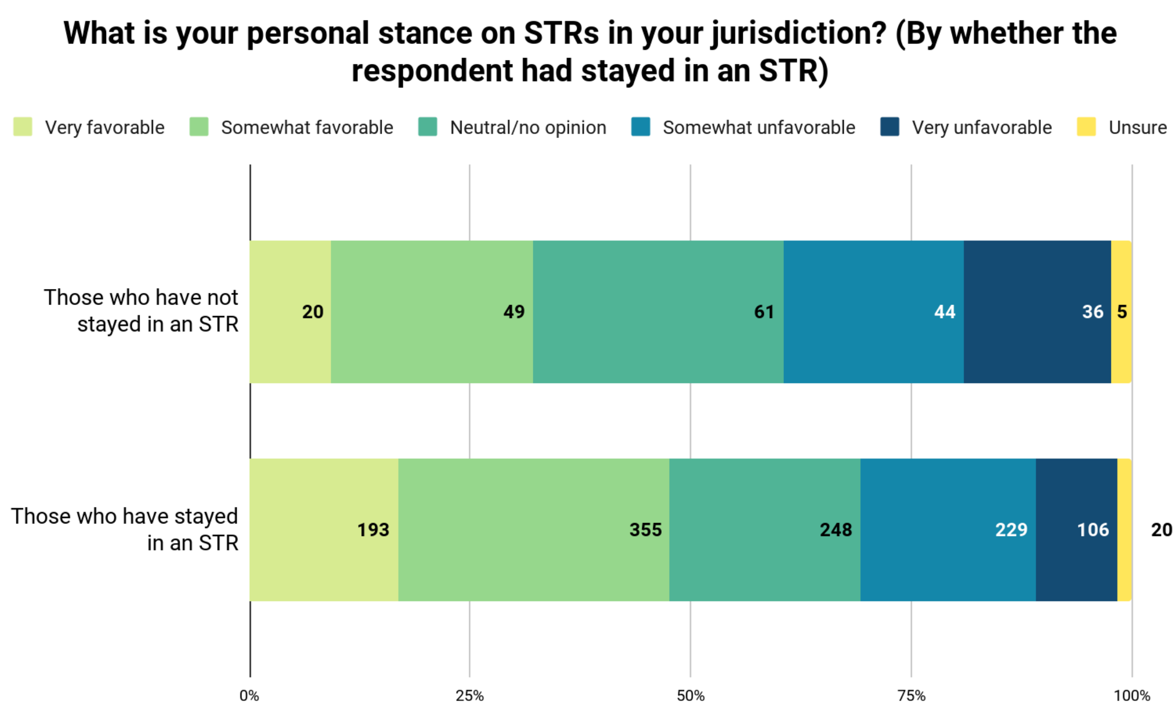
The survey sought to understand the sentiment of government officials and their constituents on STRs in their communities through a series of questions. Both elected officials and government staff leaned positive in their personal stances, while community stakeholder stances leaned negative.



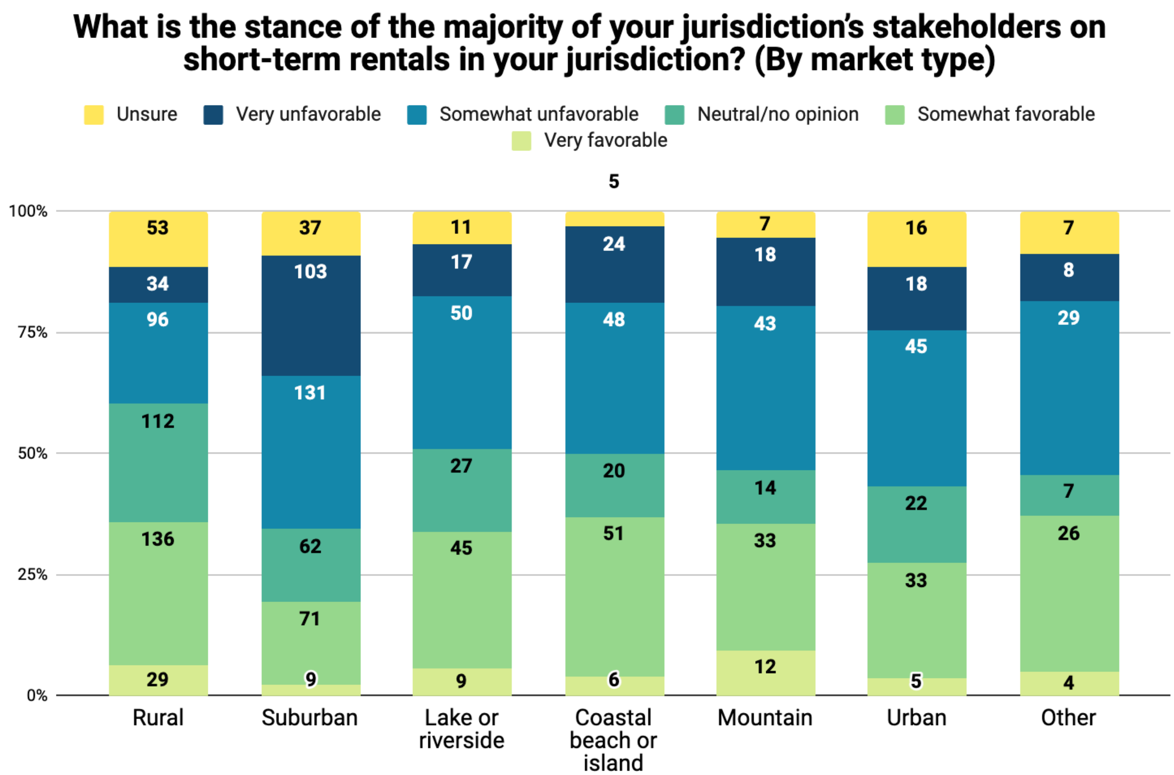


When crosstabulated with other questions, sentiment varied. Positive sentiment tended to drop with age, and those who had stayed in an STR reported markedly more positive sentiment than those who had not.





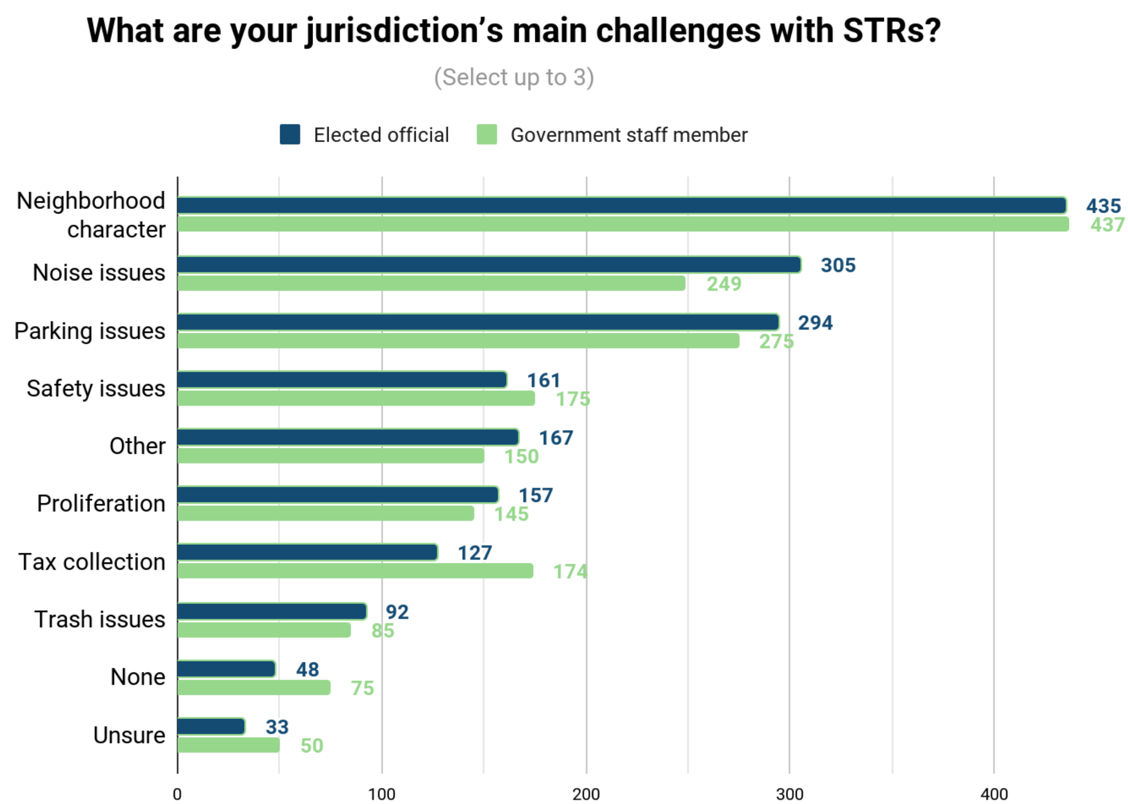
When analyzed by market type, community sentiment varied insignificantly, with the exception of suburban markets. Respondents in those markets rated their community stakeholders' sentiment significantly lower than respondents in other market types.



