AIRDNA

U.S. Short-term Rental Overview

Leisure Travel – Healthy Bookings from Budget to Luxury

Feb 9th, 2023

Jamie Lane, VP of Research



We Have the Largest Global STR Data Asset

120K+
International Markets

12M+
Data on Daily Listings

28M+
Unique Property IDs

6T+
Total Datapoints Collected

8+ Years
Time Building Our Proprietary Data Asset

AIRDNA

Leading STR Platforms

30M+
Properties

airbnb

vrbo

Partner Data

1M+
Properties

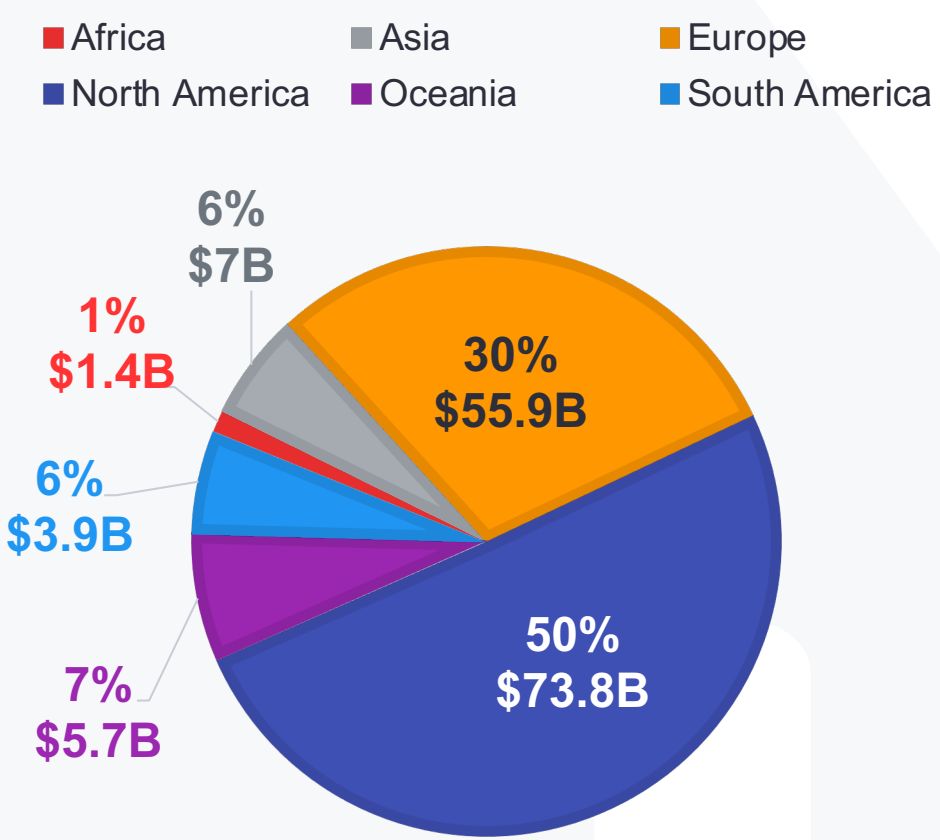
User Contributed Data

80K+
Properties

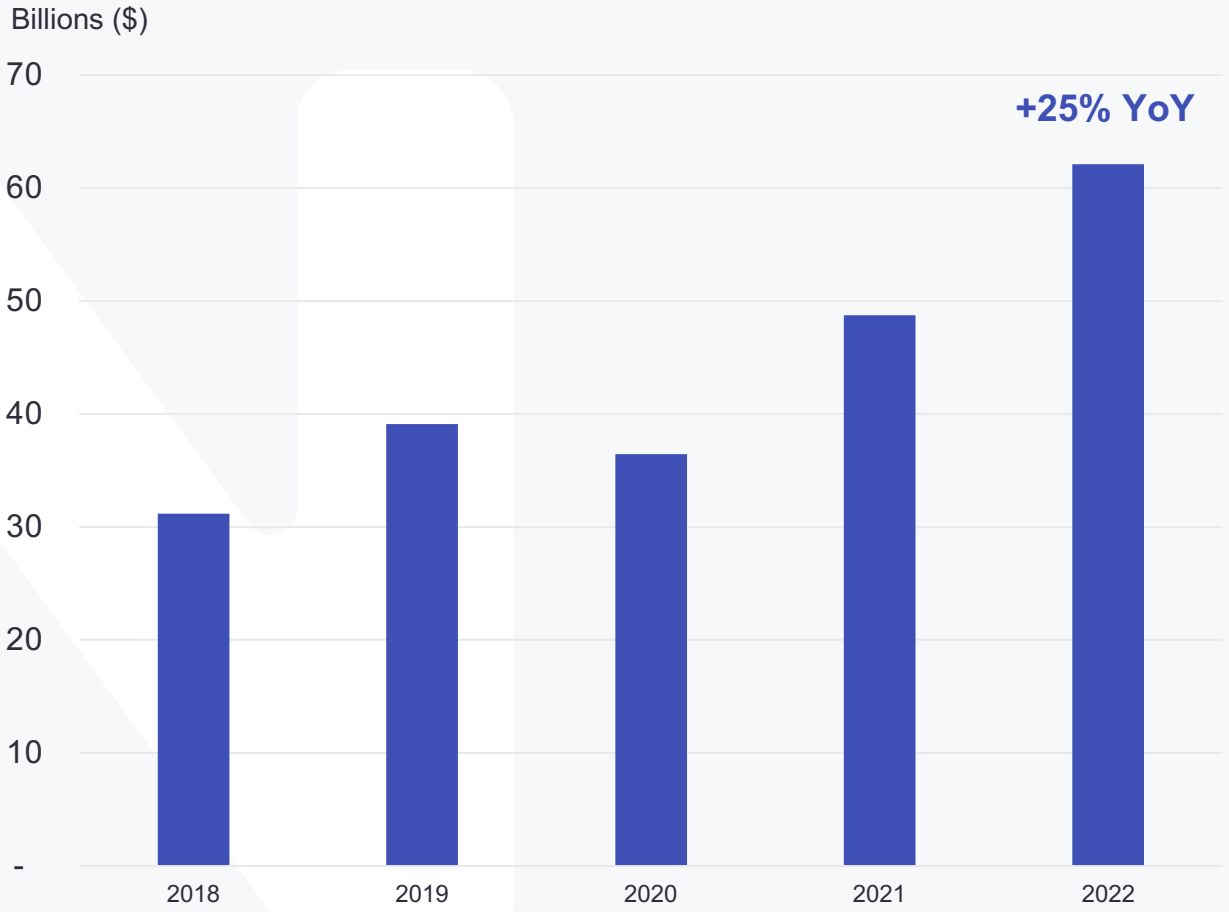
Global Short-term Rentals Generated $148B in 2022 (Half in NA)

AIRDNA

2022 Global Short-term Rental Revenue by Continent



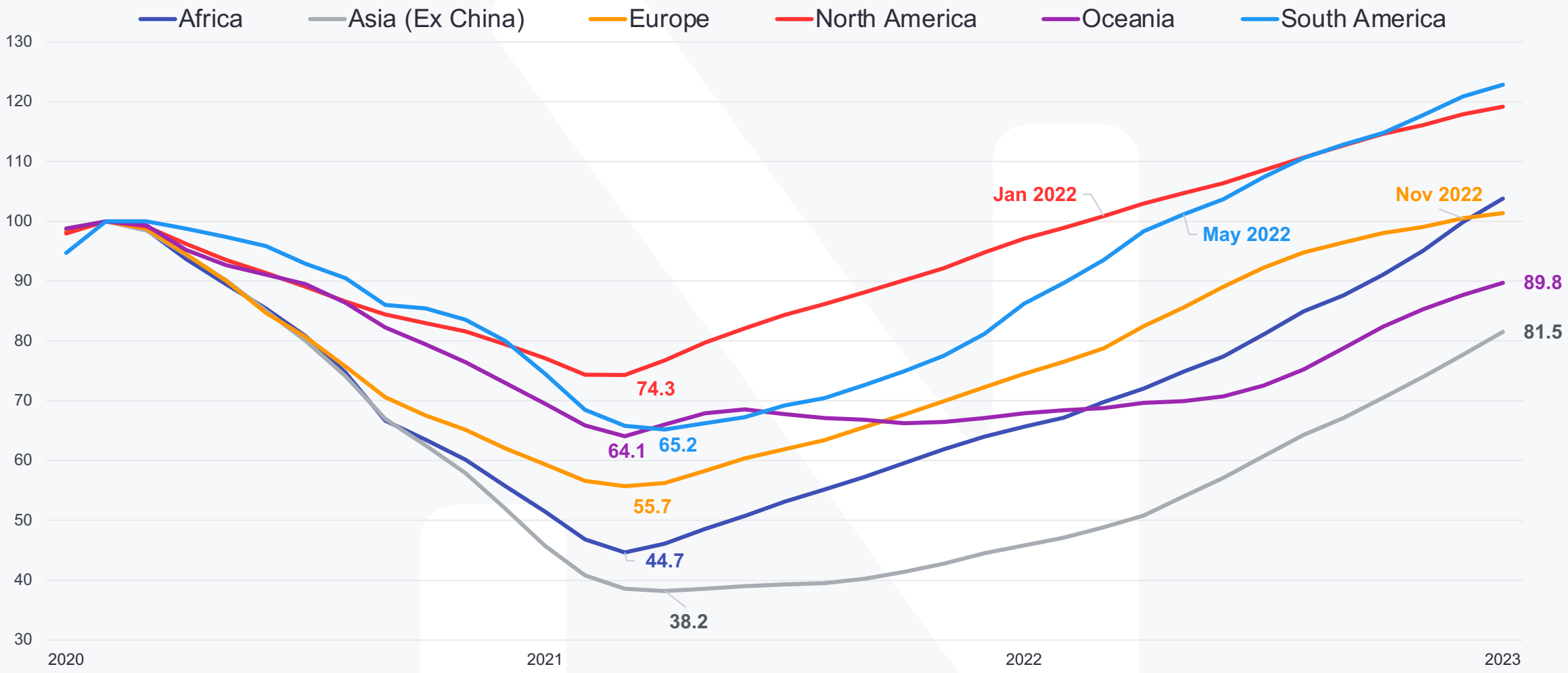
U.S. Short-term Rental Revenue (2019 – 2022)



