

# Vacation Rentals and Housing Affordability

One of the biggest policy issues facing lawmakers is how to responsibly regulate the growing demand for vacation rentals. For the past several years, Expedia Group has worked closely with city and state governments to develop vacation rental policy that meets the needs of locals, travelers, and those who own and operate vacation rentals. Through these conversations, we learned that housing affordability—and the extent to which vacation rentals impact housing affordability—was a top concern for lawmakers. As part of our commitment to creating a healthy travel ecosystem, Expedia Group commissioned Oxford Economics to examine the impact of vacation rentals on housing prices to help inform vacation rental policy.

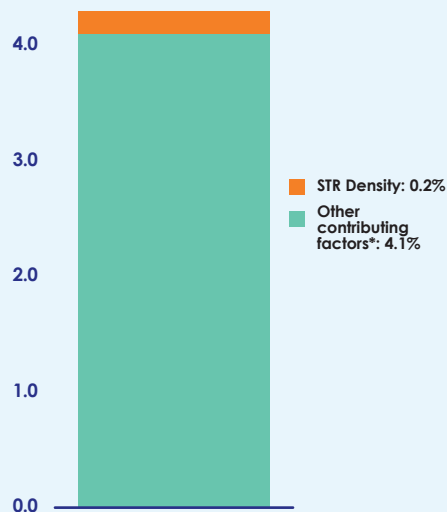


Oxford Economics analyzed more than 70 unique variables to determine the drivers of increased rents and housing prices.



## Drivers of growth in real rents between 2014–2018:

4.3% increase in real rent prices



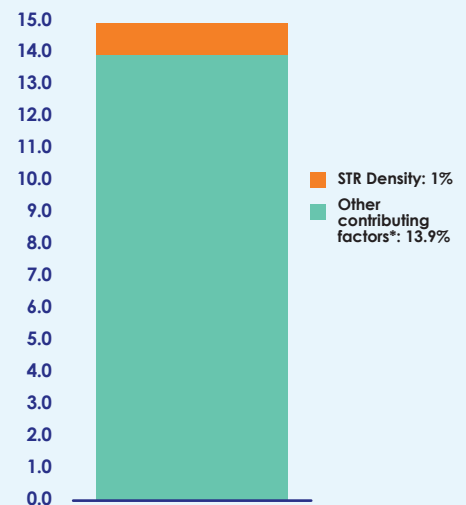
**Conclusion:** STRs account for 0.2% of increased rent prices



**Pocketbook Impact**  
Median monthly rents only \$2 cheaper without STR growth

## Drivers of growth in house prices between 2015–2018:

14.9% increase in real house prices



**Conclusion:** STRs account for 1% of increased house prices.



**Pocketbook Impact**  
Average annual mortgage only \$105 cheaper without STR growth

Vacation rentals have had minimal impact on housing and rent prices, meaning over-regulation of the practice would have minimal impact on housing affordability issues.