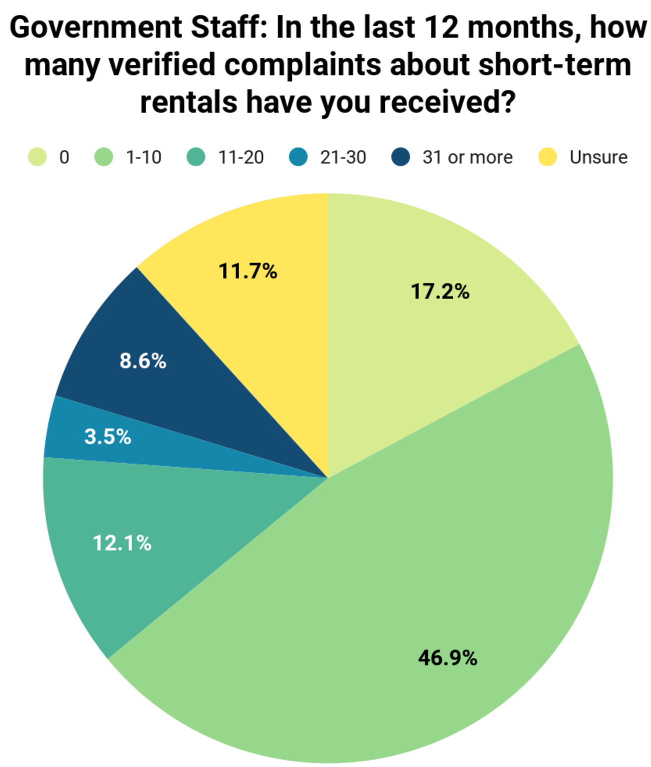
Regulations

A series of questions in the survey sought to understand the state of STR regulations and related government needs.

When asked about their challenges with STRs in their jurisdictions, government staff and elected officials gave similar responses, with neighborhood character cited as the biggest challenge by both groups.



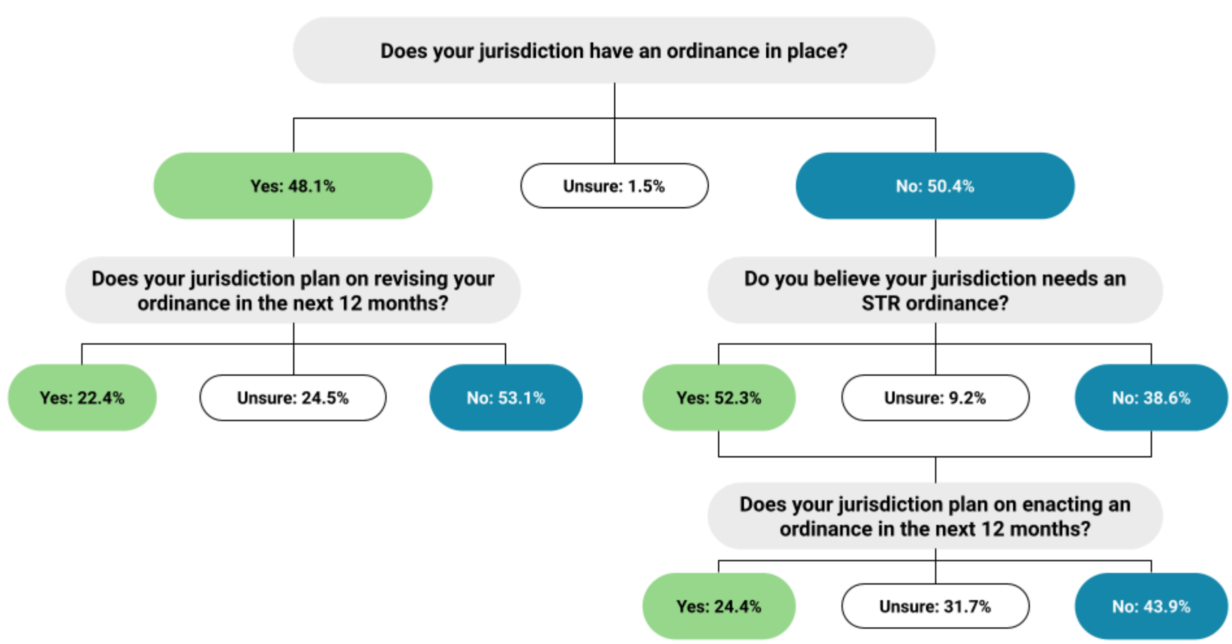
The biggest differences between government staff and elected officials can be observed with noise issues (elected officials more frequently rated it a primary challenge) and tax collection (government staff more frequently rated it a primary challenge.)



When asked about verified complaints against STRs, two-thirds (64.1%) of government staff reported 10 or fewer verified complaints in the last 12 months.

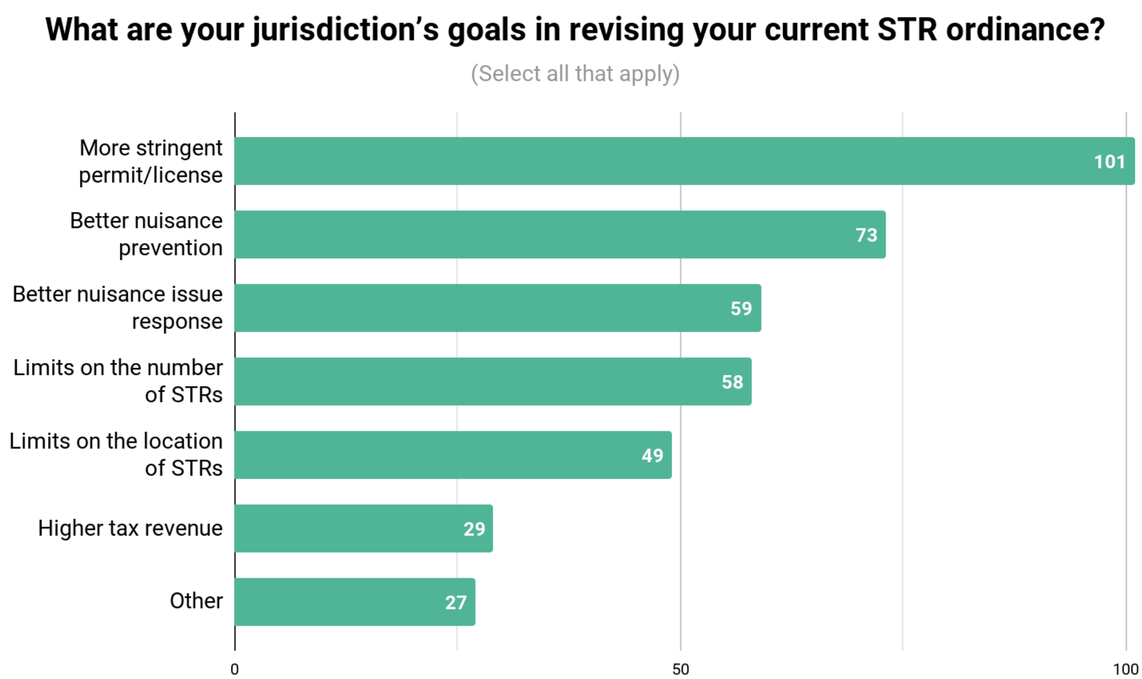
The survey then asked a series of branching questions to understand whether respondents' jurisdictions had STR ordinances in place and if they were planning to implement or revise an STR ordinance in the next 12 months (below.)

