



Airbnb Economic Impact & Housing Report

City of Washington, DC



Home sharing is an economic engine for the region

By welcoming guests into their home, hosts on Airbnb also help generate economic benefits for the region. In 2023, hosts on Airbnb welcomed over 540,000 guests arrivals to Washington, DC who contributed an estimated **\$307 million annually to GDP¹**, including:

3,100 jobs supported²

\$77 million in total tax revenue³

\$20.3 million in local occupancy taxes in the City of Washington, DC⁴ (nearly \$119.1 million to date)⁵

\$203 million in labor income⁶

This impact comes from citizen-led tourism utilizing an incredibly small fraction, less than one-half of one percent⁷, of Washington, DC's more than 367,000 housing units.⁸

¹ Economic contribution metrics are generated using [IMPLAN](#)'s input-output model using multipliers from the 2022 data year (the latest available at the time of analysis) for Washington, DC MSA, and are reported in 2023 dollars. Model inputs are host earnings & guest spending, where spending is based on a survey of Airbnb guests staying in Washington, DC.

² Estimated number of full-time, part-time and seasonal jobs supported by the output generated by Airbnb activity. This metric includes direct, indirect, and induced effects.

³ Estimated total tax revenue associated with economic activity generated by Airbnb stays. This includes the total value of taxes associated with hosts' income and spending, and the economic activity stemming from guests visiting local businesses.

⁴ Local transient occupancy taxes collected and remitted by Airbnb on behalf of hosts in the City of Washington, DC in 2023

⁵ Local transient occupancy taxes collected and remitted by Airbnb on behalf of hosts in the City of Washington, DC from 2016 to 2023

⁶ Labor income includes both Proprietor Income (e.g. for small business owners that benefit from guest spending), but also Employee Compensation (e.g. cleaners, employees of small businesses). More details [here](#).

⁷ According to the American Community Survey 1 year estimates for 2023, <https://data.census.gov/table/ACSST1Y2023.B25001?q=Housing%20Units&g=160XX00US1150000>

⁸ According to the American Community Survey 1 year estimates for 2023, <https://data.census.gov/table/ACSST1Y2023.B25001?q=Housing%20Units&g=160XX00US1150000>



Airbnb got its start during the Great Recession as a way to help our founders pay their rent. More than 15 years since our founding, approximately 1 million people stay in Airbnb listings across the U.S. on any given night and more than 40 percent of hosts say the income from hosting allows them to stay in their homes.

Today, 83% of hosts in Washington, DC share just one home on Airbnb, helping to provide affordable accommodation options for guests, disperse travel to new destinations, and generate billions in economic activity and tax revenue for communities. Airbnb helps support the kind of travel and tourism that is good for hosts, guests, and local communities:

- Airbnb hosts keep the vast majority of what they charge for their listing, and unlike many big hotels, hosts help keep that money in their local communities.
- Airbnb listings are located in a wide range of neighborhoods, including neighborhoods that are not in traditional tourist corridors and do not typically benefit from tourism.
- When guests arrive at their listing, they often receive recommendations from their host on local businesses to visit, many of which are in the neighborhood where they stay. This type of hosted travel helps guests live like locals and has significant positive economic impacts as guests spend time and money in local restaurants and businesses.

This report outlines the estimated economic impact of the Airbnb community in the nation's capital. Our hope is that this information will help local stakeholders better understand the benefits home sharing provides to the local community.



Washington, DC metro hosts

Hosting on Airbnb is a vital source of supplemental income for local residents. According to a survey of hosts in Washington, DC:⁹