Source: AirDNA

Global Short-term Rental Demand Recovery (NA/LATAM Leads, APAC Lagging)

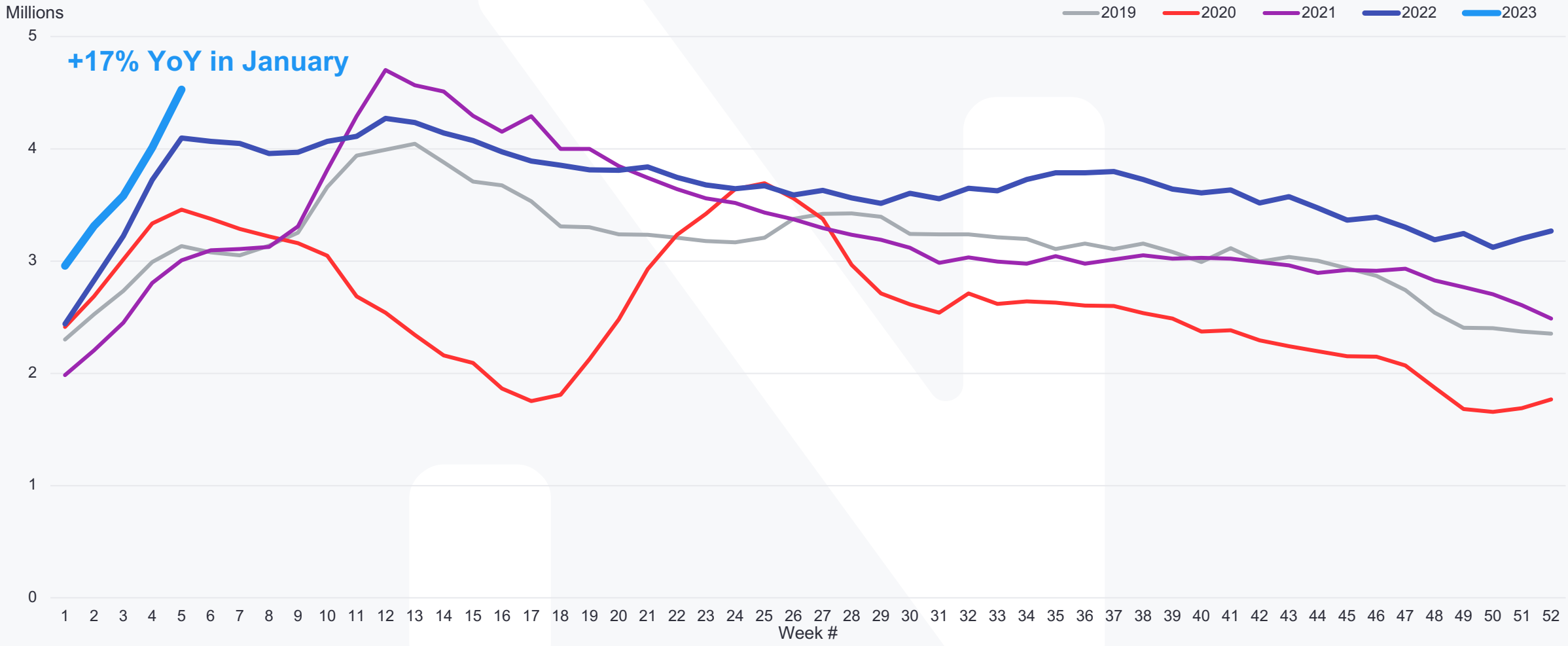
Continent TTM Demand (Nights Stayed) - Indexed to Feb 2020 = 100



Source: AirDNA

2023 Booking Activity Starts Strong (+17% in Jan)

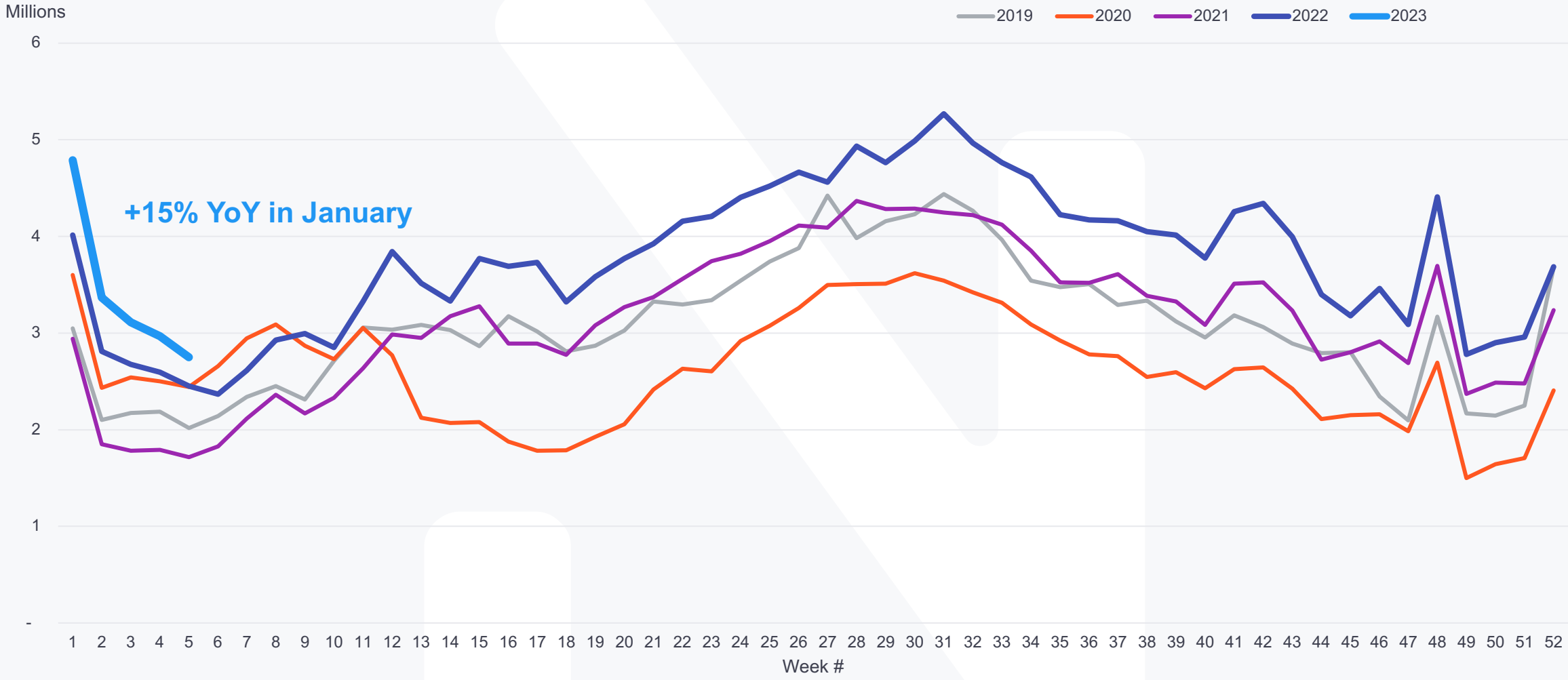
U.S. Short-term Rental Nights Booked (4 Week Moving Avg.) – Based on Reservation Date



Source: AirDNA - Note: Nights Booked reflects the week when the trip was booked.

2023 Demand Up 15% in January (vs +19% in Dec)

U.S. Short-term Rental Weekly Demand (Nights) – Based on Night Stayed



Source: AirDNA - Note: Demand (Nights) measures listing nights based on the month of the stay