Respondents were evenly split on whether their jurisdictions had an existing STR ordinance in place.

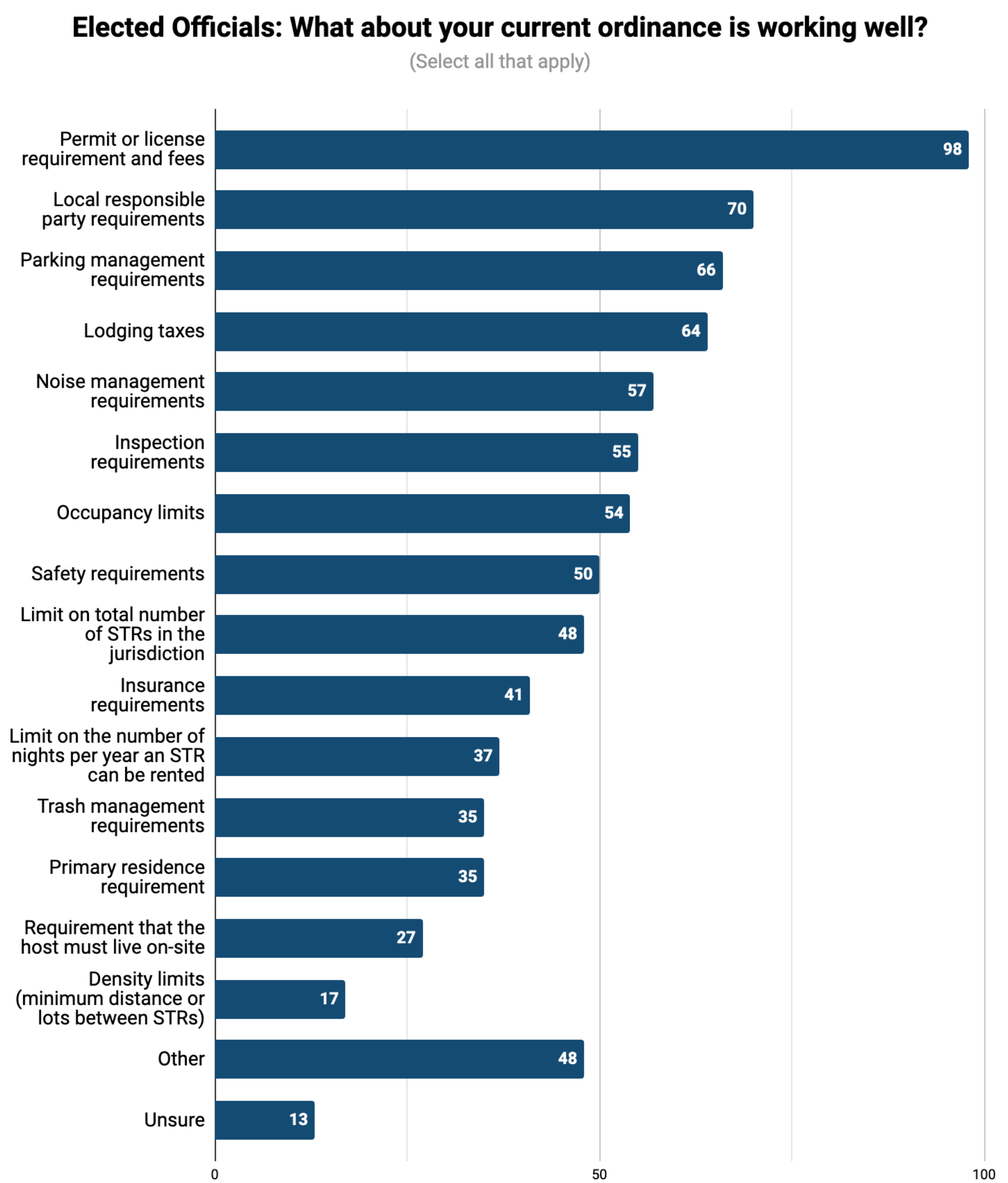


Jurisdictions **with** Enacted STR Ordinances

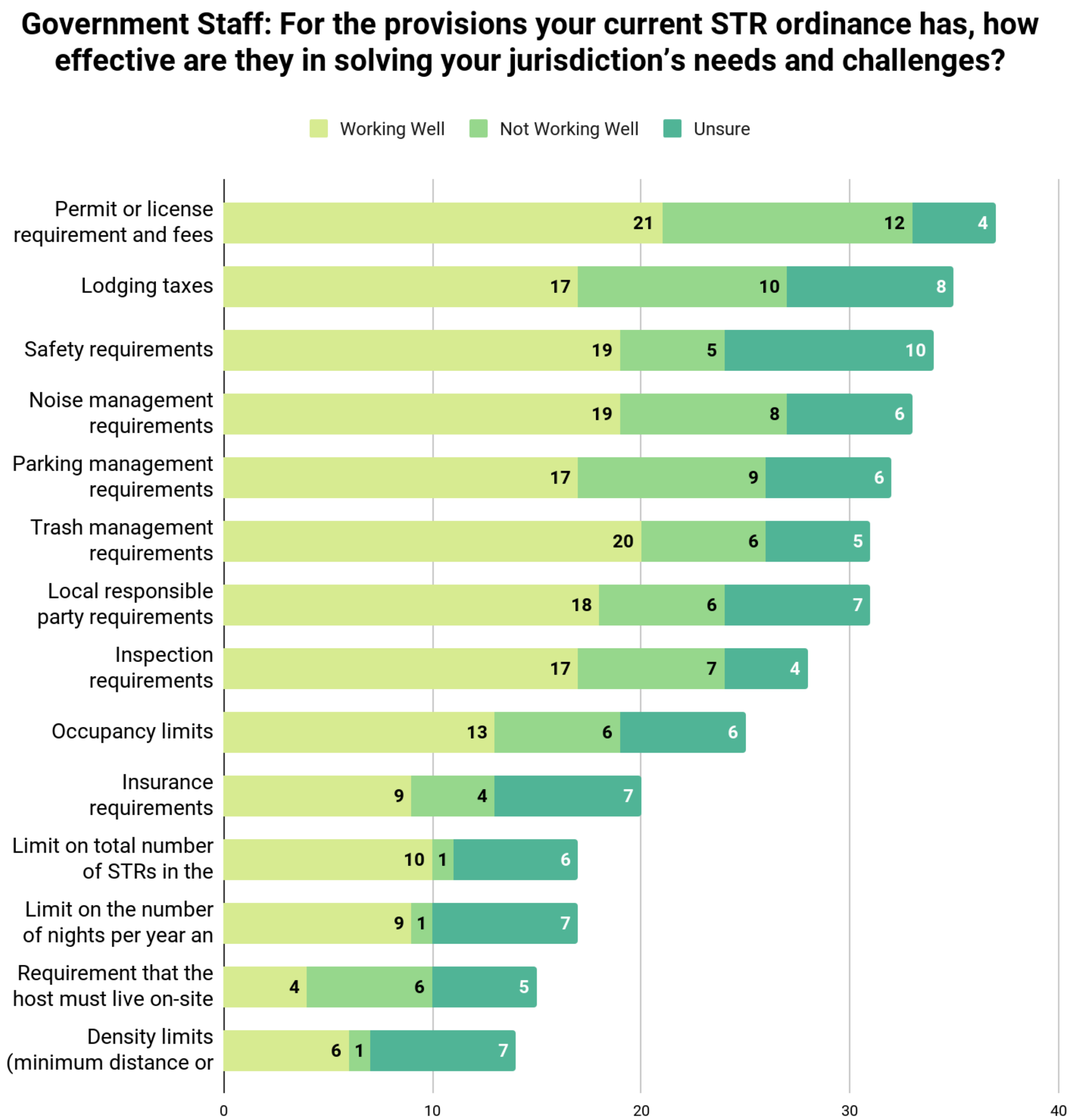
Around half of the respondents indicated their jurisdiction has an STR ordinance. Of those with an STR ordinance, 22.4% thought it would be modified in the next 12 months. The most commonly reported goal in revising an ordinance was more stringent permit or license requirements, followed by better nuisance prevention.



