



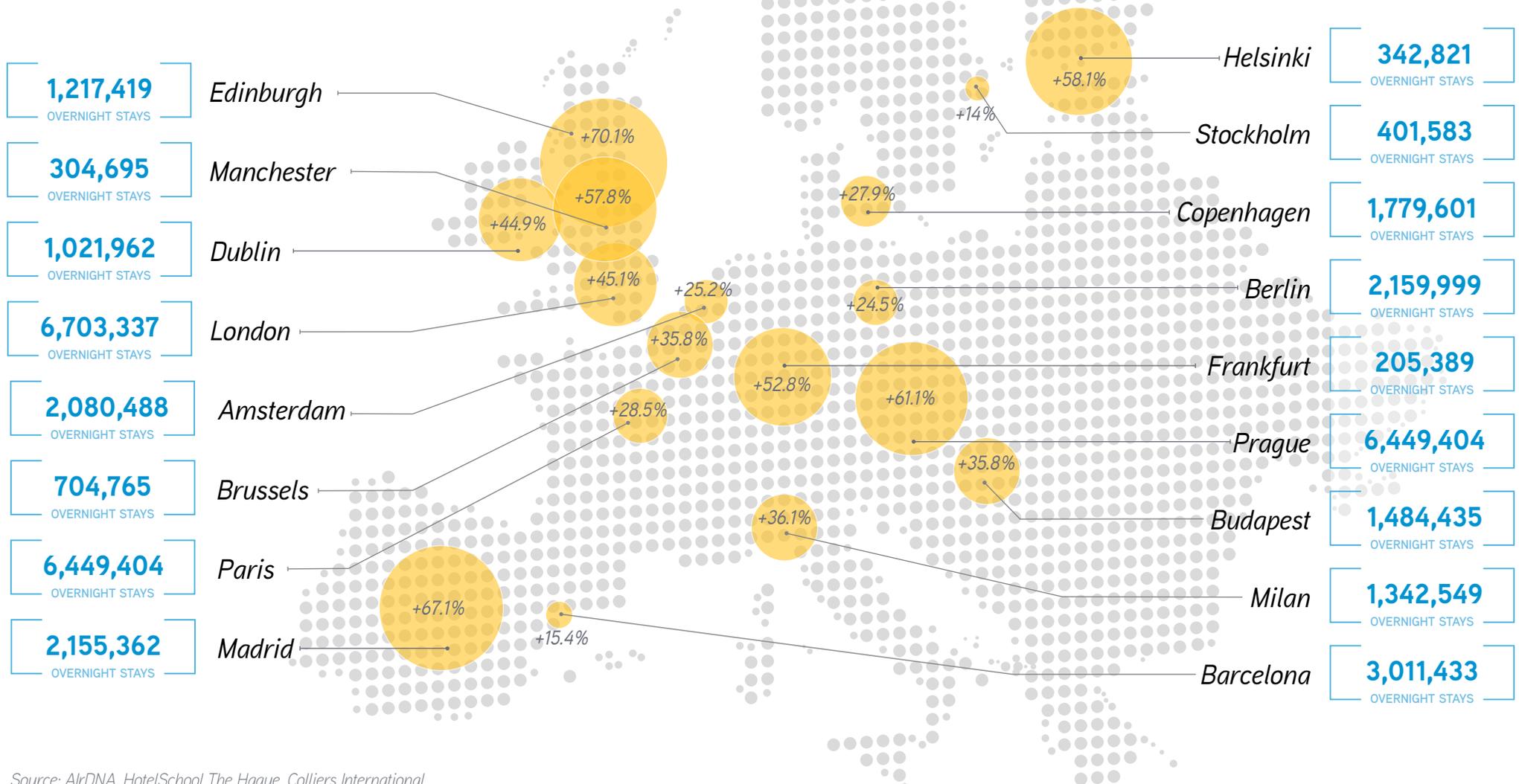
AIRBNB IN EUROPE

MAJOR CITIES COMPARED: OCTOBER 2018



OVERNIGHT STAYS GROWTH 2017 VS 2016

○ Growth in overnight stays
2017 vs 2016



Source: AirDNA, HotelSchool The Hague, Colliers International

