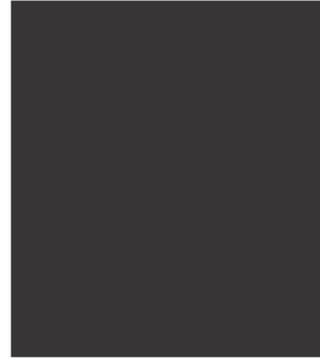


**Submission  
No 199**

**ADEQUACY OF THE REGULATION OF SHORT-TERM  
HOLIDAY LETTING IN NEW SOUTH WALES**

**Organisation:** Inside Airbnb  
**Name:** Mr Murray Cox  
**Date Received:** 22/11/2015

Murray Cox



**The Honourable Members of the Legislative Assembly  
Committee on Environment and Planning**

Mr Glenn BROOKES  
Mr Mark COURE  
Mr Anoulack CHANTHIVONG  
Mr Jamie PARKER  
Mr Geoff PROVEST

Parliament House  
Macquarie Street  
Sydney NSW 2000

**Saturday, 21 November 2015**

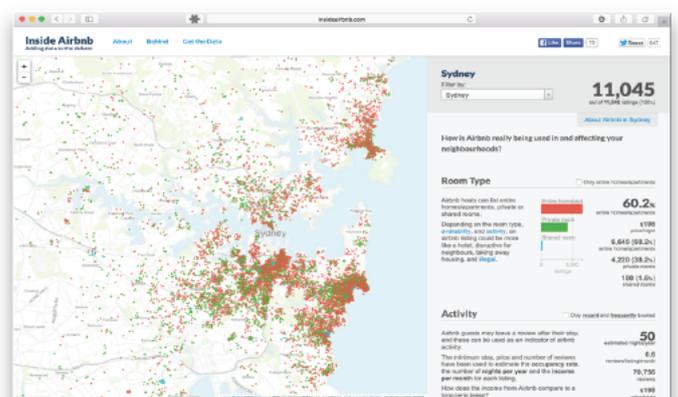
**Re: Inquiry into the adequacy of the regulation of short-term holiday letting in NSW**

Dear Committee Members,

As you consider policy and regulations for short-term holiday letting in NSW, I would like to make you aware, if you are not already, of **public data** on the dominant global short-term holiday letting platform, **Airbnb**.

I am the creator of **Inside Airbnb** (<http://insideairbnb.com>), an independent non-commercial web-site that makes tools and data available to help residents, city and elected officials and public policy advocates understand how Airbnb is being used in cities, states and countries around the world, including New South Wales and Victoria in Australia.

The data is compiled **directly** from public information displayed on the Airbnb web-site, and is being used by cities, urban planners, journalists, academics and researchers around the world.



**Inside Airbnb: Sydney.**  
<http://insideairbnb.com/sydney>

As Airbnb refuses to cooperate with cities around the world, hiding meaningful data that could be used to formulate appropriate policy or enforce regulations, public data can be used to answer key questions of Airbnb use:

- How many listings there are and where are they?
- What type of listing are they (shared room, private room or an entire home)?
- How often they are being rented?
- How many listings are operated/managed by a host with more than one listing?

Data for Sydney compiled in October 2015, shows that of the **11,045** listings found on the Airbnb site:

- **60% of Airbnb listings (6,645) are “entire homes”**
- **One quarter of “entire home” listings (1,676) are rented out by hosts who have more than one listing**

These statistics alone should alarm any city and their residents concerned about how entire residential homes are being used. Entire homes being used for tourists bring up questions of preserving affordable long term residential housing; appropriate use per zoning; taxation; public health and safety; and quality of life issues in residential neighbourhoods.

In addition, the data contradicts the myth (marketing/lobbying) of Airbnb and the concept of the “sharing economy” itself – a large proportion of activity, and revenue, on short-term holiday letting platforms like Airbnb, are NOT residents renting out spare rooms occasionally, or their home when they are away on vacation. Short-term holiday letting platforms have become a tool for real-estate entrepreneurs to transform residential homes (and in many cases, MULTIPLE homes) into de-facto hotels.

The statistics for Sydney are repeated in cities around the world<sup>2</sup>:

*Table 1 Key Airbnb statistics for major international cities (dates vary)*

CITY	NUMBER OF LISTINGS	% ENTIRE HOMES	% MULTIPLE LISTINGS <sup>3</sup>	% FREQUENTLY RENTED <sup>4</sup>
<b>SYDNEY</b>	11,045	60%	25%	18%
<b>MELBOURNE</b>	6,490	53%	35%	34%
<b>SAN FRANCISCO</b>	7,029	57%	24%	73%
<b>NEW YORK CITY</b>	30,483	56%	22%	59%
<b>LONDON</b>	25,361	53%	41%	45%

<sup>1</sup> <http://insideairbnb.com/sydney>

<sup>2</sup> All statistics and data are available at [insideairbnb.com](http://insideairbnb.com)

<sup>3</sup> Entire homes that are rented by a host with multiple listings

<sup>4</sup> Entire homes that have a recent booking and are estimated to be frequently rented