Elected officials most frequently selected a permit or license requirement and fees as a provision of their ordinance that was working well, followed by local responsible party requirements and parking management requirements.

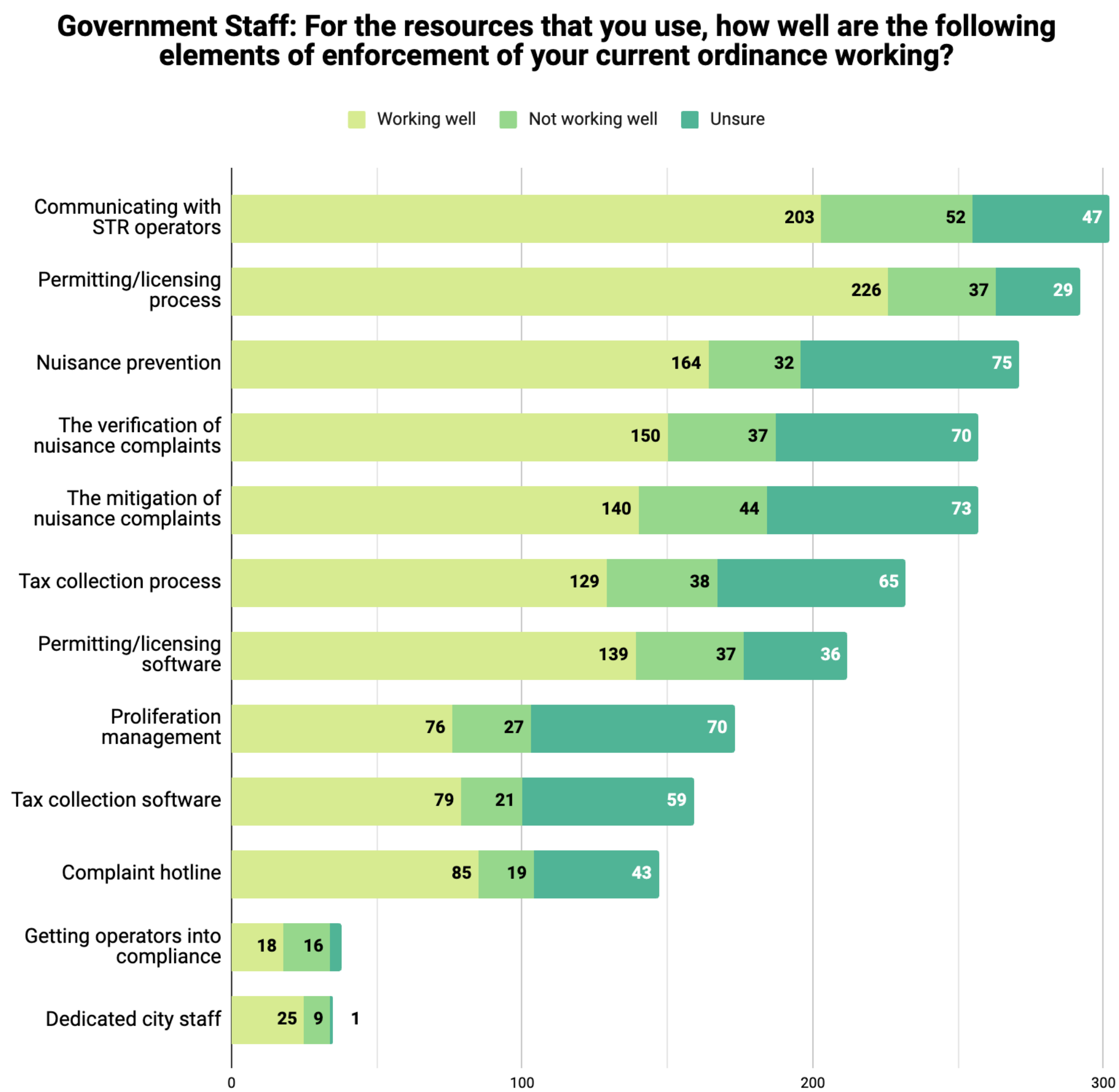


Government staff responded similarly. Permit or license requirement was the most implemented ordinance provision and also most often reported as working well. Other provisions most highly rated as working well included trash management, noise management, safety requirements, and a local responsible party requirement.