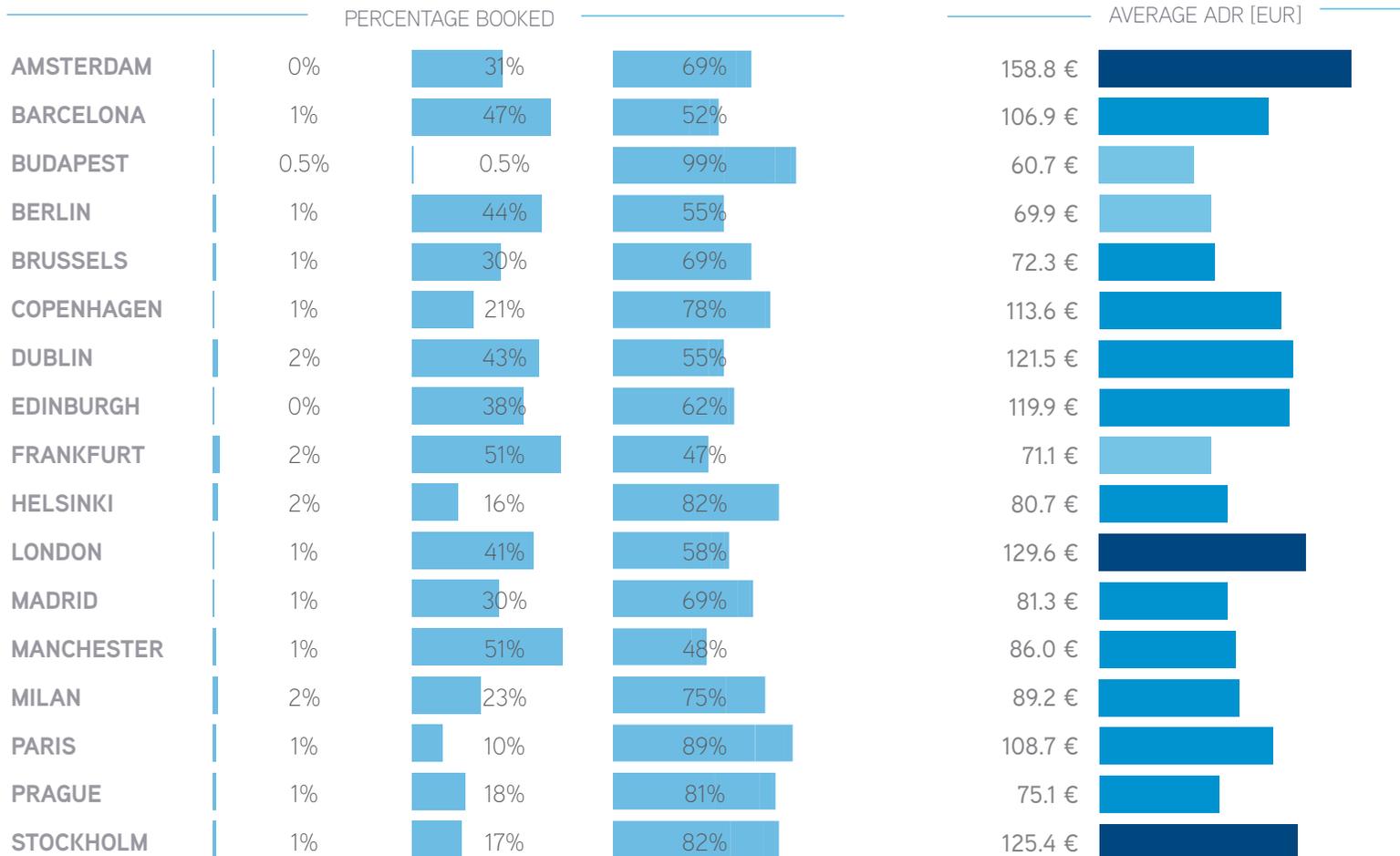
OVERNIGHT STAYS MARKET SHARE 2017

The rectangle represents the market share position for Airbnb overnight stays, as a % of all overnight stays as of end 2017