<b>AMSTERDAM</b>	9,771	81%	21%	60%
<b>PARIS</b>	35,428	84%	19%	39%
<b>BARCELONA</b>	14,539	54%	58%	45%

As you consider possible regulations, know that short-term holiday letting platforms operate with impunity even in cities with regulations that prohibit or limit short-term holiday letting, there are very low levels of compliance and their growth continues unabated:

- **In New York City, 72% of listings violated state and city laws according to data obtained by the Attorney General of New York State<sup>5</sup>.**

**In Multi-dwelling buildings, it is illegal to rent out an entire apartment for less than 30 days, however as at September, 2015 there were more than 17,000 “entire home” listings**

- **In Portland, Oregon, only 12%<sup>6</sup> of active listings had a permit posted on the Airbnb web-site despite city Ordinances requiring this**
- **In San Francisco, California, the home of Airbnb, only 10%<sup>7</sup> of active listings had the required permit posted on the Airbnb web-site.**

**The SF Planning Department, which is responsible for enforcement said “we have no way of enforcing”<sup>8</sup> the new laws**

It is this reason that any regulations be appropriately backed up by a proactive legal compliance and enforcement framework.

<sup>5</sup> A.G. Schneiderman Releases Report Documenting Widespread Illegality Across Airbnb's NYC Listings; Site Dominated By Commercial Users: <http://www.ag.ny.gov/press-release/ag-schneiderman-releases-report-documenting-widespread-illegality-across-airbnbs-nyc>

<sup>6</sup> Only 331 out of 2,700 (12%) active listings in Portland, Oregon as at November 2015 had permits posted on the Airbnb web-site, 9 months after this was required by the city. Source: Inside Airbnb

<sup>7</sup> Only 697 out of 7,029 (10%) active listings in San Francisco, California as at November 2015 had a permit number posted on the web-site. Source: Inside Airbnb

<sup>8</sup> <http://www.sfchronicle.com/bayarea/matier-ross/article/No-way-of-enforcing-Airbnb-law-S-F-planning-6151592.php>

## Policy Recommendations

Based on my experience with Airbnb data which describes the behaviour of hosts and their platform around the world, the following policy principles should be considered for short-term letting platforms in NSW:

- 1. Accountability:**

Short-term holiday letting platforms must be held **legally** accountable for hosts' compliance to local laws

- 2. "In-Platform" Compliance:**

Platforms should be aware of local laws and **not allow** listings to be available for rent if and when they violate those laws

- 3. Disclosure:**

To demonstrate compliance to local laws, short-term holiday letting platforms should facilitate **identification** of hosts and listings to local officials, and **sufficient data** to report on regulated behaviour (e.g. permit numbers, number of nights rented etc.)

Please take a moment to review the data for Sydney and other cities at <http://insideairbnb.com>.

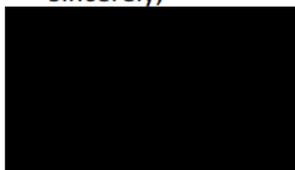
I believe public data on Airbnb shows definitively the need for regulations on entire home short-term holiday letting, and also the need for legislation requiring platforms to use their own data to follow local laws, or provide data to city agencies for the same outcome.

Data is also available for independent analysis at <http://insideairbnb.com/get-the-data.html>.

I am available for questions, discussions, or the supply or analysis of additional data.

Thank you for the opportunity to respond to this well timed and intentioned Inquiry.

Sincerely,



Murray Cox  
**Creator of Inside Airbnb**

## Addendum: Airbnb Data for Sydney by Local Government Area

Table 2 Sydney Listings and their type by Local Government Area (October 2015)

LOCAL GOVERNMENT AREA	NUMBER OF LISTINGS	ENTIRE HOME/APT		PRIVATE ROOM		SHARED ROOM	
		#	%	#	%	#	%
SYDNEY	2,804	1,700	61%	1,054	38%	50	2%
WAVERLEY	2,088	1,380	66%	676	32%	32	2%
RANDWICK	1,104	671	61%	400	36%	33	3%
WOOLLAHRA	634	422	67%	209	33%	3	0%
MANLY	583	399	68%	180	31%	4	1%
WARRINGAH	531	374	70%	156	29%	1	0%
NORTH SYDNEY	463	265	57%	195	42%	3	1%
MARRICKVILLE	455	213	47%	237	52%	5	1%
PITTWATER	394	327	83%	65	16%	2	1%
LEICHHARDT	314	199	63%	114	36%	1	0%
MOSMAN	182	129	71%	50	27%	3	2%
SUTHERLAND SHIRE	139	71	51%	66	47%	2	1%
WILLOUGHBY	138	60	43%	76	55%	2	1%
ROCKDALE	124	48	39%	66	53%	10	8%
RYDE	103	37	36%	65	63%	1	1%
CANADA BAY	103	38	37%	60	58%	5	5%
KU-RING-GAI	97	41	42%	54	56%	2	2%
HORNSBY	96	35	36%	61	64%	-	0%
PARRAMATTA	84	22	26%	61	73%	1	1%
BOTANY BAY	74	25	34%	45	61%	4	5%
LANE COVE	74	43	58%	29	39%	2	3%
ASHFIELD	62	25	40%	36	58%	1	2%
CANTERBURY	59	20	34%	39	66%	-	0%
THE HILLS SHIRE	49	18	37%	30	61%	1	2%
BLACKTOWN	41	5	12%	36	88%	-	0%
AUBURN	40	22	55%	17	43%	1	3%
CITY OF KOGARAH	33	9	27%	23	70%	1	3%
STRATHFIELD	27	8	30%	15	56%	4	15%
HUNTERS HILL	26	12	46%	14	54%	-	0%
HURSTVILLE	24	8	33%	16	67%	-	0%
HOLROYD	23	2	9%	20	87%	1	4%
BURWOOD	21	5	24%	14	67%	2	10%
BANKSTOWN	16	4	25%	12	75%	-	0%
CAMPBELLTOWN	15	4	27%	9	60%	2	13%
LIVERPOOL	11	3	27%	7	64%	1	9%
FAIRFIELD	7	-	0%	7	100%	-	0%
PENRITH	5	1	20%	4	80%	-	0%
CAMDEN	2	-	0%	2	100%	-	0%
<b>TOTAL</b>	<b>11,045</b>	<b>6,645</b>	<b>60%</b>	<b>4,220</b>	<b>38%</b>	<b>180</b>	<b>2%</b>

