



2024 STR BENCHMARK REPORT

The Evolving Landscape of Short-Term Rentals

A review of key data and trends in the short-term rental market that affect local and state governments.

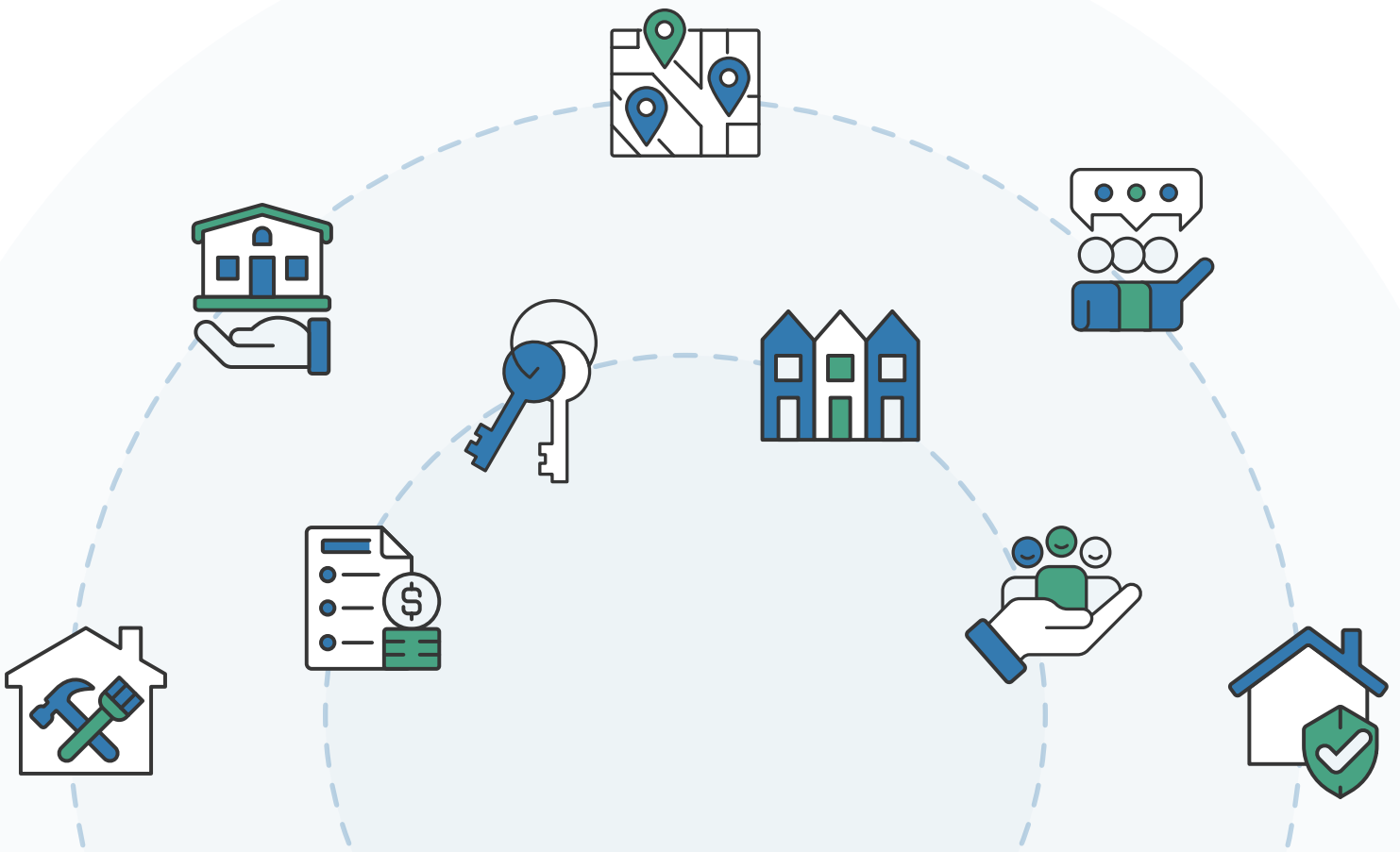


Table of Contents

EXECUTIVE SUMMARY	3
ABOUT THE BENCHMARK	4
Methodology	4
Definitions	4
MARKET DYNAMICS AND GROWTH TRENDS	6
Explosive Growth	6
Dynamic Listings	8
ECONOMIC OPPORTUNITIES	10
Tourist Spending	10
Government and Tourism Revenue Generation	10
OVERCOMING COMMUNITY CHALLENGES	13
Housing Affordability	13
Neighborhood Disruption	15
Regulatory Gaps	15
Key Policy Considerations for Local Governments	15
CONCLUSION	19
ABOUT GRANICUS AND HOST COMPLIANCE	20

Executive Summary

Short-Term Rentals (STRs) have become a ubiquitous feature of the hospitality landscape, offering alternative lodging options for travelers and the potential to generate significant economic benefits for communities. However, their rapid growth presents challenges for local governments, particularly regarding impacts on housing affordability, neighborhood character, and public safety. Further, as visitors increasingly opt to stay in STRs over traditional lodging, the funding needed for government services like waste and water management, fire and police, and code enforcement also increases. Hotels, bed and breakfasts, and other traditional lodging alternatives have long-standing regulatory frameworks in place to pay their fair share of taxes to the residing community – but unregulated or under-regulated STRs may be extracting more from the community than they give back.

This Benchmark Report explores the current state of the STR industry using significant, aggregated data insights from Host Compliance, a short-term rental software solution from Granicus, to outline key opportunities and challenges for local governments. This data, from over 500 local governments, has been supplemented by complementary industry facts and figures as cited.