47% said the income earned through hosting has helped them stay in their home

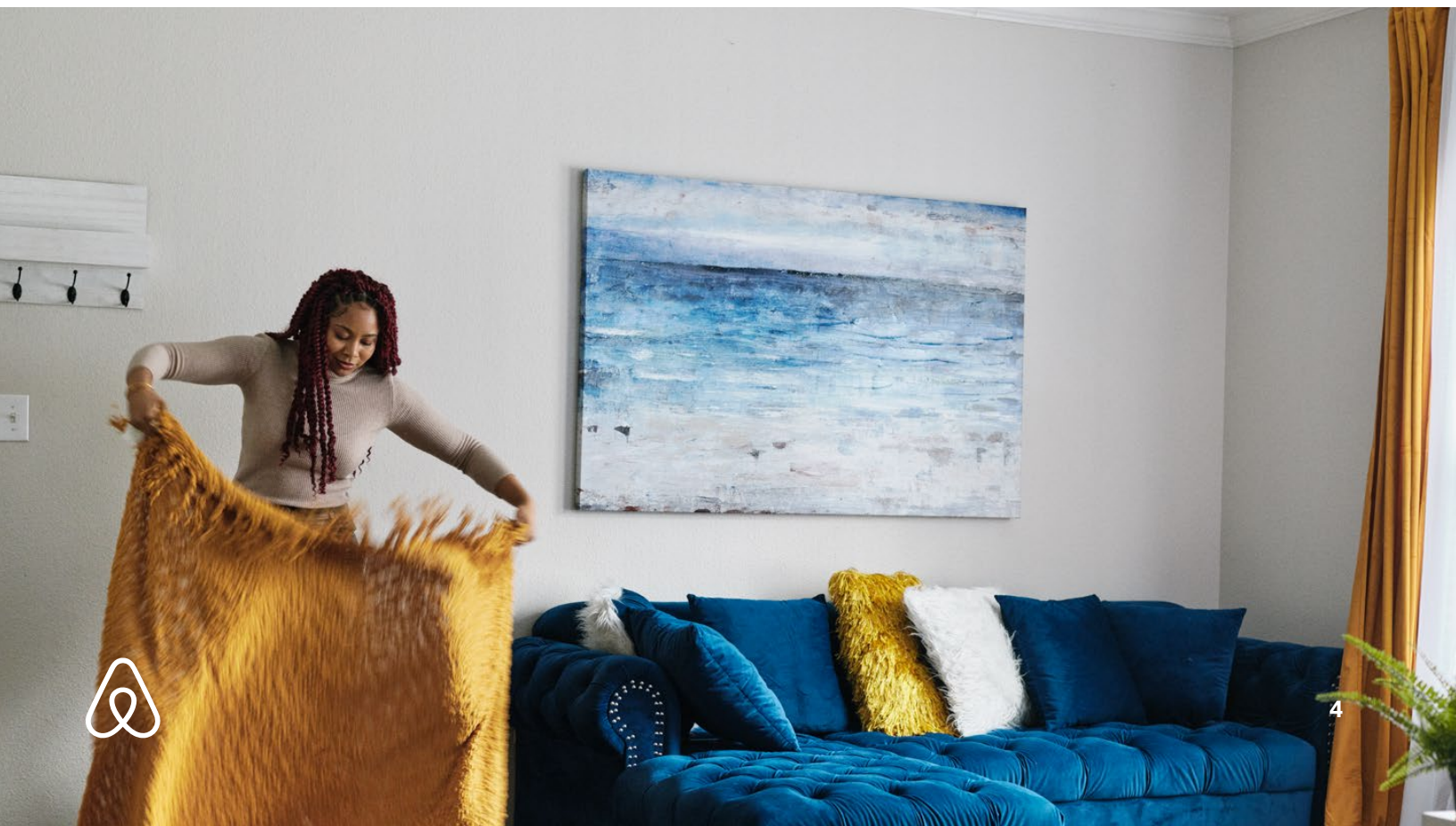
20% said hosting helped them avoid foreclosure or eviction