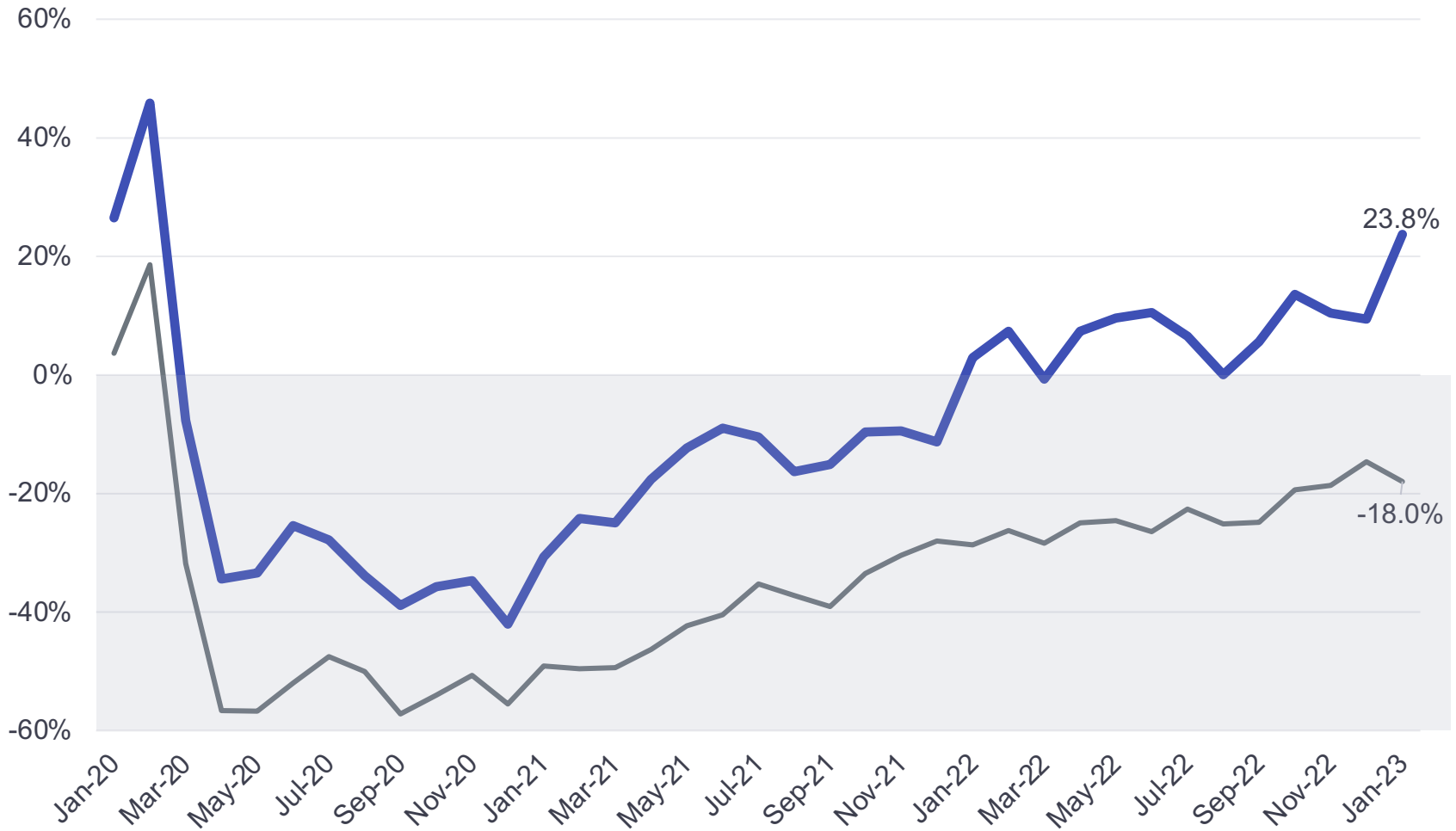
Urban Recovery Lags, Suburban Surges

Supply Limiting Demand Growth
Urban demand recovery limited by a lack of available supply, especially in the largest U.S. MSAs. Listings are down more than 25% vs 2019 in Oahu, Boston, New York, San Francisco, & Los Angeles.

Regulation & lagging International demand is a major reason why listing recovery is lagging.

Suburban Strength
In the same cities, suburban demand exceed 2019 levels by 23.8%. Suburban demand recovery supported by longer-term stays (28+ days) from great migration and limited available housing. Temporary housing for workers (doctors, nurses, construction), students, and digital nomads.

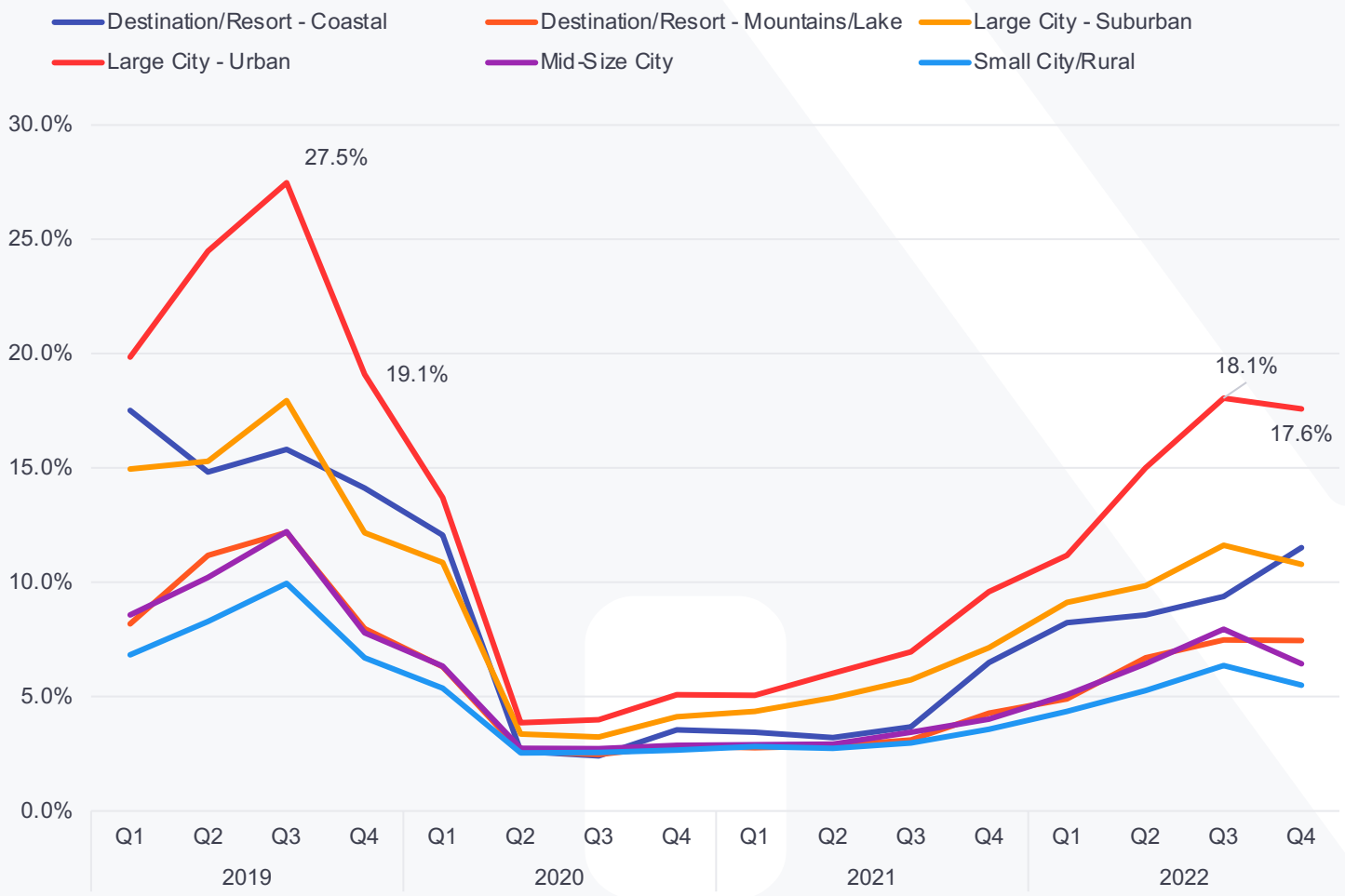
Change in Urban & Suburban U.S. Short-term Rental Demand vs 2019 in Large Cities



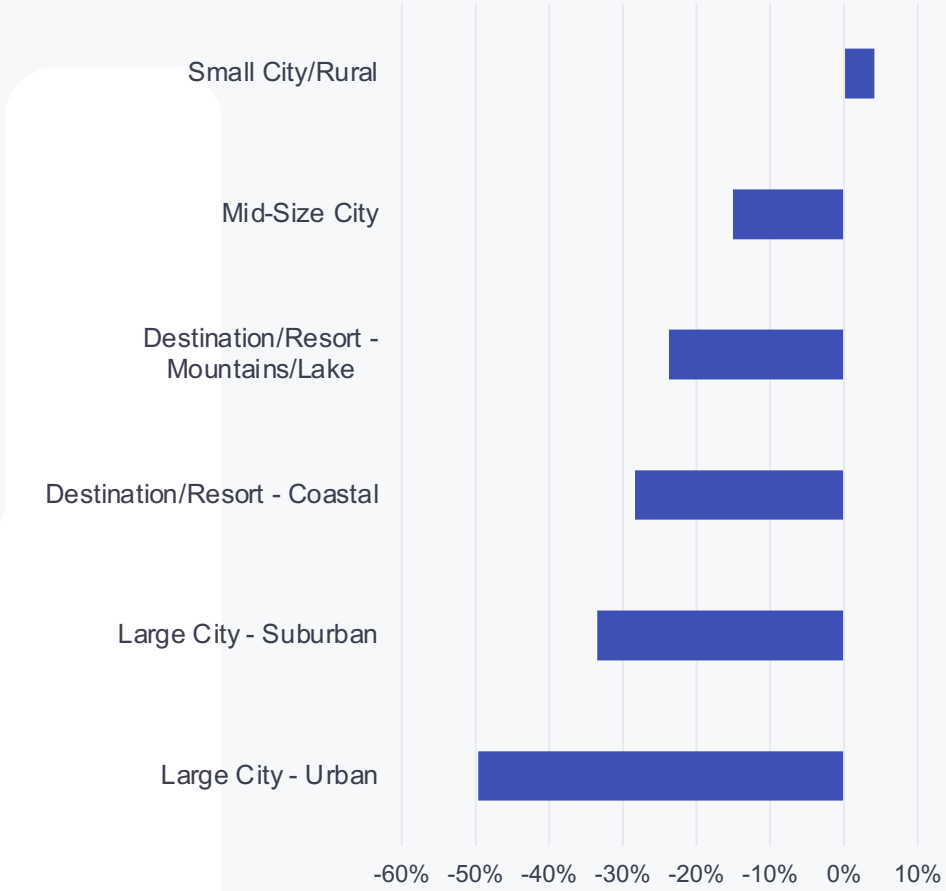
Source: AirDNA - Note: 50 Largest U.S. Cities by Population, Urban/Suburban categorized by population density

International Travelers staying in STRs down 19 % of 2019 Levels in Q4 2022

% of Reservations from International Travelers to the U.S.