About the Benchmark

METHODOLOGY

As the leading provider of short-term rental compliance software, Granicus is singularly positioned to provide actionable data on the short-term rental industry for state and local governments. Historically, the industry has relied on earnings calls and information from the big four listing companies: Airbnb, Booking.com, TripAdvisor, and Expedia. Such information has limitations as it is focused on corporate profitability rather than government service delivery and impact on communities. The data presented in this STR Benchmark is designed specifically to focus on short-term rental data and trends that can be critical to government decision making.

Using a portion of the broad Host Compliance customer base, anonymized data was gathered from 500+ organizations that includes large and small cities, counties, as well as HOAs, tourism and condo associations. Additional data points will be added over time. All data is tracked annually and segmented by population.

DEFINITIONS

SHORT-TERM RENTAL (STR): Temporary rental of a residential dwelling unit usually for periods of less than a month. Commonly booked through one of the many online marketplaces available, such as Airbnb, VRBO, and others.



20x

global short-term rental listing growth since 2011



2.4M+

U.S. based short-term rental listings in 2024



99

short term rental units for every 1,000 people in rural communities



\$2.8M

in short-term rental taxes collected by Nashville finance department using STR compliance technology

OPERATOR OR HOST: Owner or property manager of short-term rental.

LISTING: The individual advertisements created by the host. It is very common for a single rental unit to be advertised across multiple listings, and as a result you will always see a higher number of listings in your jurisdiction compared to the number of rental units.

RENTAL UNIT: The physical space or property being rented.

AVERAGE NIGHTLY RATE: The advertised cost for a nightly stay as averaged over the course of a quarter.

BOOKING: When a unit is rented out for any period of time.

CALENDAR ACTIVITY: The availability of a rental unit demonstrated on a monthly calendar.

NUMBER OF BOOKINGS: The total number of times a rental unit has been rented out.

MINIMUM NIGHT STAY: The minimum number of nights a rental unit needs to be rented for as determined by the host/operator.

DOCUMENTED NIGHTS OCCUPIED: Conservative estimate on the number of nights booked, based on Number of Bookings and Minimum Night Stay data.

ESTIMATED NIGHTS OCCUPIED: Mid-range estimate on the number of nights booked, based off Calendar Activity on listing(s).

DOCUMENTED REVENUE: This value is a conservative revenue estimate with the highest confidence level. Host Compliance stores each public review across a property's advertisements (i.e. listings) as a confirmed booking and estimates revenue from additional listing level insights like Minimum Night Stay and Listing Rates. For example, if a property is advertising on Airbnb for four nights minimum stay, at \$100/night, and has five reviews for Q1 2021, our low revenue estimate will look like $4 \times \$100 \times 5 = \$2,000$.

ESTIMATED REVENUE: The Host Compliance revenue estimate is powered by a machine learning algorithm that has been trained with millions of reservation data points to better infer calendar activity. Instead of using documented reviews, as frequently as we monitor a listing, Host Compliance also logs calendar activity (i.e. blocks in a calendar) and runs this known activity through our machine learning model to determine which blocks are reservations, owner stays, bookings on other platforms, etc.

POPULATION TYPES:

- » **Large population (urban, suburbs near city):** 250,000+ population
- » **Medium population (suburbs, near urban):** 100,00 - 249,000 population
- » **Low-mid population (suburban primarily):** 50,000 - 99,000 population
- » **Low population (primarily suburban, some rural):** 10,000 - 49,000 population
- » **Distributed population (remote suburbs and rural):** less than 10,000 population

Market Dynamics and Growth Trends

EXPLOSIVE GROWTH

In 2024, the U.S. short-term rental industry expanded to more than 2.4 million STR listings, representing 1.8 million unique rental properties. While tourist destinations and big cities in the U.S. were the first to see dramatic growth, mid-sized and smaller cities are experiencing significant STR growth in 2024, potentially due to changing tourism patterns and a shift away from traditional vacation destinations.