70% use the income from hosting to cover the rising costs of living

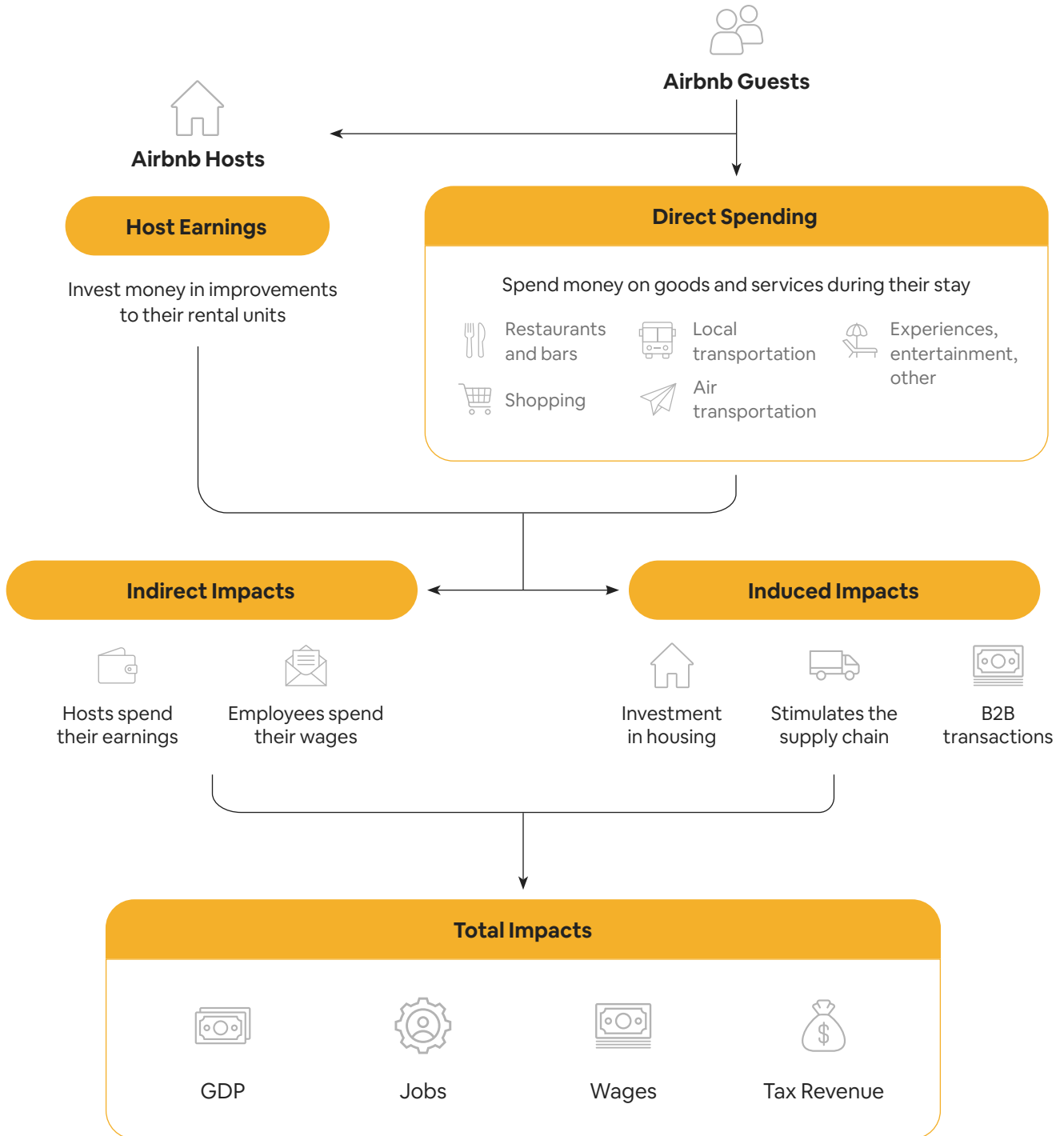
In total, hosts in Washington, DC earned more than \$124 million in 2023.¹⁰

⁹ Internal survey of hosts in Washington, DC between January 1, 2023 and December 31, 2023.

¹⁰ Airbnb earnings are for 2023.



Economic contribution from Airbnb guests & hosts in 2023





Airbnb and the Washington, DC housing market¹¹

Every day, we work with governments to help ensure that hosting on Airbnb, and the economic activity created by hosting, make communities stronger. To date, we've partnered with over 1,000 governments around the world to support common sense rules for short-term rentals.

Through this work, we understand cities continue to navigate unique, complex challenges – including housing affordability. Many experts agree the chronic, decades-long underproduction of new housing supply is driving today's housing affordability challenges. We want to play a role in finding sensible, long-term solutions to help increase the housing supply and work with cities to balance the benefits of home sharing with communities' needs.

The following section of the report outlines some of the primary factors driving local housing concerns, and provides an outline of how Airbnb can work with communities to help address the problem.

¹¹ References to "Washington, DC" in this report refer only to the city of Washington, DC.



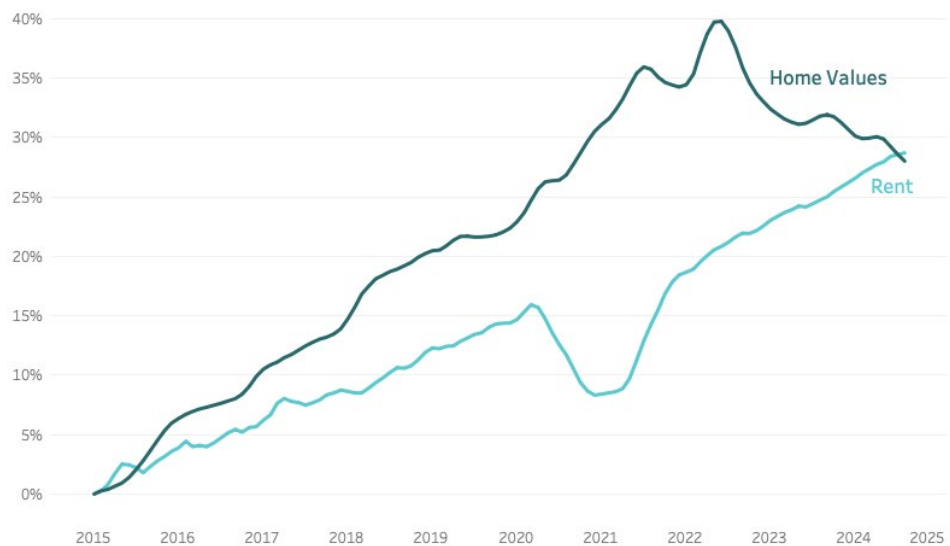
A root cause of rising housing costs in Washington, DC