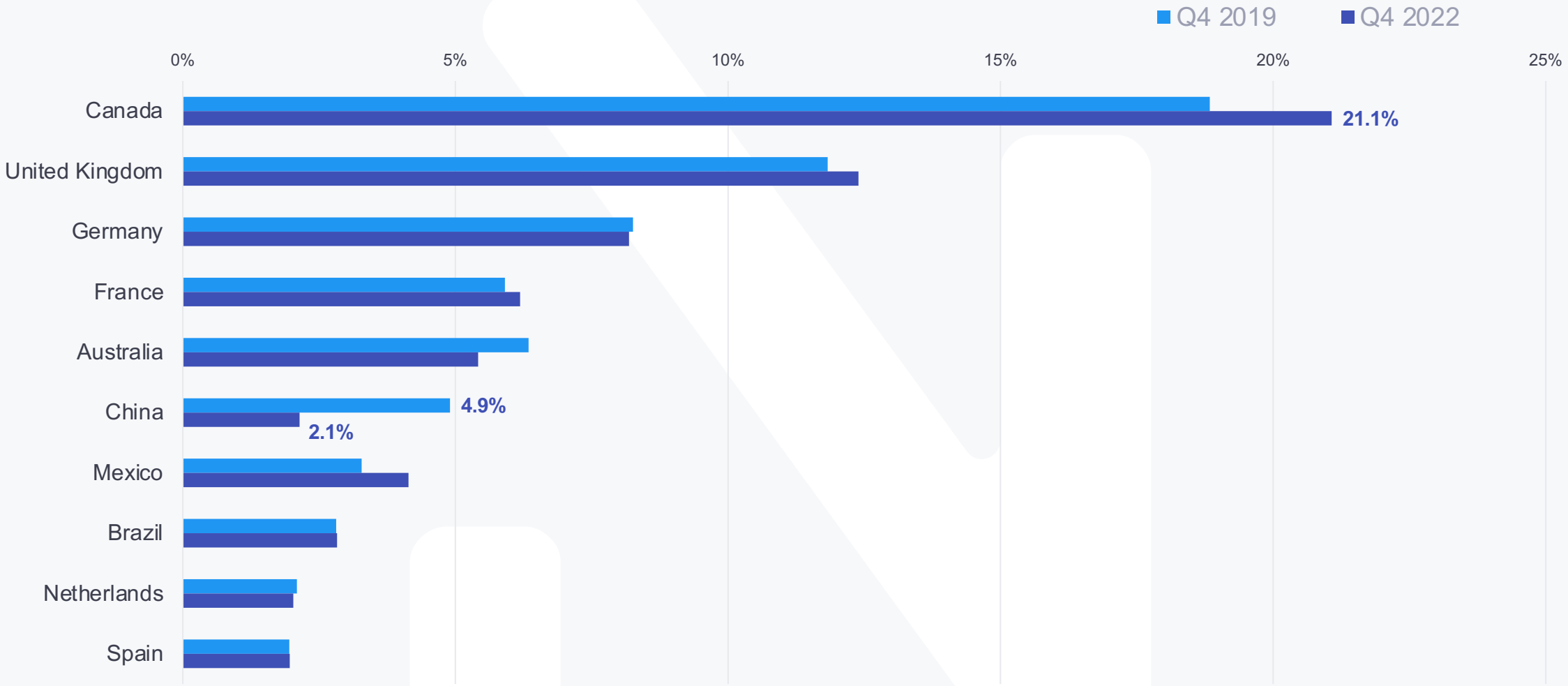
Q3 2022 as a % of Q3 2019 International Demand



Source: AirDNA

Canada, UK, & Mexico Increasing Share of Inbound Stays

% of International Travel (staying on Airbnb) to the US by Top 10 Countries (As of 2019)



Source: AirDNA

Leisure/Destination Demand Remains Robust

Building on Strength in Rural/Mtns Areas

Demand for stays in mountain/lake destinations only dipped negative for three months during the pandemic and had remained robust throughout the past two years. Available listings dropped in 2022 (down 19% YoY in Sep 2022), pushing occupancy to record highs throughout 2020 & 2021. Demand ended up 59.5.% compared to January 2019. Occupancy remains 20% higher in 2023 compared to 2019.

Small Town/Rural locations (not shown) have seen the most growth throughout the past three years as guests have continued to prefer rural locations even as social distancing has eased. (+156% vs 2019)

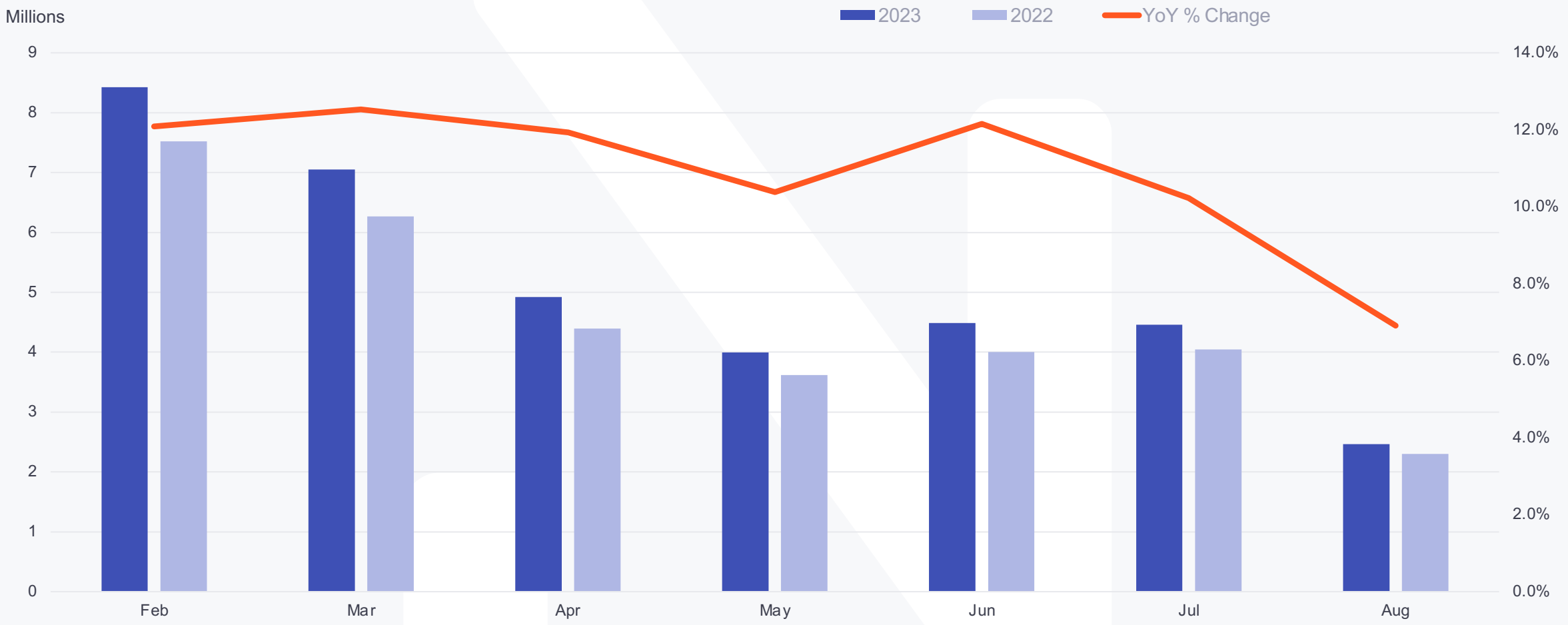
Change in U.S. Short-term Rental Demand vs 2019 in Large Cities



Source: AirDNA - Note: 50 Largest U.S. Cities by Population, Urban/Suburban categorized by population density

Demand Pacing Up ~10% Through Spring/Early Summer

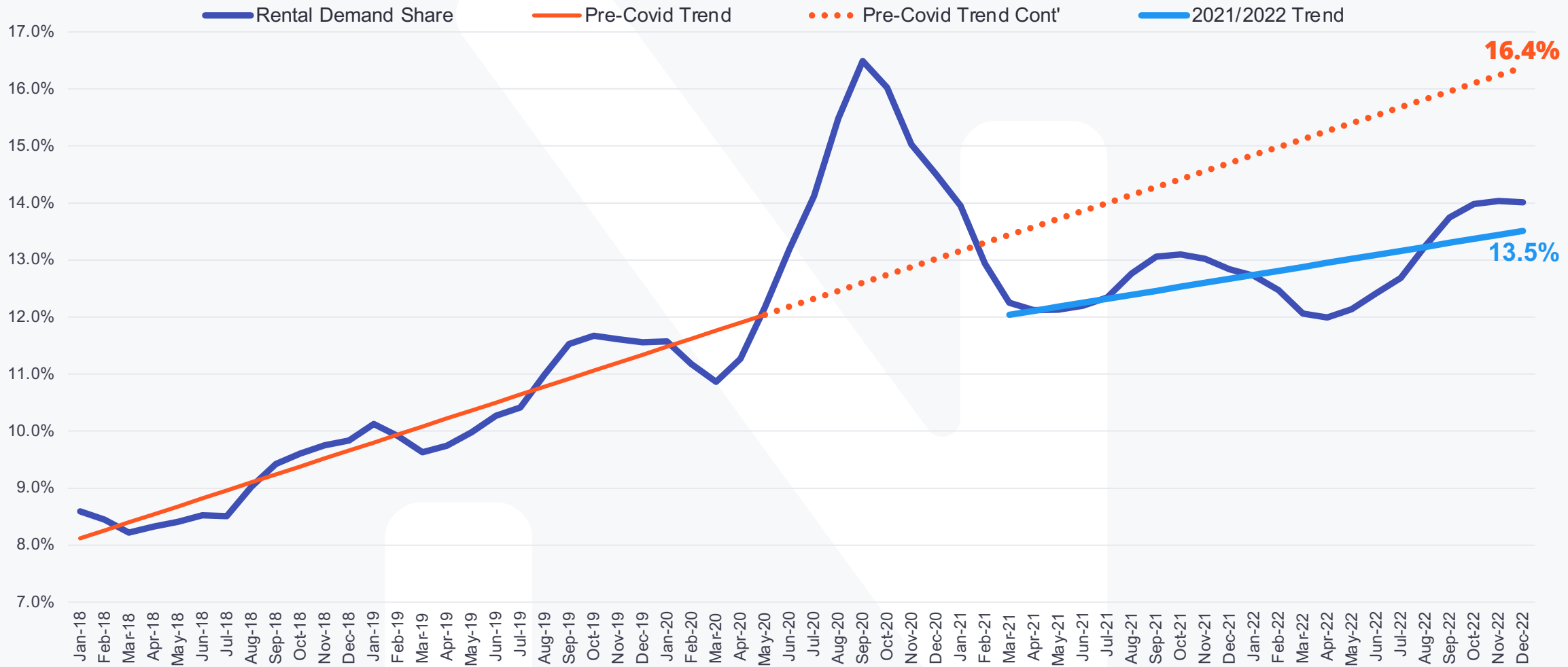
U.S. Short-term Rental Demand Pacing 2023 vs 2022, as of February 1st



Source: AirDNA

Zooming Out shows the Broader Trend of Rental Share

Short-term Rental Share of Total Accommodations (Hotels + Short-Term Rentals) Nights & Trend – 6 Month Moving Avg.