GLOBAL STR LISTING GROWTH SINCE 2011

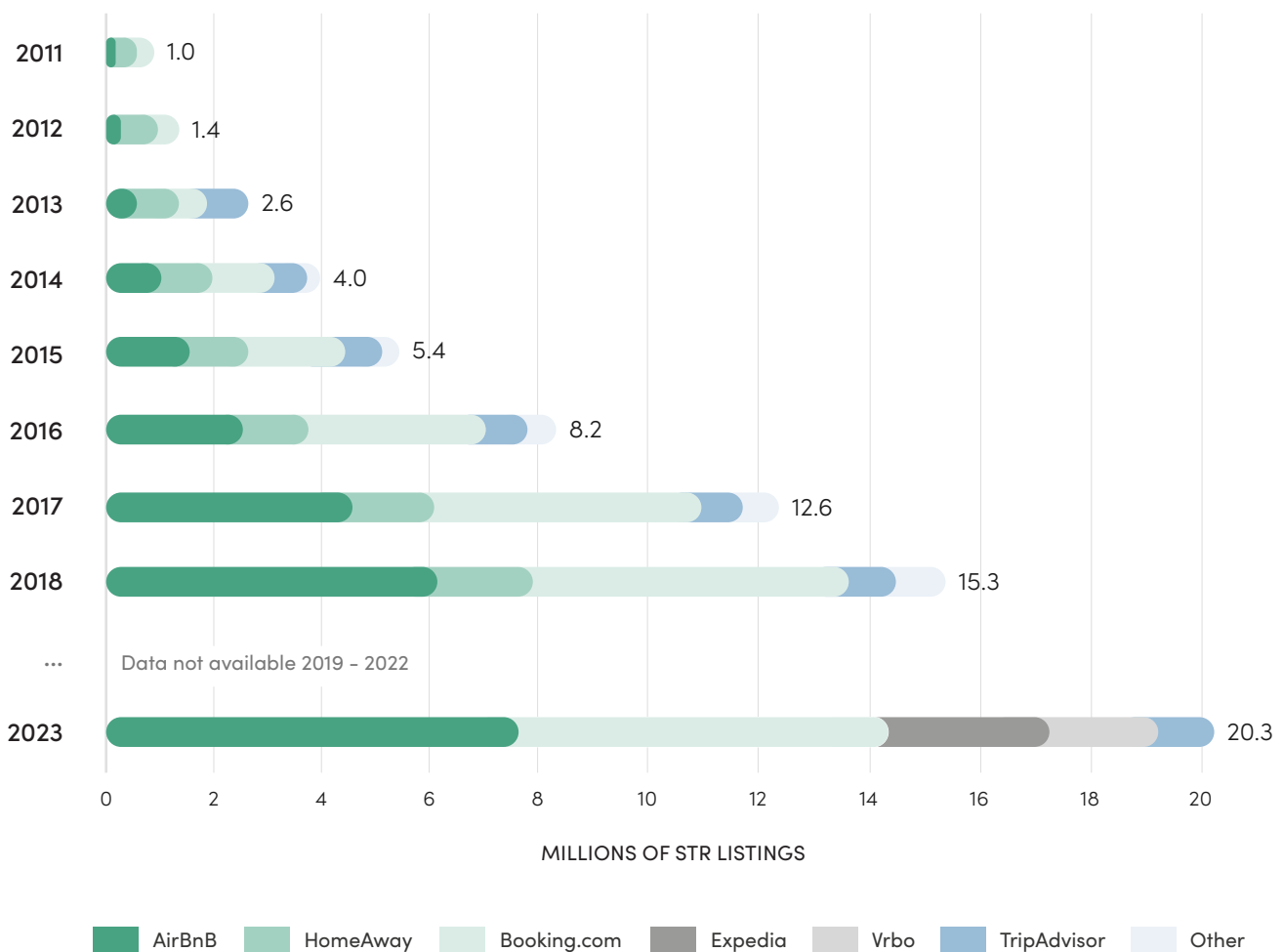


Figure A

Sources: AirBnB, Expedia, TripAdvisor, Booking.com, Tripping.com, Vrbo, Expedia

The size of the **global** short-term rental market is 20 times larger than it was in 2011. This growth is reflected in the increase of Granicus' short term rental customer base. As the industry grew, so did the need for technology to help identify short-term rental properties and manage impacts on communities. Between 2011 and 2023, the customer base for short-term rental Host Compliance solutions grew to more than 500 cities, counties, tourist boards and associations.

According to Granicus data analysis in the United States, the average number of STR properties per state is 35,937 – with North Dakota on the low end at 1,038 units and Florida on the high end with 327,734 units. See Figure B. An important data point for governments is the difference between listings and units, which will be explained in greater detail in this report.

State	Listing Count	Rental Unit Count	Percent Difference	Listed Daily Rate*	Min. Night Stay*
AK	10,797	8,952	-17%	165	2
AL	45,905	26,241	-43%	196	2
AR	18,184	13,657	-25%	145	2
AZ	77,178	59,979	-22%	181	2
CA	256,296	172,121	-33%	217	2
CO	108,973	74,966	-31%	221	2
CT	7,426	5,994	-19%	210	2
DE	11,009	8,665	-21%	249	3
FL	425,489	327,734	-23%	200	3
GA	68,396	48,672	-29%	168	2
HI	60,002	42,674	-29%	314	3
IA	6,111	4,868	-20%	125	2
ID	22,130	16,409	-26%	182	2
IL	20,707	15,928	-23%	128	2
IN	15,383	12,438	-19%	139	2
KS	6,820	5,467	-20%	102	1
KY	17,835	13,754	-23%	145	2
LA	17,265	12,279	-29%	150	2
MA	39,175	28,748	-27%	264	3
MD	30,399	23,729	-22%	188	2
ME	27,846	22,098	-21%	249	2
MI	47,769	35,665	-25%	200	2
MN	16,650	11,899	-29%	175	2
MO	30,418	21,875	-28%	146	2
MS	11,666	8,632	-26%	165	2
MT	20,487	15,634	-24%	208	2
NC	108,393	82,806	-24%	173	2
ND	1,291	1,038	-20%	104	2
NE	4,118	3,207	-22%	120	2
NH	15,326	11,661	-24%	230	2
NJ	32,225	24,754	-23%	217	3
NM	19,959	12,629	-37%	160	2
NV	23,349	16,508	-29%	200	2
NY	116,408	91,028	-22%	199	2
OH	26,214	20,029	-24%	135	2
OK	17,275	13,221	-23%	152	2
OR	46,574	31,429	-33%	174	2
PA	37,711	29,072	-23%	168	2
RI	7,736	5,566	-28%	311	2
SC	87,161	62,951	-28%	189	2
SD	7,612	5,841	-23%	179	2
TN	75,150	52,357	-30%	190	2
TX	186,591	143,382	-23%	150	2
UT	48,248	31,669	-34%	179	2
VA	44,045	31,454	-29%	178	2
VT	19,088	15,209	-20%	255	2
WA	53,403	38,298	-28%	181	2
WI	30,088	21,966	-27%	200	2
WV	8,161	6,519	-20%	160	2
WY	6,907	5,185	-25%	175	2
Average	48,867	35,937	-26%	184	2.08

Figure B | Aggregate data compiled by Granicus data scientists for July 2024.

* Average for state

Dynamic Listings

A single property can be listed for short-term rent on multiple platforms (Airbnb, VRBO, etc.), creating a more complex picture of actual STR activity than raw listing numbers suggest. With hundreds of continuously evolving listing platforms consolidating and growing into new niche markets all the time, it can be nearly impossible to track rentals manually. While at any moment there might be an overwhelming 10,000 secondary listing sites for governments to potentially monitor; these are largely duplicative amongst the big four platforms. And just as a smaller listing site starts to gain traction it gets consumed by the larger players. Data from 2022 and 2023 shown below illustrates this challenge.