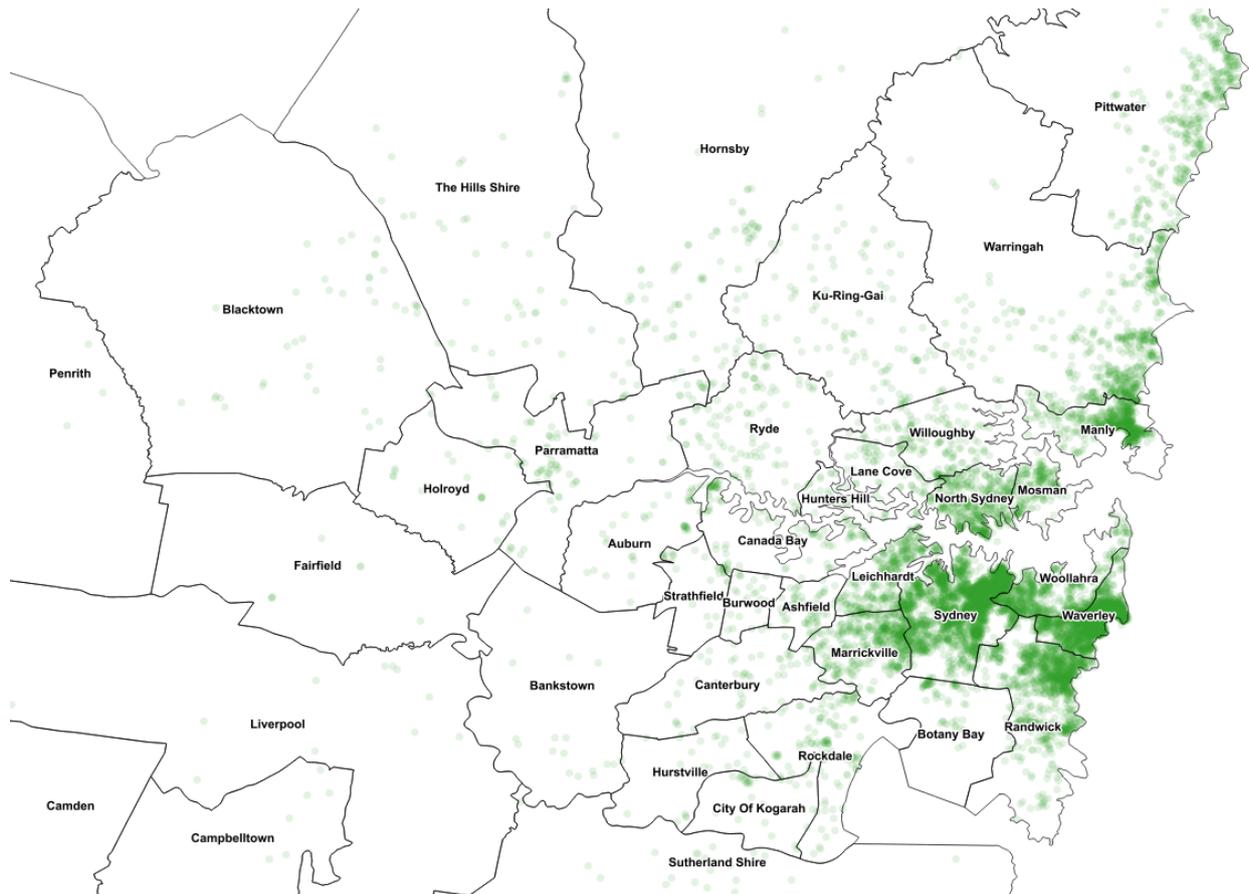


Figure 1 Geographic Distribution of Airbnb Listings (October 2015)