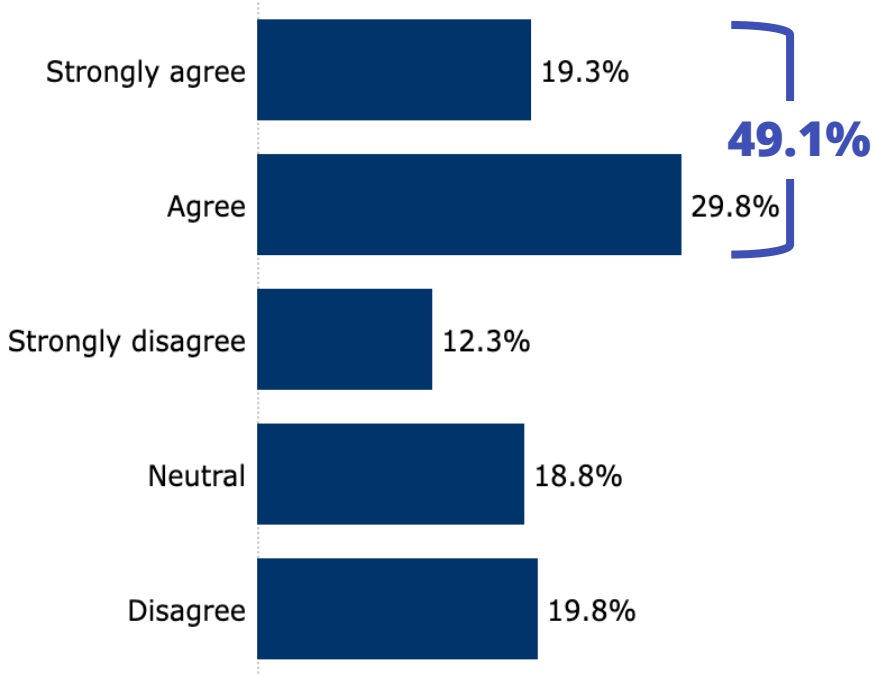


Source: AirDNA, STR. © 2023 CoStar Group

Consumers prioritizing Travel, but High Prices May Limit Demand

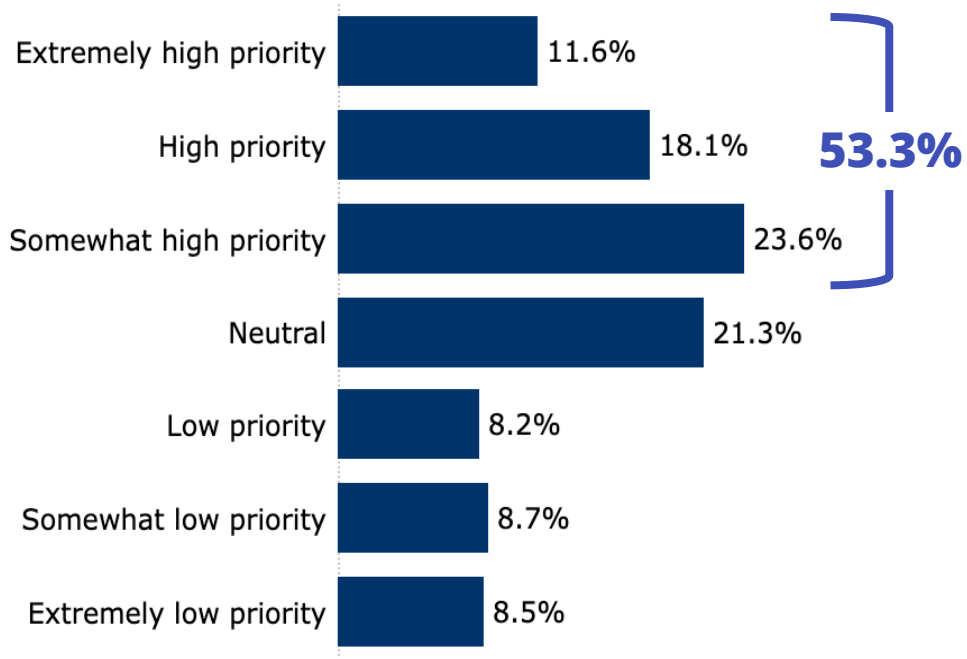
Consumer Travel Priorities

Have high travel prices kept you from traveling in the past month?



Consumer Travel Priorities

Will spending on leisure travel be a priority the next 3-months?



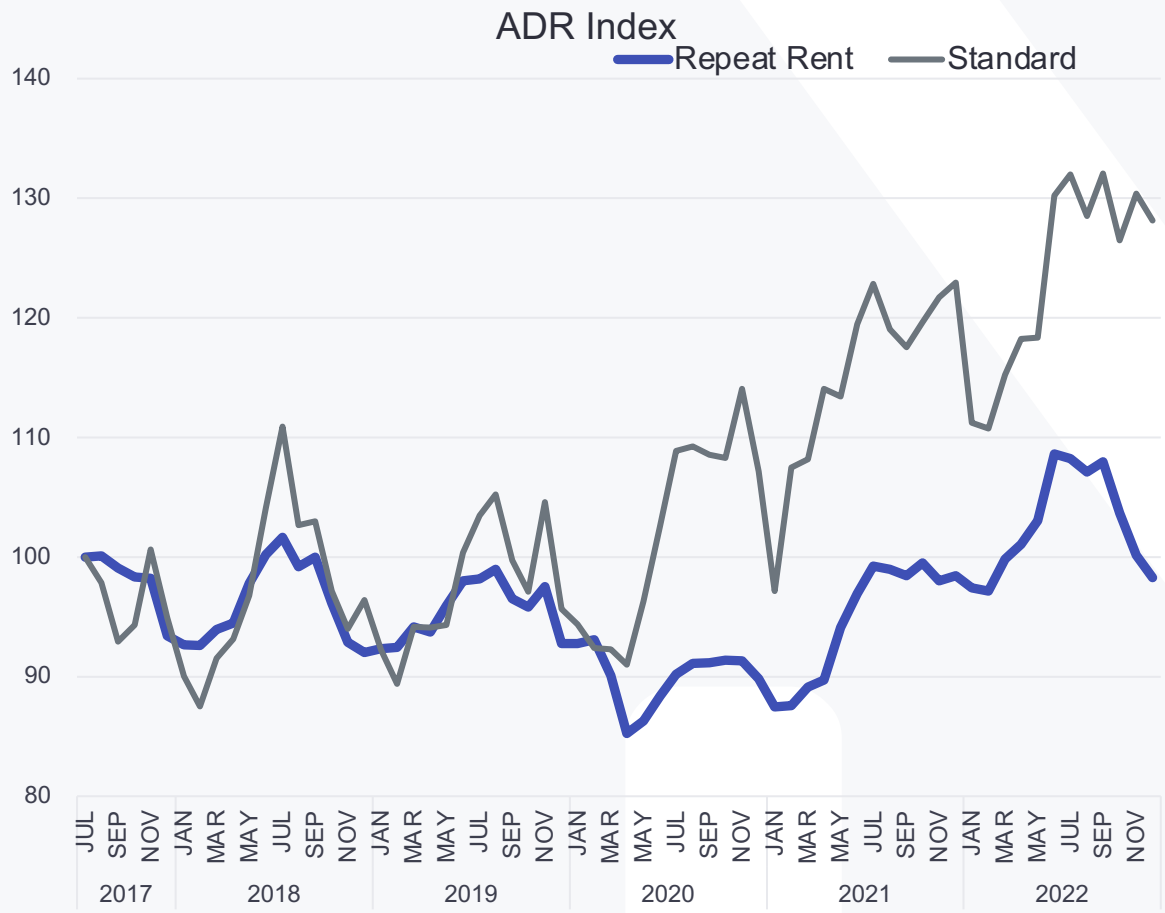
Destination Analysts (As of December 2022)