DIFFERENCE IN LISTINGS VS UNITS BY POPULATION TIER

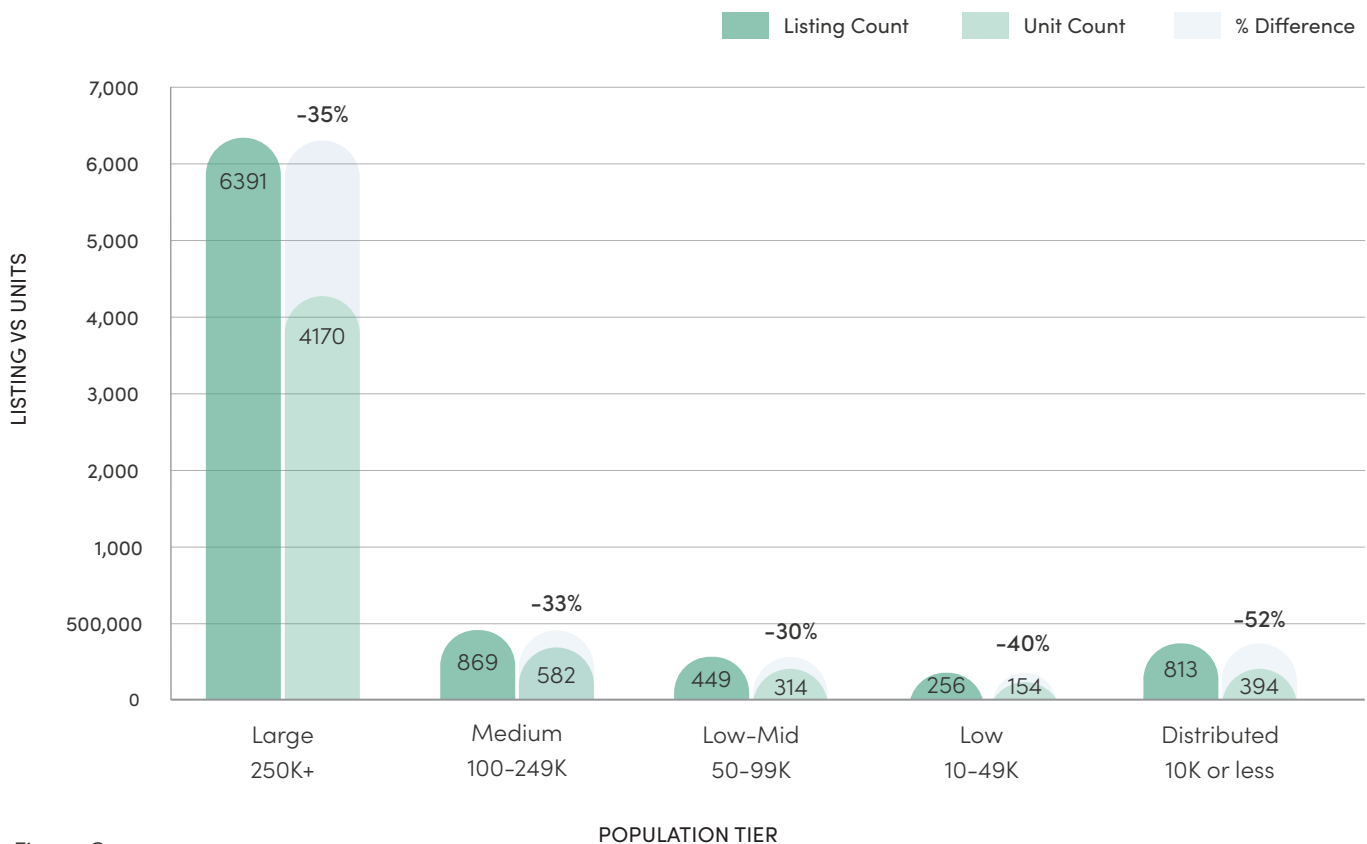


Figure C

While highly populated cities have 155% more listings than rural areas, it’s interesting to note that rural/dispersed areas have more listings than jurisdictions 5-10x their size and almost an equal number to medium population jurisdictions.