Housing costs in Washington, DC have been rising for years. Since 2015, both rents and home values have increased by 28 percent as of August, 2024, according to Zillow. Although home values are stabilizing, prices remain out of reach for many renters. In 2023, nearly half (47%) of renters in Washington, DC were rent-burdened.¹²

Housing costs in Washington, DC are up 28% since 2015

Percent change since January 2015, seasonally adjusted

Sources: Zillow's Home Value Index (ZHVI), Zillow's Observed Rent Index (ZORI)
Data available at [zillow.com/research/data](https://www.zillow.com/research/data)



There are many factors contributing to local housing affordability challenges, from growing income inequality, to decades of exclusionary zoning, elevated interest rates, and even changing location preferences post-pandemic, including the rise of remote working from home.¹³

Where many experts agree is that the primary driver of the affordability crisis is chronic underproduction of housing.¹⁴ According to independent analyses, between **13,000¹⁵** and **33,000¹⁶** housing units would have needed to be added in Washington, DC to address the needs of renters.

¹² According to an analysis of American Community Survey data by Apartment List. <https://www.apartmentlist.com/research/more-than-half-of-all-renters-are-cost-burdened>

¹³ Research from the Federal Reserve Board of San Francisco found that more than half of the increase in home prices during the pandemic could be explained by remote work trends. <https://www.frbsf.org/economic-research/publications/working-papers/2022/11/>.

¹⁴ See, for example, *Alleviating Supply Constraints in the Housing Market*, White House, 2021.

¹⁵ According to Up For Growth's housing underproduction research, <https://upforgrowth.org/apply-the-vision/housing-underproduction/>

¹⁶ According to National Low Income Housing Coalition's housing needs research, <https://nlihc.org/housing-needs-by-state/district-columbia>



Citizen-led tourism’s impact on Washington, DC housing market

Listings on Airbnb represent an incredibly small fraction of Washington, DC’s more than 367,000 housing units – less than one-half of one percent,¹⁷ yet short-term rental restrictions in the District in recent years have further reduced the number of households offering stays to short-term renters by several thousand. Meanwhile rents have continued to increase substantially during this time.

According to [independent research](#), the growth of Airbnb has had, in many cases, no impact at all on rental cost increases. There is also little evidence that regulations aimed at limiting short-term rentals have successfully brought down housing costs significantly, having an impact on rents of only [2% in Los Angeles](#) as reported in one academic study and [no impact on rents in Santa Monica](#) in another independent study. In fact, housing costs have continued to soar in markets like [Boston](#) and [NYC](#) which have severely restricted home sharing. A primary reason, of course, is chronic under-production of new housing.

¹⁷ According to the the American Community Survey 1 year estimates for 2023, <https://data.census.gov/table/ACSDT1Y2023.B25001?q=Housing%20Units&g=160XX00US1150000>



Our commitment to work with policymakers to address the primary causes of rising housing costs in Washington, DC

While there are no silver bullets, we're committed to working with Washington, DC policymakers to address the root causes of rising housing costs. Here are some of the ways we've done this to date:

Supporting policies that create more housing supply, either through allocating occupancy tax dollars to the development of new affordable housing or by advocating for deeper policy changes to reduce barriers to increasing housing supply.

Launching new products like Airbnb-Friendly Apartments, which offers renters — who are more likely to be cost-burdened — a way to earn additional income to offset living expenses through their traditional long-term rental, as well as **Airbnb Rooms**, a renewed focus on everyday hosts who share space in their own homes.

Being supportive and transparent about our impact with policymakers. In 2020, we launched the City Portal to help cities better understand the Airbnb landscape in their communities and tools to help cities enforce their short-term rental laws. Since then, we've partnered with the Department of Licensing and Consumer Protection (DCLP) on the District's implementation of their 2018 STR regulation, expanding the City Portal to support their enforcement and compliance efforts, and holding bi-weekly calls with DCLP to discuss implementation.

Collecting tourism taxes. To date, we have collected and remitted more than [\\$10 billion in tourism taxes globally](#) on behalf of our host community, including over \$119 million to Washington, DC.¹⁸

Strengthening protections for renters. We have implemented policies that address concerns around rental evictions and we stand ready to partner with communities where a tenant has been unfairly evicted and take appropriate action.

¹⁸ Taxes collected and remitted between August 2016 and December 2023.



Airbnb's commitment to working with policymakers

Airbnb will continue to work with leaders in the region to support sensible rules that protect the benefits home sharing generates for residents and the local economy while addressing community concerns.