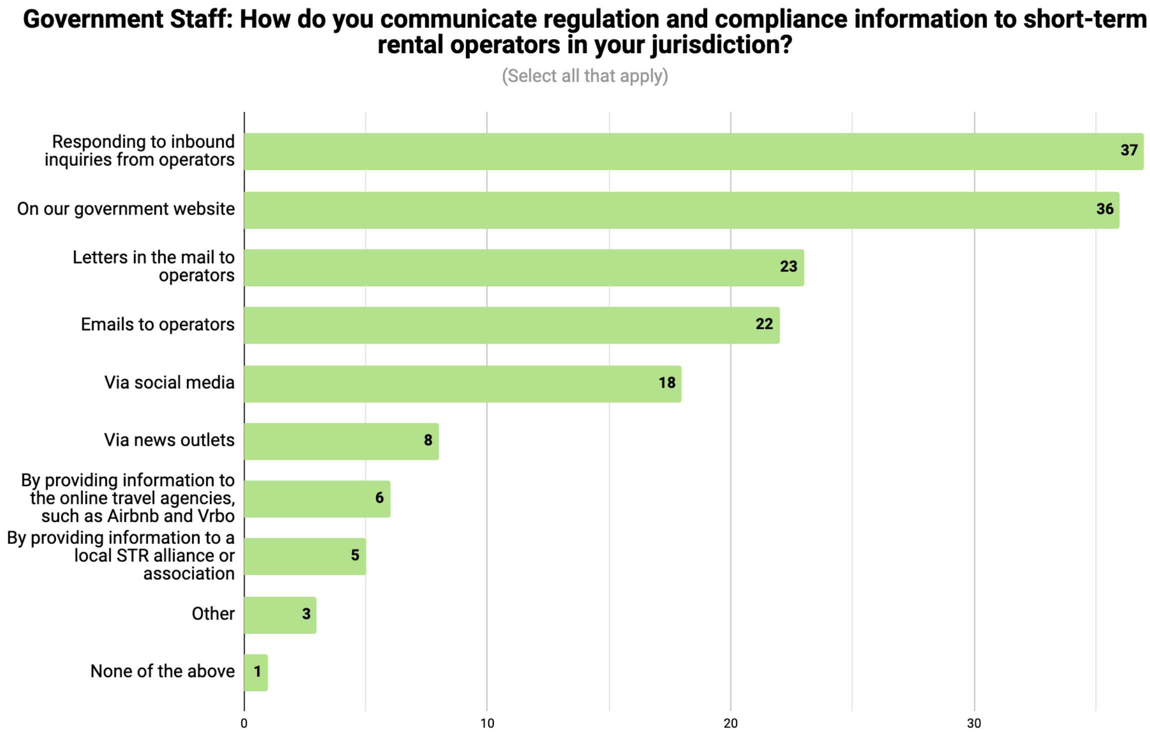


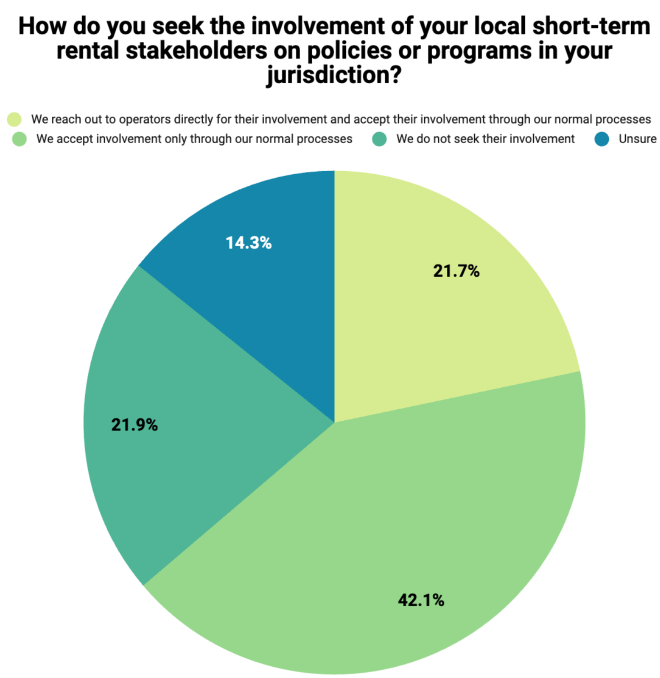
The only provision that had a majority response of not working well was the requirement that the host must live on-site.

The survey also asked government staff about enforcement mechanisms. The most frequently implemented mechanism was communicating with STR operators, and the mechanism most often rated as working well was a permitting or licensing process. (By comparison, permitting or licensing software ranked in the middle on both frequency and effectiveness.)



The top two ways government staff reported communicating with STR operators in their jurisdictions were by responding to inbound inquiries and on their government websites, followed distantly by mailed letters to operators.





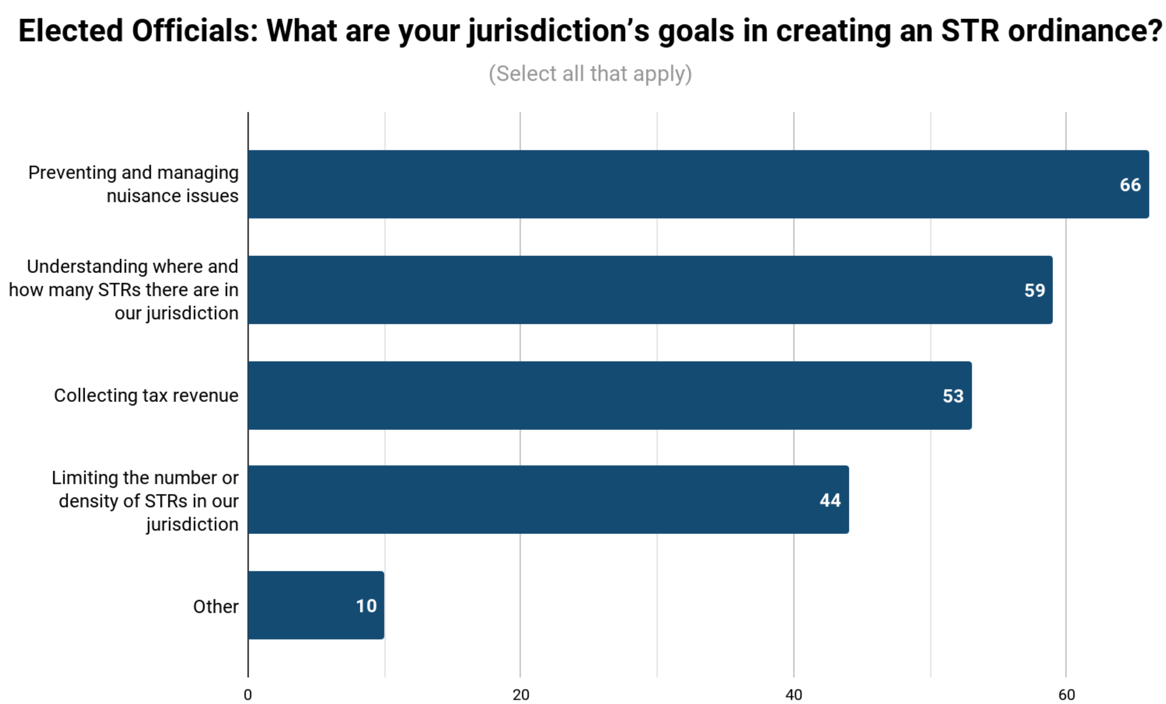
A majority of government respondents involved STR stakeholders in policy or program development by reaching out to them and/or accepting their involvement through standard input processes.

One in five reported that they do not seek the involvement of STR stakeholders in their jurisdictions.

Jurisdictions **without** STR Ordinances

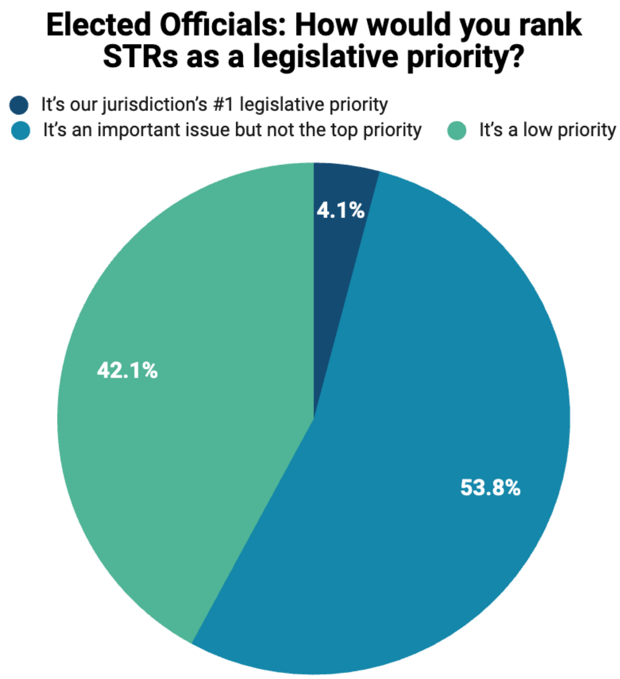
For the other half of respondents without an STR ordinance in their jurisdiction, more than half felt an STR ordinance was needed. Roughly a quarter expected an STR ordinance in the next 12 months.