STR UNITS PER 1,000 PEOPLE OF POPULATION

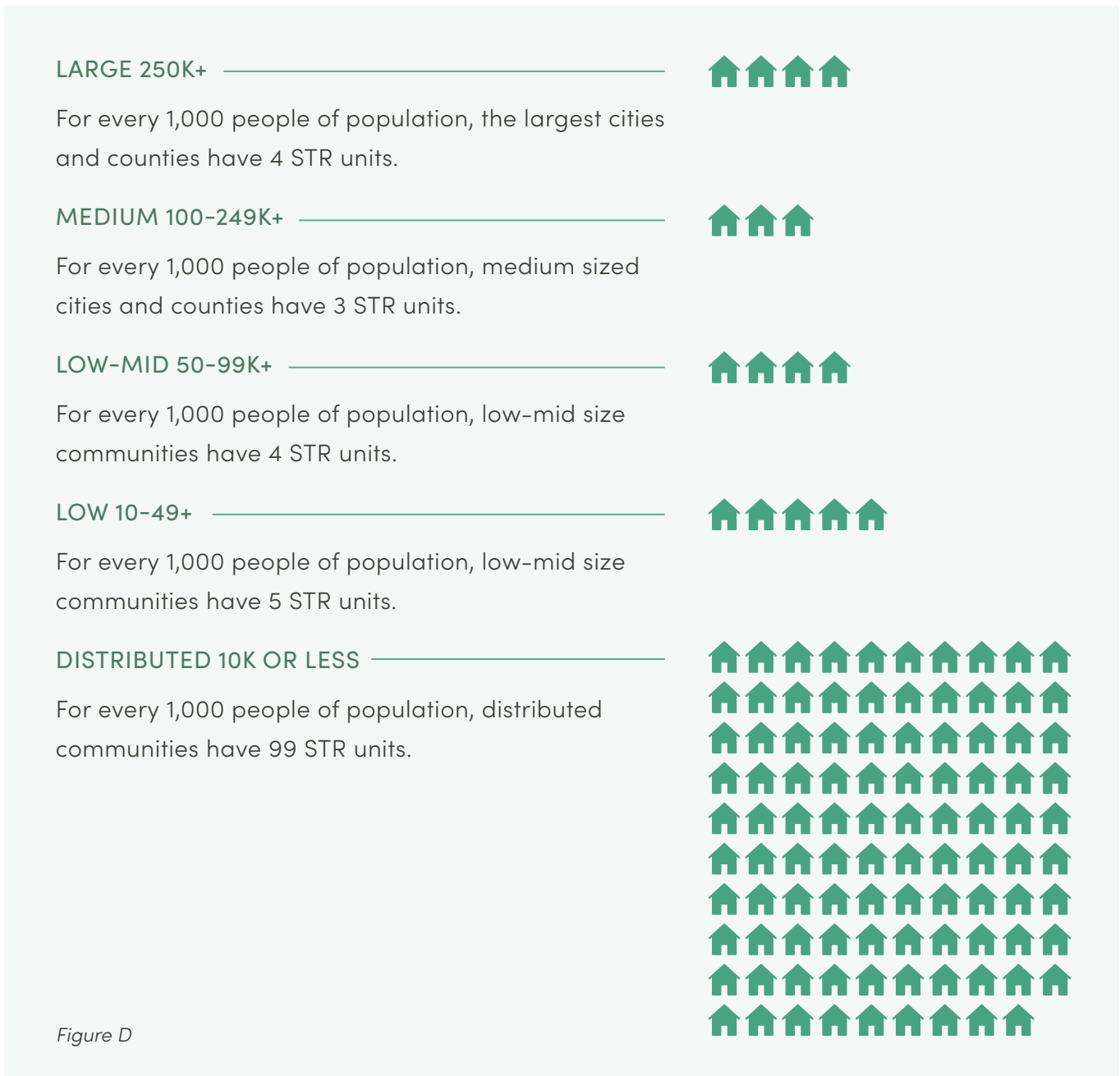


Figure D

When comparing rural/dispersed communities to all other population tiers, a key difference is the fact that there are significantly more STR properties per 1,000 people (as shown in this illustration). With nearly 10 short-term rental properties for every 100 people in communities with 10,000 or fewer residents it’s easy to see how this volume of visitors could affect many aspects of a community – from parking and noise to trash, sewage, and public safety.

Economic Opportunities

TOURIST SPENDING

Short-term rentals can attract tourists to both popular and lesser-known destinations, stimulating local businesses like restaurants, shops, and attractions. As the STR market has grown, tourism organizations and associations have had to pivot from promoting hotels, bed and breakfasts, and other traditional lodging alternatives to incorporating short-term rentals into their plans. A lack of data about which properties were short-term rentals; who owned the properties (as many STRs have owners who aren't residents); and how many visitors were staying in each property and the duration of their stay has made planning and reporting a challenge for many governments – potentially creating missed opportunities.

GOVERNMENT AND TOURISM REVENUE GENERATION

When effectively regulated, short-term rental properties can help state and local governments and tourism organizations recover revenue lost to reduced tax collected from traditional lodging. See the examples in Figure E. To adequately budget, determine service needs, and scale operations, governments need to know who owns each STR and how much revenue each property is bringing in to assess:

- » Hotel, Tourism, or Occupancy Taxes (such as TOT or TDT)
- » Permitting and licensing fees
- » Property and income taxes
- » Community impact taxes

When governments use listing and unit counts to estimate potential revenue from short-term rentals in their jurisdiction, they should use conservative estimating numbers and assume that some of the listings might be traditional accommodations like hotels and bed and breakfasts, which might not fall under STR regulations.

When governments are armed with data, they can level the playing field between STRs and traditional lodging, so that all property owners will pay their fair share ensuring that both hotels and STRs can co-exist peacefully and prosperously.

AVERAGE DAILY RATE BY POPULATION TIER



Figure E | Average daily rate for a short-term rental in the US by population tier.

Public tourism boards and convention/visitor bureaus exist to provide information and services to the public – encouraging tourism, and preserving community assets in urban locations, rural destinations, and everything in between.

Granicus STR Benchmark data shows the average daily rate charged by STR property owners/managers for rural and distributed properties is higher than the average daily rate for the largest cities. The reasons for the higher daily rate vary but clearly these locations are in demand. All of these areas have high median home costs, and some have high cost of living as well – these costs get passed on to visitors. Some of these cities only cover a square mile or two in geography, which could cause high demand among low supply.