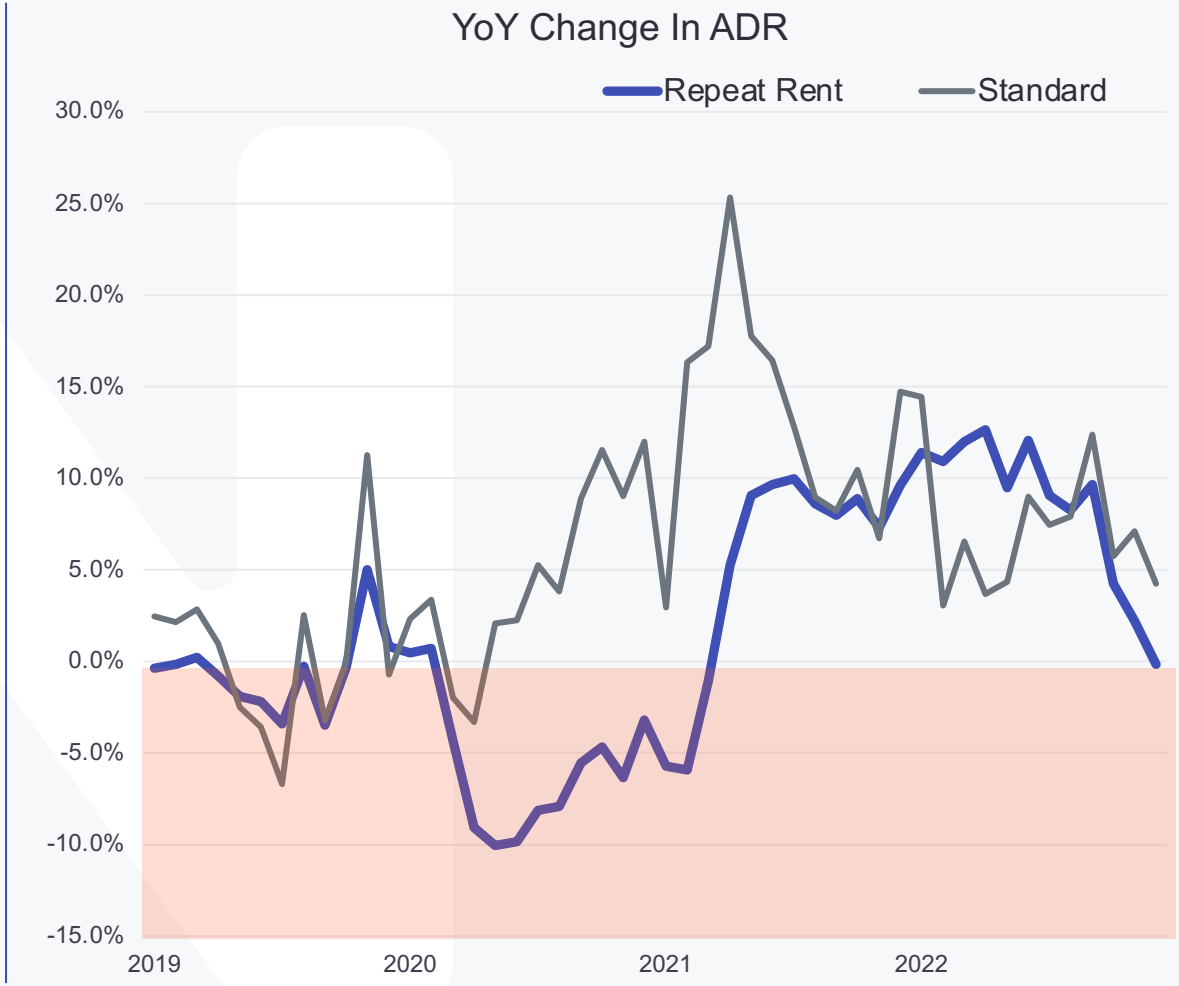
Pricing

Trends in Average Daily Rates (ADRs)

Dissecting ADR Trends at a Market Level (Growth vs Mix)

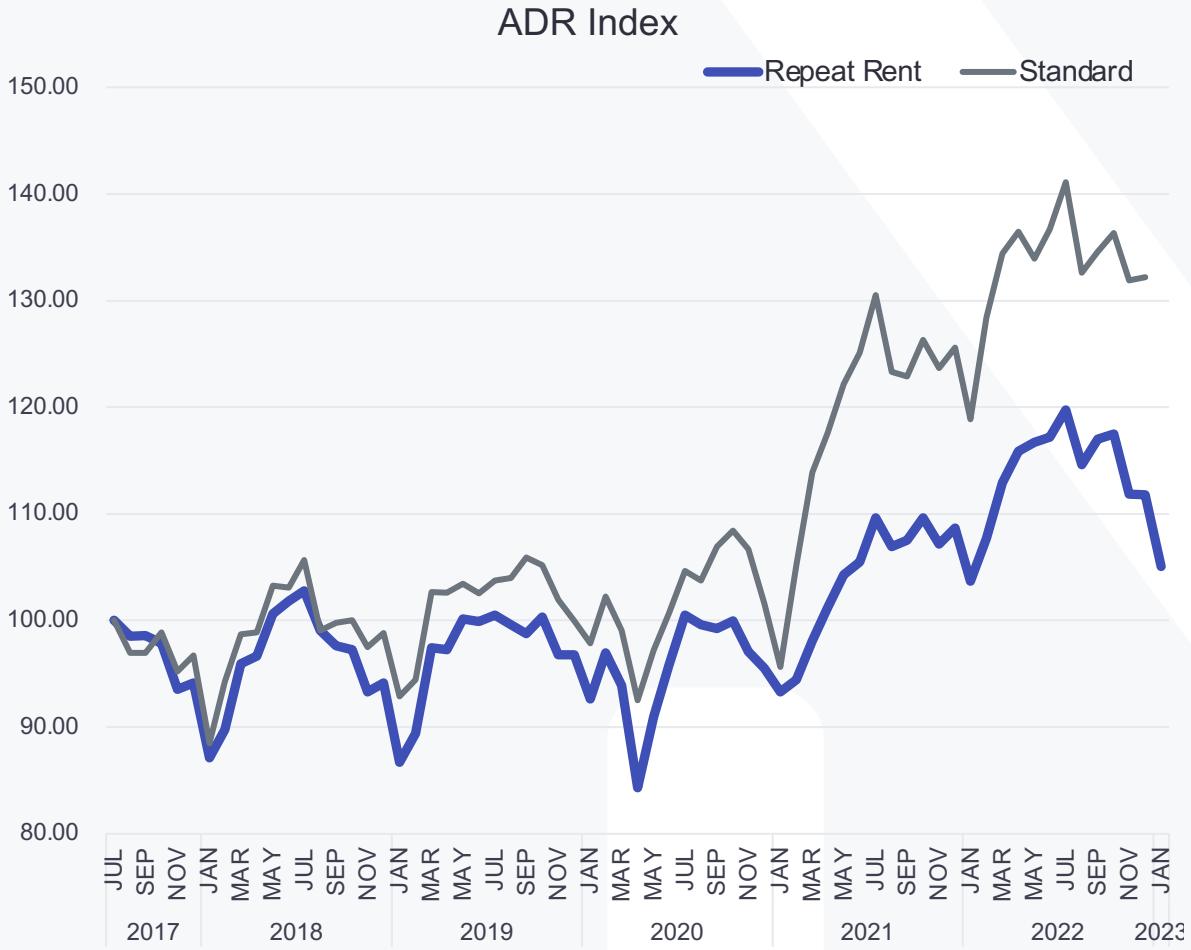
San Francisco – Repeat Rent Index vs Standard ADR Methodology (Revenue/Demand)

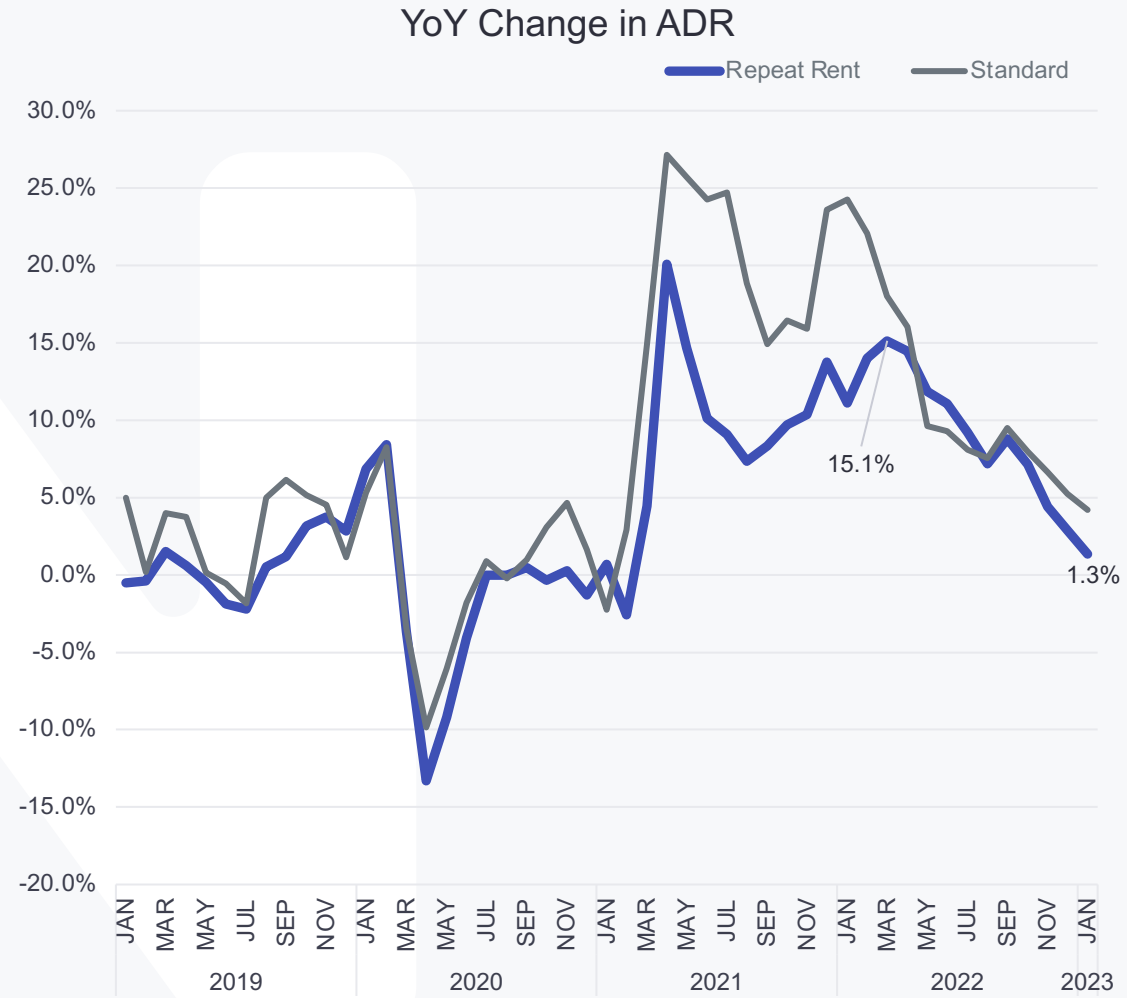




Dissecting ADR Trends at a Market Level (Growth vs Mix)