Elected officials' most common goal in creating an STR ordinance was to prevent and manage nuisance issues, followed by understanding where and how many STRs are in their jurisdiction.



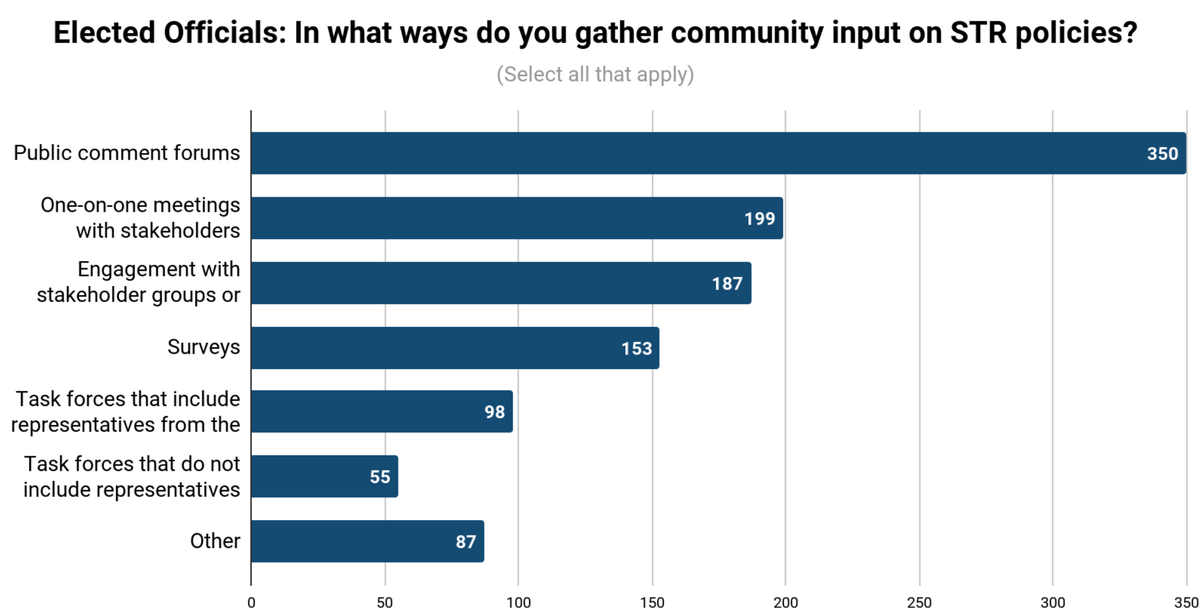
Among respondents who selected "other," the most common response was neighborhood character.

Policymaking



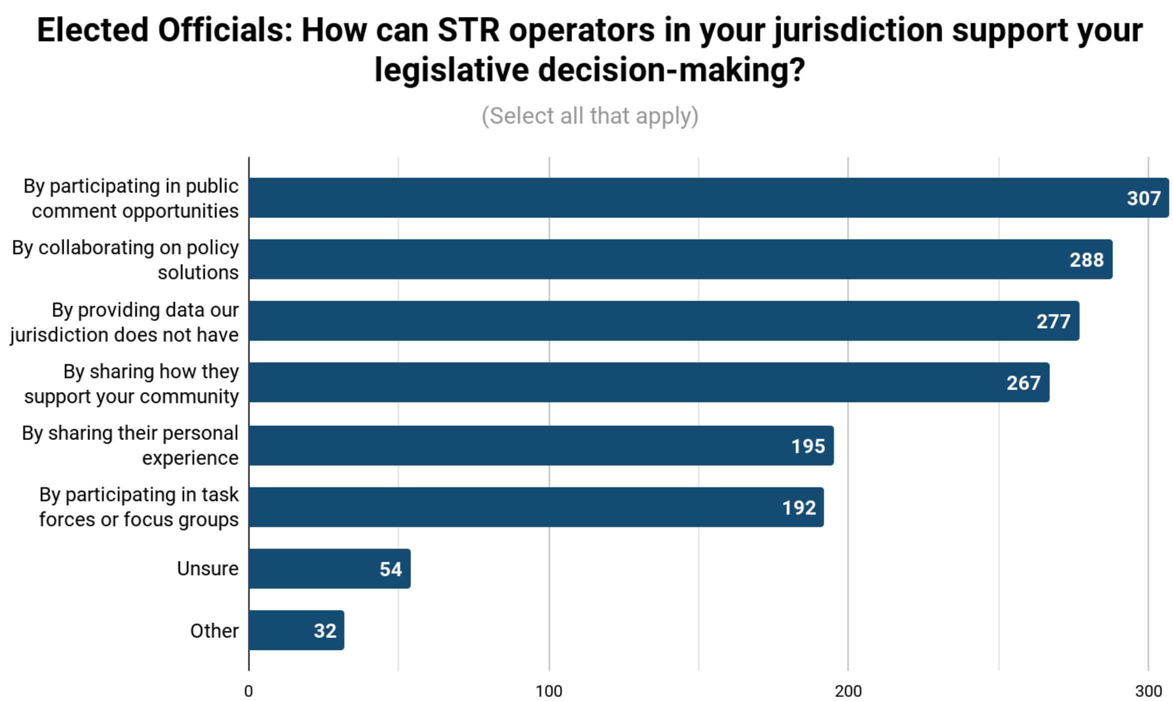
Just 4% of elected officials saw STRs as their number one legislative priority, whereas a majority (53.8%) ranked STRs as an important issue but not their top priority (left).

The primary way elected officials gather community input on STR policies is through public comment forums (below).



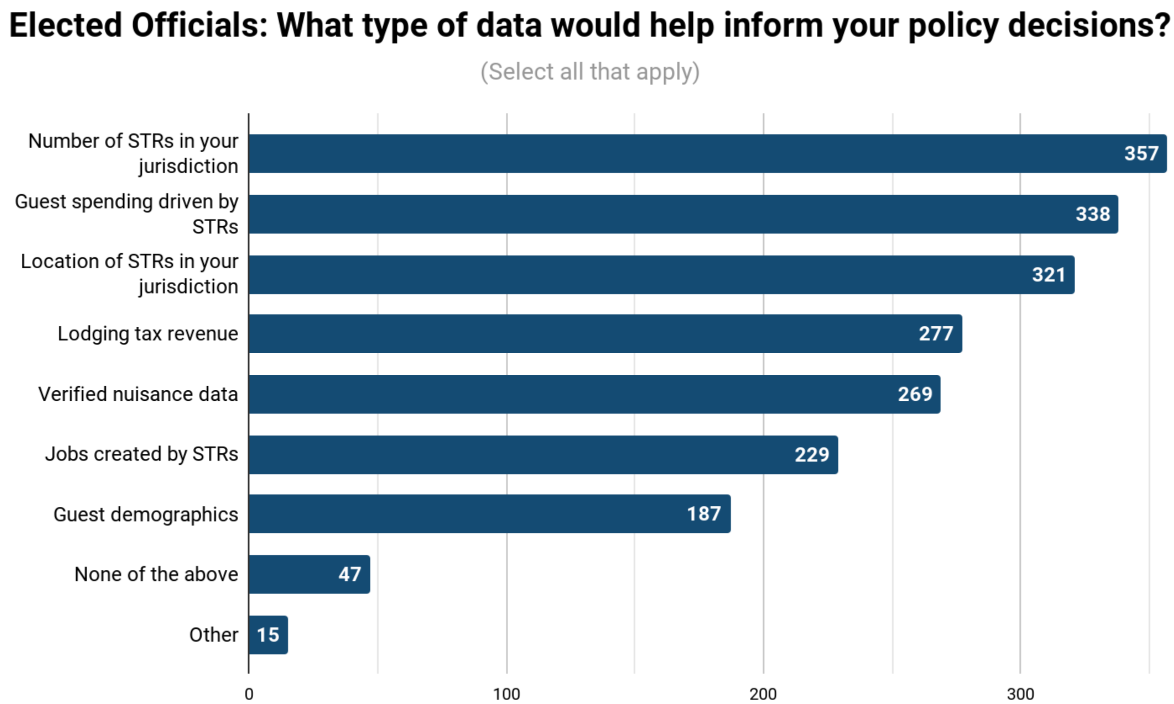
Among respondents who selected "other," the most common response was none/we do not collect community input.