AVERAGE REVENUE BY POPULATION TIER - ESTIMATED VS DOCUMENTED

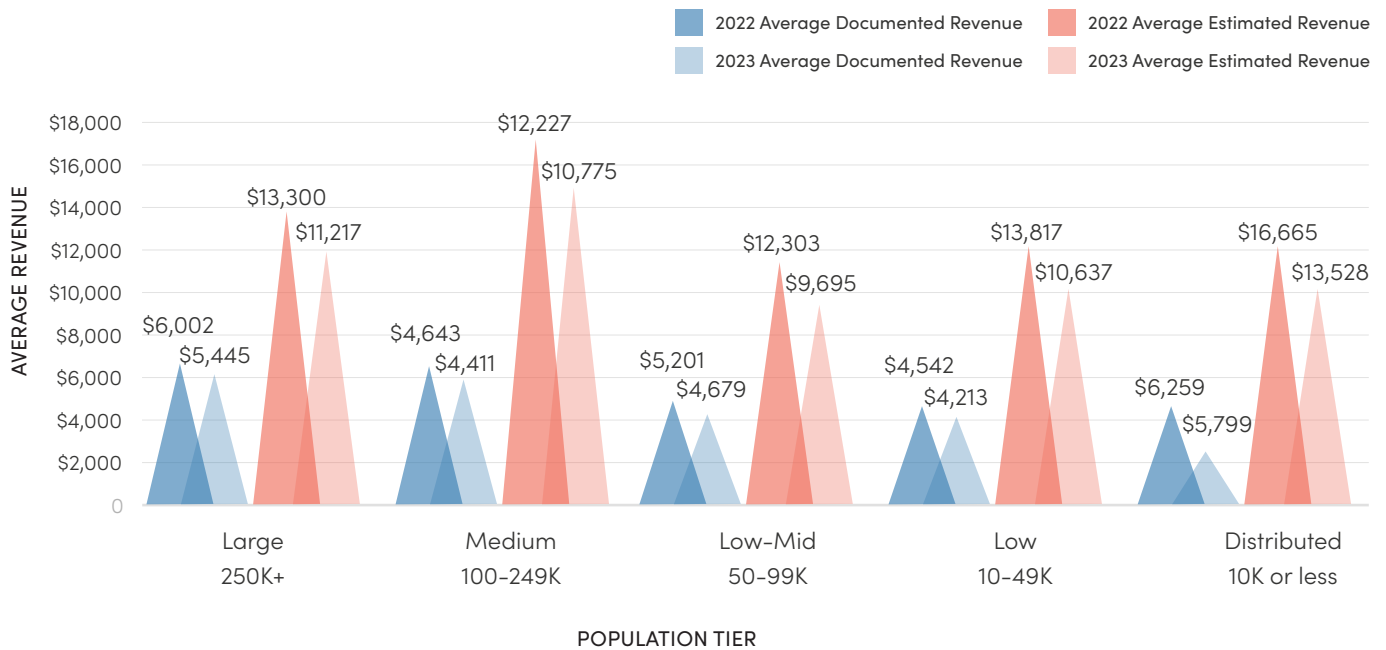


Figure F | Average Revenue by population tier

The average revenue for rural and distributed communities is also the highest estimated and documented of any population tier for 2022 and 2023 – higher even than the largest cities.

When unregulated, or under-regulated, this revenue may not be taxed (or taxes are not collected) creating a potential imbalance in the costs to serve the short-term rental market and cost recovery. Balance can be restored with effective regulations and technology.



Nashville, TN

The Nashville finance department used STR compliance technology to collect \$2.8 million in short-term rental taxes – an impressive 90% compliance rate.



Yates county, NY

Within six months of adopting STR compliance technology, Yates County, NY, saw a 275% increase in STRs identified and had collected \$185,000 in back taxes.



Alabama Mtn Lakes Tourist Association

Serving 500 community users, AMLTA used technology to inform local STR operators about the state law for lodging tax and improved tax revenue by 21% in 4 months with an 8% increase for state overall from just 16 counties.

Overcoming Community Challenges

HOUSING AFFORDABILITY

The conversion of housing to short-term rentals can exacerbate existing housing shortages and increase rental and home-buying costs for residents. Real estate data from across the U.S. shows increases in the average real estate listing and home sale prices between 2020 and 2023 (see figures below from realtor.com and redfin.com).

Short-term rentals have been criticized for reducing the supply of long-term rentals as property owners prefer more lucrative STRs. The reduction in the supply of long-term rentals drives up the cost of long-term rent, pricing many long-term renters out and displacing an important part of the local workforce.

Additionally, investors from inside and outside these communities have been willing to pay a premium for properties in sought-after locations. Homes are being listed with 3 years of STR business revenue proof; garnering a higher price from investors. This escalation pushes homeownership costs out of the range of many buyers with a cascading effect across the market – including gentrification that triggers a rise in the cost of goods and services, resulting in prohibitive pricing. Anecdotally, in traditional rental markets, where a family lake house or cottage might have been rented via word of mouth to friends and family for decades and never advertised online; the STR market has created an incentive for the next generation inheriting these properties to treat them as an investment business and begin listing them for anyone in the world to rent.

All these factors make effective government regulation vital to the health of the local economy and quality of life for residents.

Population Tier	City	State	Avg. Real Estate Listing Price Nov 20	Avg. Real Estate Listing Price Oct 23	Change	Avg. Home Sale Price Nov 20	Avg. Home Sale Price Oct 23	Change
Large	Los Angeles	CA	\$999,000	\$1,235,000	24%	\$825,000	\$968,500	17%
Large	Dallas	TX	\$419,000	\$500,000	19%	\$355,000	\$422,500	19%
Large	Seattle	WA	\$699,900	\$799,950	14%	\$753,750	\$813,000	8%
Large	Las Vegas	NV	\$333,000	\$448,900	35%	\$310,000	\$406,000	31%
Large	Boston	MA	\$765,000	\$969,900	27%	\$650,000	\$794,500	22%
Large	Kansas City	MO	\$229,000	\$259,400	13%	\$225,000	\$260,000	16%
Large	Atlanta	GA	\$375,000	\$429,900	15%	\$322,000	\$402,500	25%
Large	Virginia Beach	VA	\$314,700	\$389,900	24%	\$310,000	\$365,000	18%
Large	Long Beach	CA	\$625,000	\$799,999	28%	\$663,000	\$786,000	19%
Large	Minneapolis	MN	\$299,900	\$325,000	8%	\$300,000	\$316,000	5%
Average					21%			18%