U.S. Urban Locations – Repeat Rent Index vs Standard ADR Methodology (Revenue/Demand)

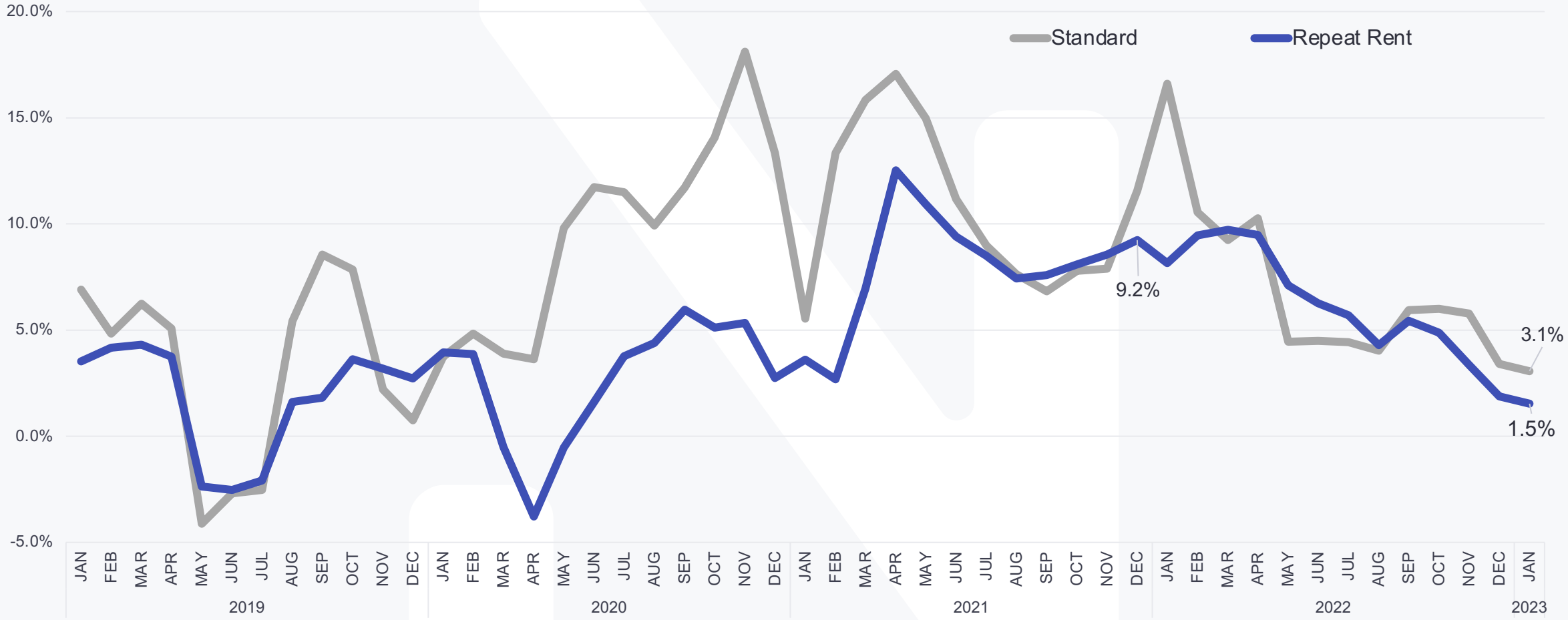




Source: AirDNA - Note: Index 2017 = 100

ADR Growth Slowing Substantially Throughout 2022/2023

U.S. YoY Change in ADR – Repeat Rent Index vs Standard ADR Methodology (Revenue/Demand)



Source: AirDNA

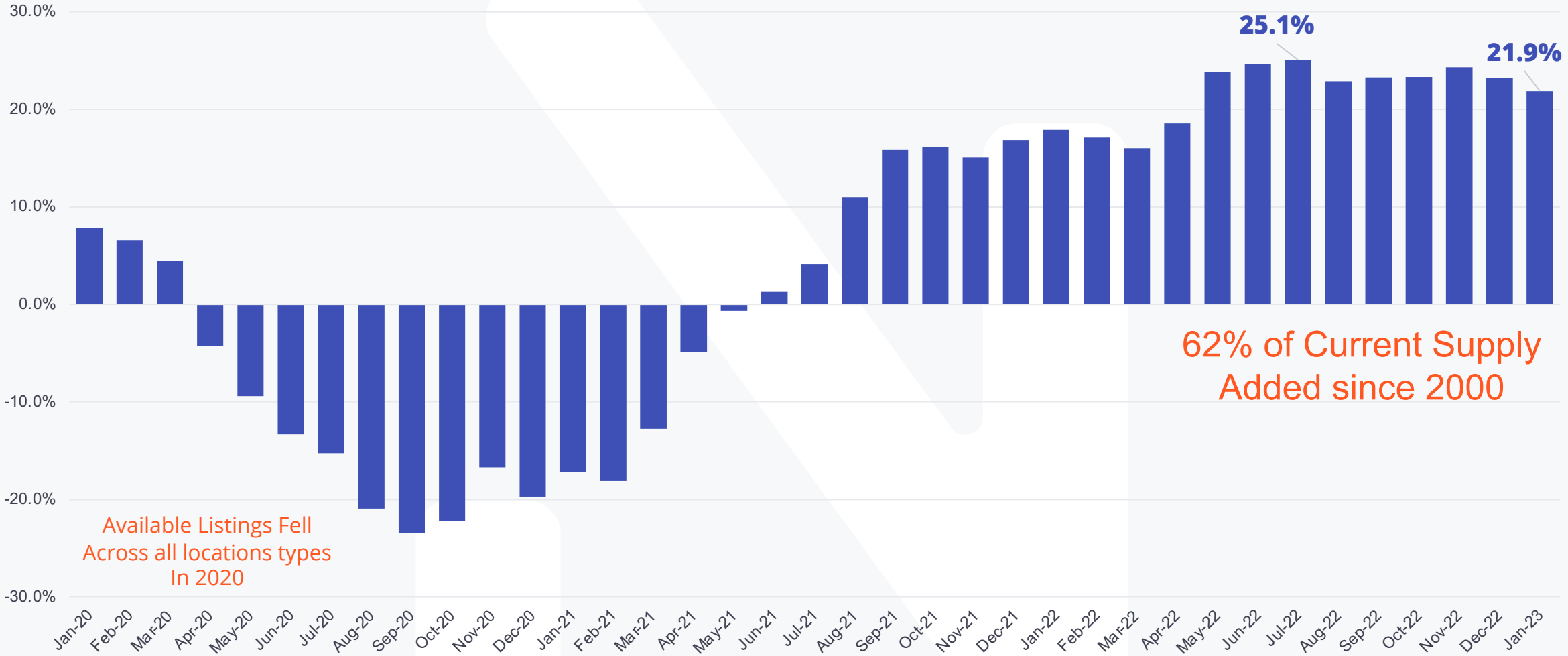


Supply & Occupancy Trends

Weaking trends into 2023?

STR Listing Growth Peak in July, Still up 22% YoY (+20% vs 2019)

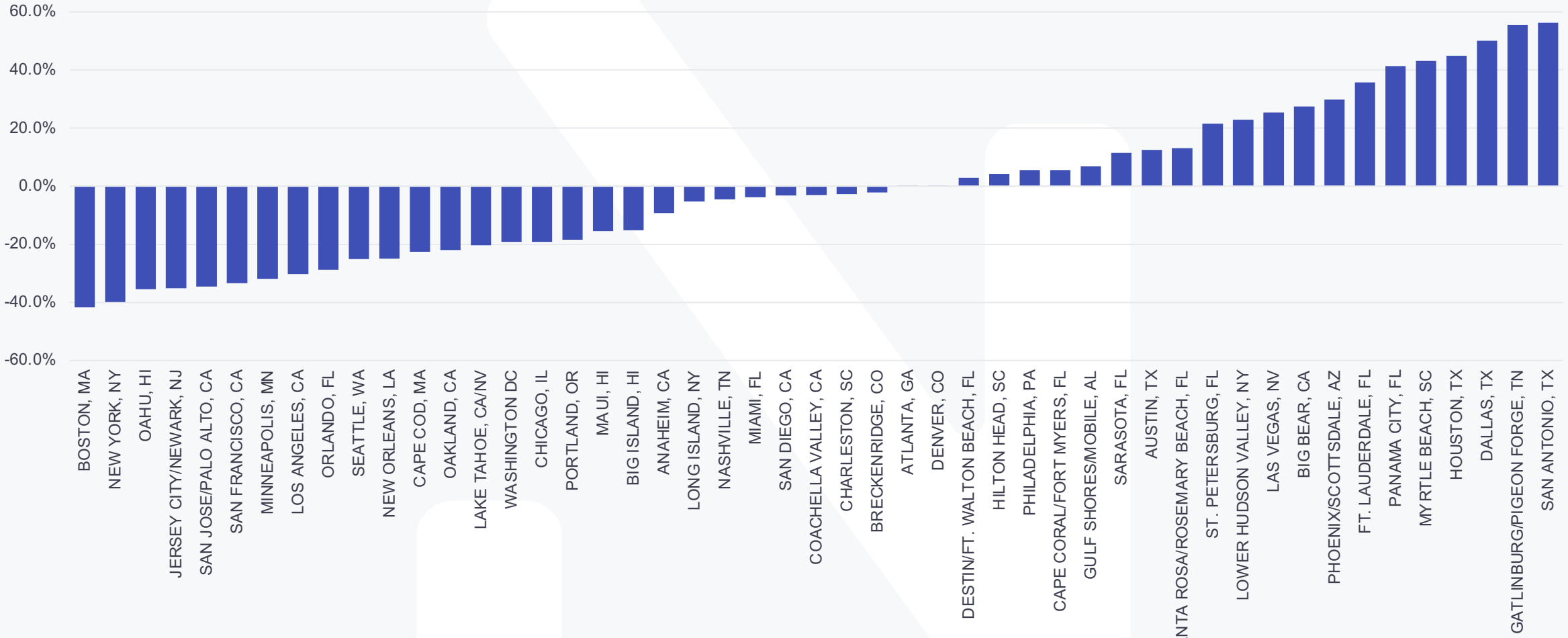
U.S. Monthly Short-Term Available Listings, Year-over-Year Change