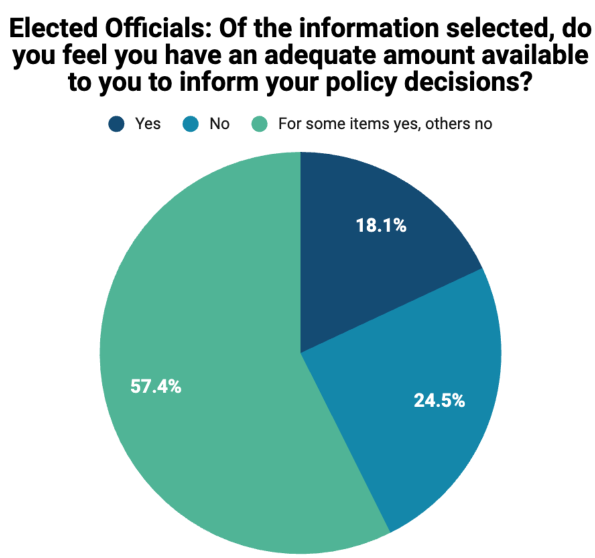
Elected officials indicated multiple ways that STR operators could support legislative decision-making, including participating in public comment forums as the primary method, collaborating on policy solutions, and providing data their jurisdictions do not have.



Among respondents who selected "other," the most common response was compliance.

The information that was most helpful to their policy decisions was the number of STRs in their jurisdictions, guest spending driven by STRs, and the location of STRs in their jurisdictions.





Only 18% of elected officials felt they had enough information to inform their STR policy decisions.

Market Type Differences

Market type analysis revealed a few unique differences. The suburban market was the only market type in which the majority of respondents indicated that tourism is not important to their economy.

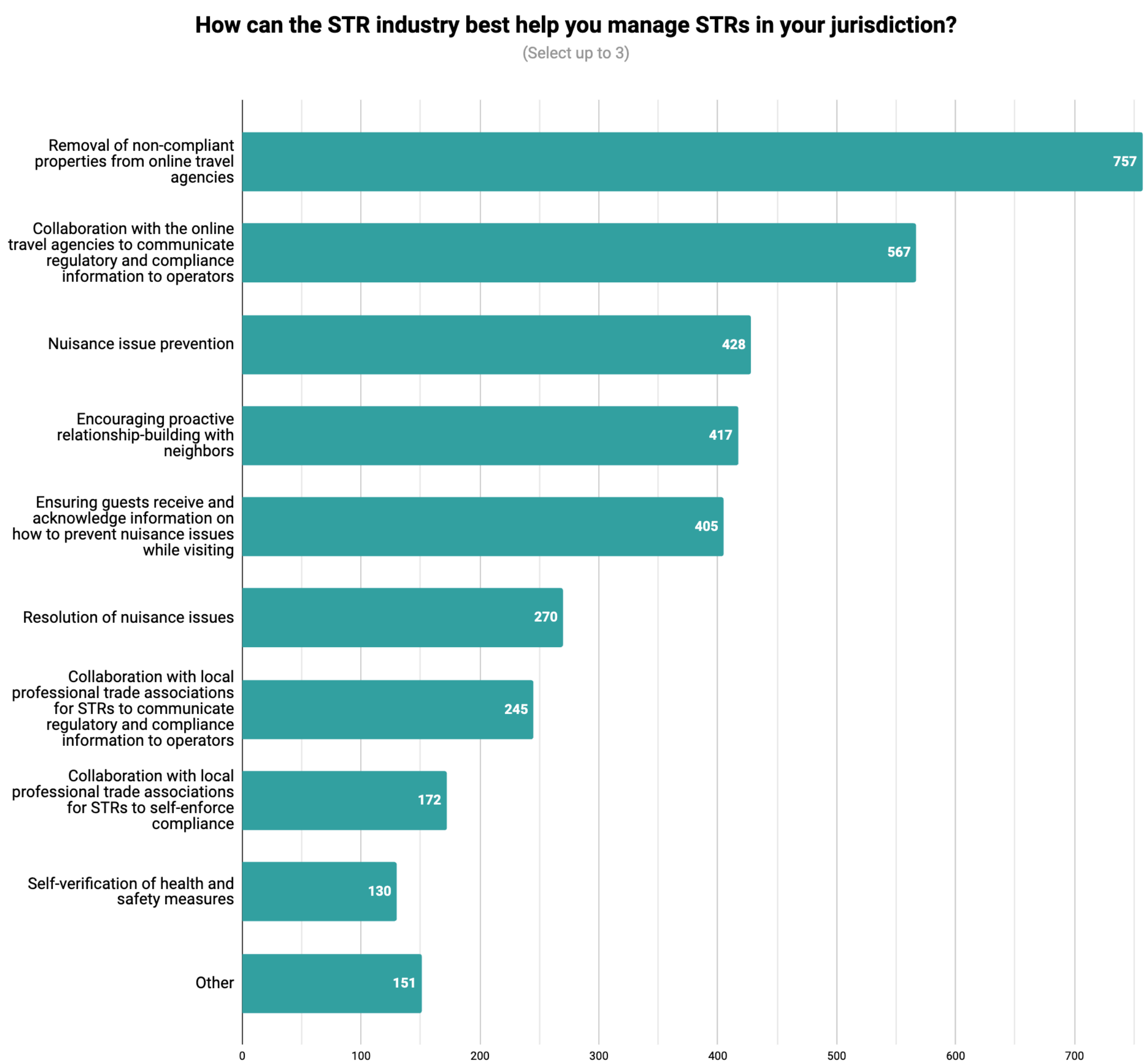
Respondents across market types revealed a personal stance on short-term rentals as somewhat favorable and their jurisdiction's stakeholders' stance on short-term rentals as somewhat unfavorable except in the rural market type.

Coastal beach or island and mountain market types are the most common to have an STR ordinance in place and were also the most likely to enact one in the coming year. A majority of respondents from coastal beach or island, mountain, urban, and lake or riverside ranked STR legislation as an important issue but not a top priority.

Government - Industry Collaboration

Researchers asked a series of questions about nonregulatory solutions that may aid in community STR management.