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Population Tier	City	State	Avg. Real Estate Listing Price Nov 20	Avg. Real Estate Listing Price Oct 23	Change	Avg. Home Sale Price Nov 20	Avg. Home Sale Price Oct 23	Change
Medium	Norfolk	VA	\$250,000	\$316,480	27%	\$240,000	\$309,000	29%
Medium	Spokane	WA	\$319,500	\$449,900	41%	\$291,000	\$379,950	31%
Medium	Overland Park	KS	\$449,250	\$627,000	40%	\$362,500	\$460,000	27%
Medium	Birmingham	AL	\$171,000	\$182,500	7%	\$190,000	\$176,900	-7%
Medium	Knoxville	TN	\$294,500	\$440,000	49%	\$260,000	\$370,000	42%
Medium	Vancouver	WA	\$400,000	\$529,999	32%	\$387,088	\$500,000	29%
Medium	Akron	OH	\$98,900	\$127,200	29%	\$114,900	\$145,000	26%
Medium	Elk Grove	CA	\$498,500	\$654,500	31%	\$497,000	\$645,000	30%
Medium	Garden Grove	CA	\$649,450	\$910,000	40%	\$672,000	\$857,500	28%
Medium	Fort Collins	CO	\$455,000	\$600,000	32%	\$416,000	\$502,500	21%
Average					33%			26%
Low-Mid	Longmont	CO	\$499,900	\$635,000	27%	\$439,250	\$590,000	34%
Low-Mid	Napa	CA	\$950,000	\$1,187,500	25%	\$750,000	\$997,500	33%
Low-Mid	North Miami	FL	\$259,250	\$422,500	63%	\$255,000	\$382,500	50%
Low-Mid	Alpharetta	GA	\$546,400	\$799,950	46%	\$457,500	\$650,000	42%
Low-Mid	Portland	ME	\$451,150	\$682,000	51%	\$387,500	\$583,593	51%
Low-Mid	Revere	MA	\$484,900	\$549,950	13%	\$515,000	\$499,000	-3%
Low-Mid	Bozeman	MT	\$747,000	\$889,000	19%	\$477,425	\$647,000	36%
Low-Mid	Georgetown	TX	\$375,819	\$490,000	30%	\$337,250	\$455,000	35%
Low-Mid	Eau Claire	WI	\$226,900	\$325,000	43%	\$221,250	\$335,000	51%
Average					35%			36%
Low	Bluffton	SC	\$379,000	\$599,000	58%	\$363,000	\$525,000	45%
Low	State College	PA	\$355,000	\$449,545	27%	\$340,500	\$369,000	8%
Low	The Dalles	OR	\$379,450	\$430,000	13%	\$290,000	\$350,000	21%
Low	Danville	VA	\$119,900	\$190,950	59%	\$130,000	\$130,000	0%
Low	Boone	NC	\$444,900	\$749,000	68%	\$345,000	\$534,500	55%
Low	Niagara Falls	NY	\$94,900	\$129,900	37%	\$115,100	\$180,000	56%
Low	Bangor	ME	\$181,950	\$299,500	65%	\$192,131	\$272,812	42%
Low	Perry	GA	\$273,650	\$308,450	13%	\$203,900	\$298,900	47%
Average					42%			34%
Distributed	Fort Ann	NY	\$224,900	\$279,500	24%	\$215,000	\$258,000	20%
Distributed	Kennebunkport	ME	\$940,000	\$1,825,000	94%	\$625,000		
Distributed	Tybee Island	GA	\$525,000	\$777,000	48%	\$440,000	\$694,750	58%
Distributed	Indian Rocks Beach	FL	\$627,000	\$1,090,000	74%	\$739,000	\$994,000	35%
Distributed	Ludlow	VT	\$475,000	\$530,000	12%	\$393,750		
Distributed	Cannon Beach	OR	\$529,000	\$1,249,250	136%	\$600,000	\$1,125,000	88%
Distributed	Lenox	MA	\$754,500	\$1,125,000	49%	\$512,500	\$465,000	-9%
Distributed	Nederland	CO	\$1,750,000	\$960,000	-45%	\$615,000	\$840,000	37%
Average								38%

Figure G | Real estate data (from publicly available sources such as Realtor.com and Redfin) segmented by population tier.

NEIGHBORHOOD DISRUPTION

In addition to the adverse impact of unregulated short-term rental properties on housing costs, short-term renters can disrupt the sense of community for long-term residents and lead to noise, parking, safety, and trash issues in residential areas. Enforcement of ordinances can be especially challenging if local authorities don't have contact information for STR property owners and lack the tools to collect and process complaints and non-compliance issues.



Using STR compliance technology, Summit County, CO, peacefully resolved 400 STR complaints in one year.

[Read the Story](#) ☆

REGULATORY GAPS

Unclear regulations around STRs make enforcement difficult and limit local governments' ability to collect taxes and ensure safety standards are met. [Regulatory Tools for Short-term Rentals \(bit.ly/STR-Regulatory-Tools\)](https://bit.ly/STR-Regulatory-Tools) offers several recommended solutions for local governments.

KEY POLICY CONSIDERATIONS FOR LOCAL GOVERNMENTS

1

PERMITTING AND LICENSING: Implementing a permitting system can ensure basic safety standards and provide a revenue stream for local infrastructure.

2

ZONING REGULATIONS: Designating specific zones for STRs can minimize disruption in residential neighborhoods.

3

TAXATION: Developing a framework for fair and efficient collection of taxes from STR property owners can generate additional revenue for local governments.

4

DATA COLLECTION AND ENFORCEMENT: Utilizing data analytics tools and establishing clear enforcement protocols are crucial for effective regulation.