Source: AirDNA

Only Half of the Top 50 Markets Have More Market Listings than in 2019

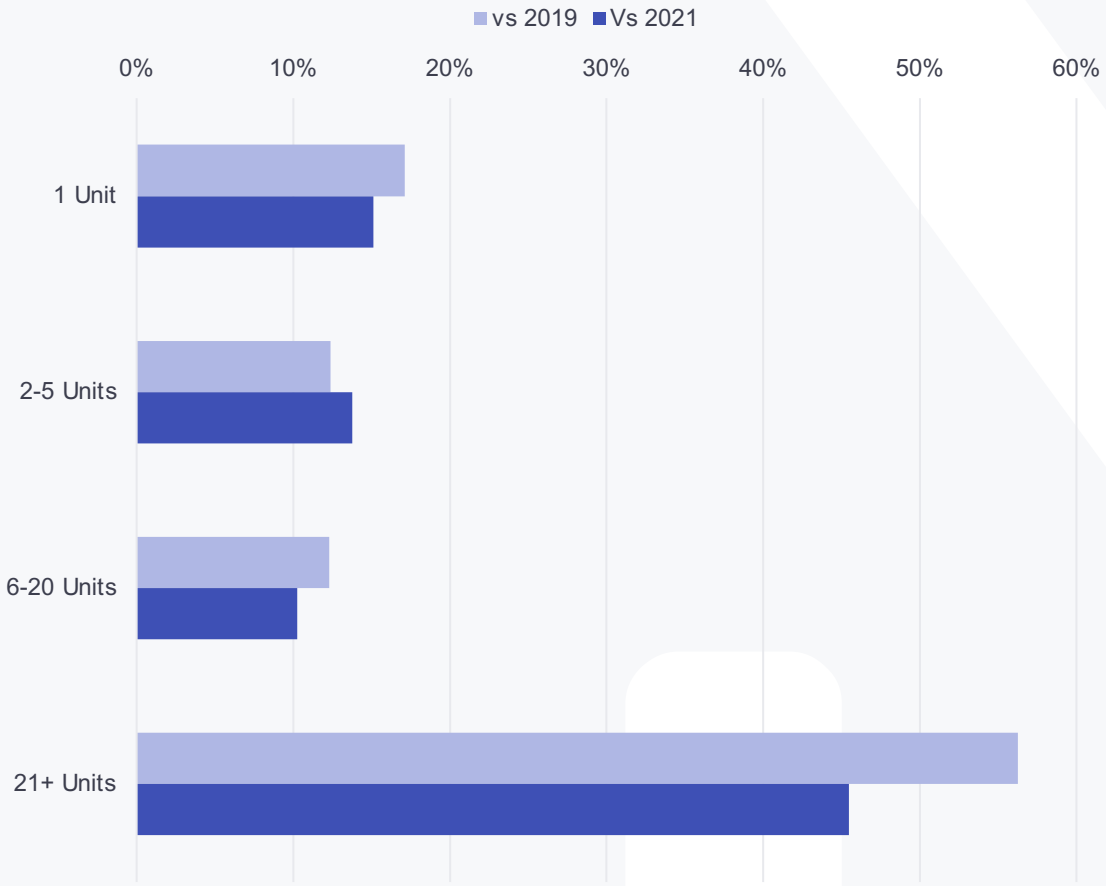
U.S. TTM Average Short-Term Available Listings, % Change from 2019



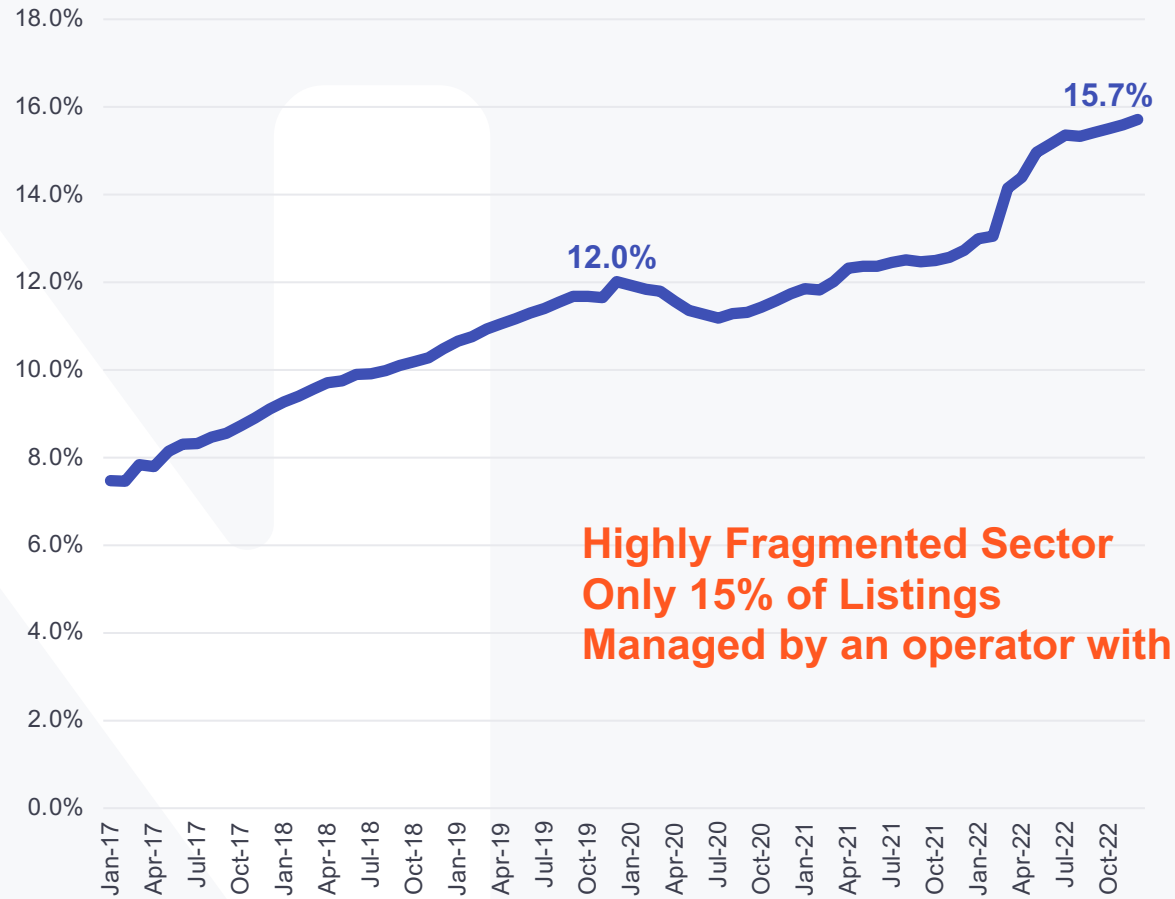
Source: AirDNA

Listing Growth Strongest with the Largest Operators

Airbnb Active Listings - December 2022 **vs 2021** & **2019** -
by Host Type (# of Listings Managed)



Airbnb % of Active Listings with Hosts Managing 21+ Units



Highly Fragmented Sector
Only 15% of Listings
Managed by an operator with

Source: AirDNA

AirDNA's STR Industry Outlook (Baseline Outlook)

U.S. Short-term Rental Historical Performance & Forecast (2019 – 2023)

	2019	2020	2021	2022	2023 F
Available Listings (Avg.)	**1,176,306**	**1,045,618**	**1,059,929**	**1,260,273**	**1,404,403**
Nights Listed, % Change	19.9%	-14.5%	6.4%	25.2%	9.0%
Demand, % Change	22.2%	-15.1%	20.6%	19.9%	5.5%
Occupancy	**54.4%**	**54.0%**	**61.3%**	**58.7%**	**56.8%**
Average Daily Rate	**$244.39**	**$267.98**	**$297.34**	**$315.69**	**$321.07**
ADR, % Change	1.4%	9.6%	12.0%	5.6%	1.7%
RevPAR	$133.00	$144.81	$182.20	$185.30	$182.42
RevPAR, % Change	4.4%	8.8%	27.8%	2.1%	-1.6%

Source: AirDNA- Updated Feb 7th 2023

Summary

- New bookings remain strong, no weakness yet in forward bookings.
- Urban demand still lags, new demand heading to suburbs
- International travel should continue its recovery in 2023 (New opportunity from APAC)
- Consumers continuing to prioritize travel & future bookings are up.
- Price pressures easing, ADRs may go negative in 2023
- Future supply growth will be challenging (Regulation, affordability, scaling)
- Non-traditional financing options support future growth

Source: AirDNA

Thanks for your time.

AirDNA

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