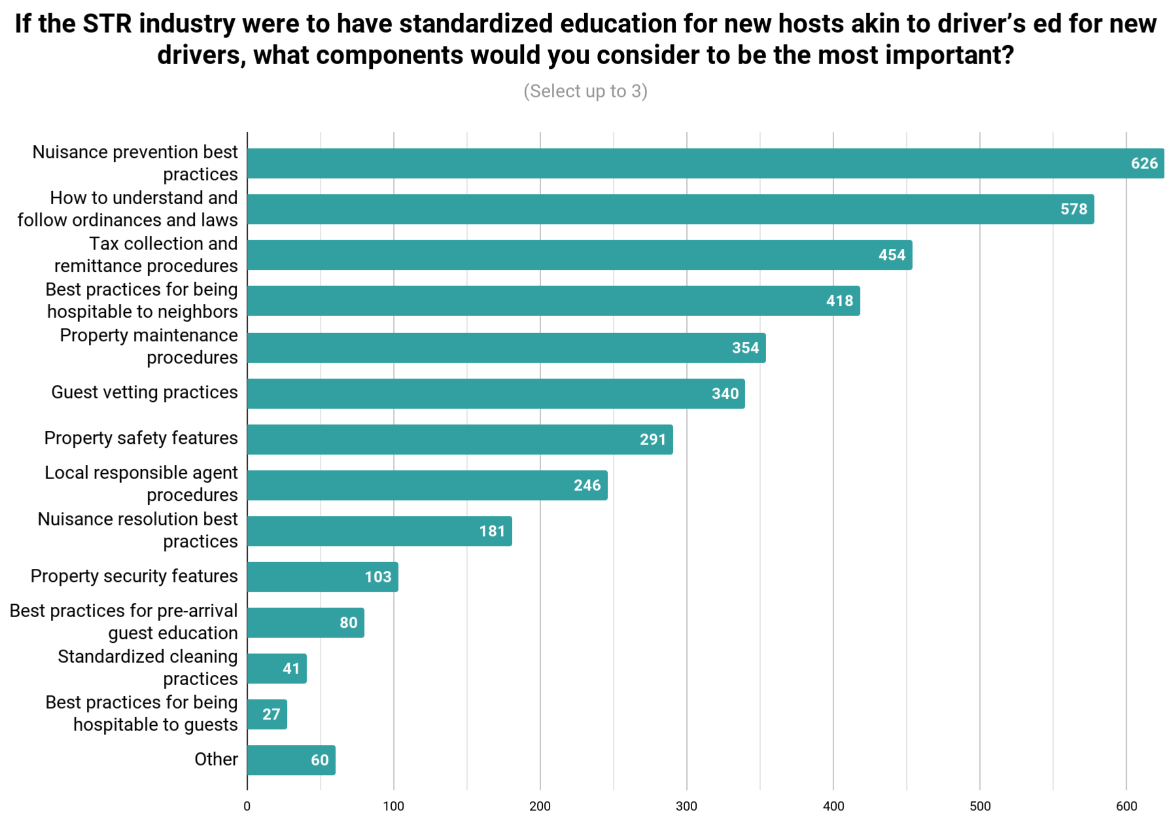
Elected officials and government staff aligned on how best to help the jurisdiction manage STRs. These include the removal of noncompliant properties from online travel agencies and collaboration with online travel agencies to communicate regulatory and compliance information from the government to operators.



Among respondents who selected "other," the most common responses were compliance and limiting illegal listings.

Standardized education and certifications were also studied.

Respondents considered nuisance prevention best practices, understanding and following ordinances and laws, and tax collection and remittance procedures as the most important components of education for new hosts. Guest vetting practices were third for elected officials, while tax collection and remittance procedures were third for government staff.



For standardized property certifications, sufficient parking for occupancy or an offsite parking plan, on-site good neighbor information for guests, and property safety requirements were the top three components.

Among respondents who selected "other," the most common response was compliance with applicable local laws.

Conclusion

The 2024 State of the STR Industry Report underscores the dynamism of the STR industry with its many stakeholders, reflecting the challenges and opportunities for both operators and local government officials.

One of the most notable findings is the small-business nature of the STR industry. With the majority of owners managing fewer than two properties and relying on STRs as a supplemental income source, the sector plays a vital role in supporting individual livelihoods. The economic impact extends beyond individual operators, with STRs supporting part-time and full-time jobs while contributing to the local economy through guest spending to local businesses.

The report highlights the importance of responsible hosting practices in mitigating common community concerns such as noise, parking, and trash. Proactive guest communication before and during the stay emerged as a key practice for nuisance mitigation and a channel to improve guest experience, a win-win.

Communication between operators and local governments remains an area for improvement and, thus, an opportunity. Ensuring operators are well-informed about regulatory changes, aware of opportunities to contribute to the ordinance creation process, and eliciting data to fill information gaps will help elected officials charged with creating effective policies. Furthermore, leveraging the numerous communication channels available to local officials beyond government websites will help STR operators receive important information about compliance with existing regulations.

In conclusion, this research uncovers opportunities for harnessing STR activity for the benefit of communities as a whole while addressing the issues that local governments reported as important to them. With many stakeholders and varying sentiments about STRs, the data tells us that municipalities and STR operators across the nation are actively looking to collaborate with one another and that through such collaboration, all stakeholders have a lot to gain.

Appendix

Methodology

The Short-Term Rental (STR) Operator Survey was executed during the first two weeks of April 2024. The study sample was collected by sharing links to the survey via Rent Responsibly's website, email, and social media channels; via Rent Responsibly's alliance and corporate partners; via research supporters; and via emails to Vrbo host users and a card in their user dashboard. Short-term rentals were defined as whole-home rentals rented for less than 30 days at a time and for more than 14 total rental days per year. The survey collection period resulted in 4,004 usable respondents. Just over 88% of those were classified as owners. An owner categorization was owning less than 10 properties and not managing more than they own. Just under 12% of the respondents were classified as managers, those who managed more than 10 properties for others and/or manage more than they own.

The STR Government Survey was executed in the first two weeks of April 2024. The sample population was created from a local government email distribution list provided by a government technology partner and additional target emails queried from the Quorum public affairs database. The final target email list was just over 98,000 local government emails comprised of staff and elected officials from across the United States.

The survey was administered by the College of Charleston via Qualtrics. Email distribution was divided into one-fifth of the sample email population per weekday between Monday and Friday of the first week of April. A single reminder email was sent the following week on the same weekday as the original email for those who had not completed the survey. The survey was completed by 2,083 and started by another 1,581 respondents. The response rate for the study was over 2%. The final analysis resulted in 1,540 usable responses with 47.7% of the sample elected officials and 52.3% of the sample government staff members. The remaining 3.3% identified as other.

Demographics

STR Operator Survey Respondents

Age

20 to 24 years old	2
25 to 29 years old	27
30 to 34 years old	72
35 to 39 years old	160
40 to 44 years old	257
45 to 49 years old	277
50 to 54 years old	401
55 to 59 years old	403
60 to 64 years old	439
65 to 69 years old	358
70 years old or over	420
Prefer not to say	87

Race

American Indian or Alaska Native	41
Asian	109
Black or African American	71
Native Hawaiian or Other Pacific Islander	30
White	2,852
Other	98
Prefer not to say	526

Ethnicity

Hispanic or Latino	184
Not Hispanic or Latino	2,550
Prefer not to say	636

Government Survey Respondents

Age	Elected official	Government staff member
20 to 24 years old	0	2
25 to 29 years old	1	23
30 to 34 years old	7	38
35 to 39 years old	22	65
40 to 44 years old	57	82
45 to 49 years old	44	109
50 to 54 years old	53	126
55 to 59 years old	80	101
60 to 64 years old	103	83
65 to 69 years old	114	37
70 years old and over	137	11
Prefer not to say	15	17
	633	694

Gender	Elected official	Government staff member
Female	222	288
Male	405	386
Nonbinary	3	3
Prefer not to say	26	28
	656	705

THANK YOU TO OUR STATE OF THE STR INDUSTRY RESEARCH SUPPORTERS

GOLD SPONSORS

Vrbo part of expedia group

expedia group

Hostaway

superhog

Touch Stay

Avalara Tax compliance done right

SILVER SPONSOR

Hostfully

BRONZE SPONSOR

Topkey

RENT RESPONSIBLY NATIONAL PARTNERS

breezeway

PROPER INSURANCE

NoiseAware

Dtravel

GovOS

RENT RESPONSIBLY

COLLEGE of CHARLESTON OFFICE OF TOURISM ANALYSIS