Governments gain the ability to effectively regulate short-term rentals when they can identify short-term rental property addresses and analyze booking activity. They also gain insights into the contraction and expansion of the STR market in their community, which allows for more proactive governing. In the data below, we can see the important differences between estimated and documented stays.

AVERAGE NIGHTS OCCUPIED BY POPULATION TIER: ESTIMATED VS DOCUMENTED

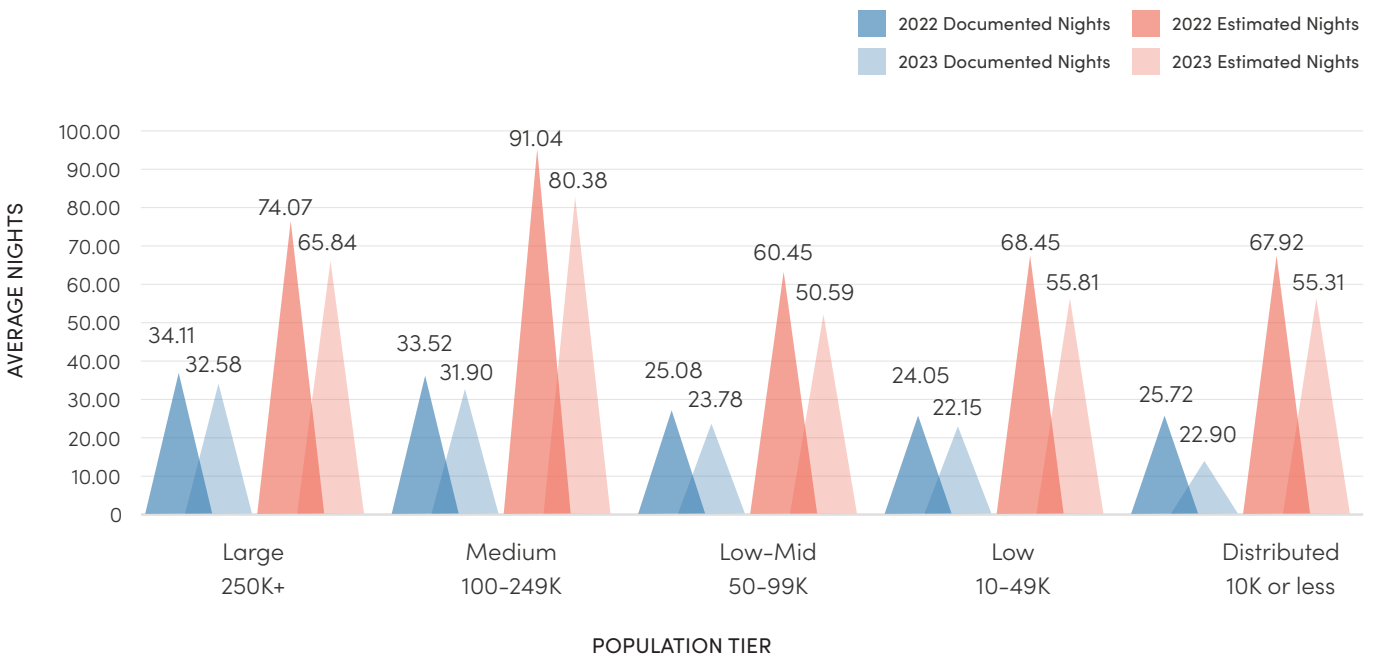


Figure H

When we look at how many nights STRs were occupied (via number of bookings and minimum night stay data, as well as verified stays using calendar data for listings), 2022 numbers were a little higher than 2023. Medium cities had the highest estimated nights year-over-year at 91 in 2022 and 80 in 2023 (a decrease of 12%). Documented nights for large and medium cities were roughly the same year over year – between 24–32 nights on average. Governments operating without data – or with bad data – will likely miss out on potential STR revenue that can be used to improve the local economy and quality of life for residents, including programs that could increase permanent housing affordability. Accurate data can drive proactive regulation development to solve the unique short-term rental challenges faced by governments large and small.

EXAMPLE SHORT-TERM RENTAL REGULATION DEVELOPMENT TIMELINE



Figure 1

Conclusion

The STR industry presents both opportunities and challenges for local governments. By fostering a collaborative approach with stakeholders and implementing balanced regulatory frameworks, local communities can harness the economic benefits of STRs while mitigating their negative impacts. Data insights, like those provided by Host Compliance software, can provide a realistic picture of a community's potential revenue from short-term rentals. By comparing data from their own jurisdiction to that of similar communities, governments can more easily create effective policies, regulations, and plans to offset revenue losses from traditional lodging, which is needed to support the health and safety of residents and visitors alike. Granicus hopes that this new annual benchmark report can play an important role in providing governments with the aggregated data needed to make informed policy decisions for the benefit of all.



About Granicus and Host Compliance

Granicus partners with more than 6,000 government organizations serving 300 million people and provides software services and solutions that empower digital engagement with the public.

The Address Identification module – the core of the Host Compliance short-term rental SaaS suite – enables communications between governments and hosts. Host Compliance provides clients with an online dashboard containing complete address information and screenshots of all identifiable short-term rentals by monitoring all the major STR listing websites, deduplicating listings, and leveraging machine learning coupled with a team of more than 200 human analysts. This data powers rental activity monitoring, permitting and registrations, compliance monitoring, tax collection, and more.

Granicus has more than 500 unique Host Compliance customers (cities, counties, HOAs, and tourism boards across North America and Canada) and monitors rental platforms to provide more than 100 unique data points related to short-term rental properties within the city, county, or other jurisdiction. When combined with government data, staff get a holistic view of the short-term rental market and compliance with local regulations.

Additionally, communities can use Host Compliance data to perform outreach to short-term rental operators, ensuring a level playing field for all types of lodging providers, and improve compliance to reduce any negative impacts on the community.

[Get in Touch](#)