Source: AirDNA, HotelSchool The Hague, Colliers International

TYPE OF ACCOMMODATION DEMAND AND PRICES

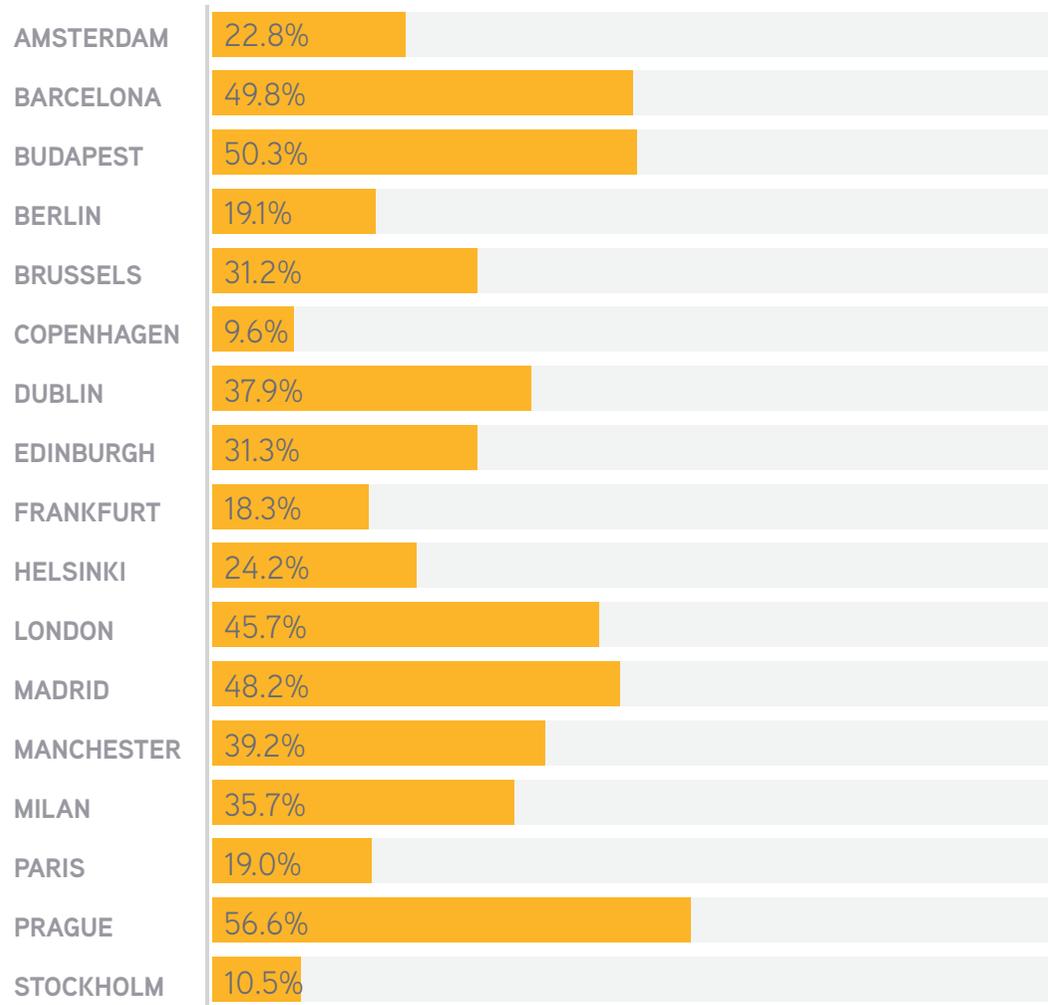


“Entire homes are clearly the most favoured form of short-term rental via Airbnb hosted properties. That said, private rooms are very popular in some locations - notably Manchester, Frankfurt and Barcelona”

Source: AirDNA, HotelSchool The Hague, Colliers International

MULTI-LISTER MARKET MATURITY

PERCENTAGE OF HOSTS OFFERING >3 AIRBNBS



Source: AirDNA, HotelSchool The Hague, Colliers International

CITY LEGISLATIONS



In January 2017, Airbnb announced new measures to ensure its registered hosts in **London** were operating in accordance with the 90-day legislation rule (the De-regulation Act), brought in to effect by the GLA in 2015.



Paris has taken measures to protect its housing market since 1st December 2017, hosts are obliged to register at local authorities in order to legally host for a maximum of 120 days.



As of May 2016, hosts were no longer allowed to offer an entire **Berlin** home on the platform. To lease private or shared rooms was possible. A further change in legislation was introduced in December 2017 to allow for the rental of entire homes, provided that the number of booked nights per listing is limited to 60 days.



As of January 2017, Airbnb hosts in **Amsterdam** were no longer allowed to offer an entire home on the platform for longer than 60 days. To lease private or shared rooms was possible without any restrictions.



Madrid has recently announced new regulations to limit further growth of Airbnb. In May 2018, the municipality proposed new legislation that will prevent hosts from leasing their apartment or home as short-stay, for more than 90 days per year.

COMMENTARY

CONCLUDING COMMENTS

The analysis presented in this report demonstrates the extent to which flexible living is becoming an embedded part of the overall hospitality offer a city is providing. The advent of multi-listers underpins the shift in the ‘professionalisation’ of this niche sector.

Yet as the scale of Airbnb and flexible accommodation grows, the lack of regulation becomes a greater concern. This has resulted in several cities introducing legislation for Airbnb over the past few years. In Berlin, hosts were prohibited to offer an entire home on the platform since May 2016. In London, a rule was introduced that enabled Airbnb hosts to let out their home for only a maximum of 90 days per year. Similar legislation was introduced in Amsterdam, but here the maximum number of nights was limited to 60.

Madrid and Paris announced new legislation in 2018, but the full impact of these regulations is yet to be seen – despite some headline grabbing stories of non-conforming properties being shut down in Spain.

Although local government has set up quite clear rules in these cities, it is hard to enforce them because of the lack of available data and capacity/resources to do so. Our analysis cannot determine clearly whether hosts adhered to these rules, but it does show that none of these cities were able to limit Airbnb growth in their respective locations. Without forcing Airbnb to become more transparent, local authorities will keep having problems enforcing regulations.

It is clear that Airbnb is here to stay and has become a mature

alternative for traditional hotels in many markets. The benefit for cities is that with Airbnb, guests have more options to choose from and it’s also a cheaper alternative to hotels – especially in locations where there is a lack of good lower-budget level accommodation. It is also interesting that despite the growth of the sector we’re seeing relatively little negative impact on the hotel sector with hotel markets achieving similar results to last year. In a lot of ways, Airbnb is a different product offer, and one that now benefits from better visibility. If cities are to better manage Airbnb offerings and their ilk, it needs to be done in a manner which does not limit budget accommodation options across cities, for which there is clear and growing demand.

“Airbnb is here to stay and has become a mature alternative to traditional hotels”



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SOURCES: COLLIERS/HOTELSCHOOL THE HAGUE/AIRDNA

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