HOST COMPLIANCE

City of Pasadena:
Short-Term Rental Market Overview

By Host Compliance, LLC

September 2017

Contents

I. Introduction

Like many cities around the world, Pasadena is interested in effectively and efficiently responding to the rapid growth of Internet-facilitated short-term renting (STR). In mid 2016, the City of Pasadena began a review of current short-term rental regulations. Host Compliance LLC was commissioned to provide data on the short-term rental market in Pasadena and its districts. Since the short-term rental is very dynamic and growing at a rapid rate, this report is an update on the earlier data with additional information on the minimum nights spend, the nightly rate, the estimated annual nights rented, the estimated rental revenue and annual TOT potential.

2. Background & Methodology

As a software, data and consulting services provider exclusively focused on helping local governments overcome the challenges associated with short-term vacation rentals, Host Compliance LLC has developed a set of proprietary data and analytics tools that can provide deep insights into the scale and scope of the short-term rental activity in any community. In this report, we will provide our findings from the City of Pasadena, with the hope that this fact-base will help inform the debate about how short-term rentals could be regulated in the City in the years to come.

Host Compliance Team

Jeffrey Goodman

Jeffrey is an urban planner and considered one of North America's leading authorities on shortterm rentals and how they impact communities. He has contracted with both the City of New Orleans and Airbnb, and advised research on short-term rentals cities including San Francisco, Pasadena, Portland, New Orleans, and New York. Jeff has spoken about short-term rentals across the country, including at the APA's National Planning Conference. He graduated from Yale College and earned his Masters of Urban Planning from Harvard University. He is the author of a recent featured article in Planning Magazine on the topic of STR regulation.

David Marcus

David is a Caltech Applied and Computational Math graduate working at the intersection of data science and geospatial information management with eight years of experience building well-architected scalable software. Prior to Host Compliance, David founded Routefriend.com, a web-based application for planning trips on buses and trains, serving 1.5 million monthly users. David's most recent experience was at DwellAware where he served as the Lead Data Scientist for the data analytics company building products to quantify housing risks and costs for businesses and their customers in the residential real estate sector. Prior to DwellAware, David served in various technical roles at a number of software companies including aboutLife, UrbanMapping, AmericanTowns.com, Nielsen Analytic Consulting and Hewitt Associates. David earned his BS Degree in Applied & Computational Mathematics at California Institute of Technology and his MA in Anthropology from University of Kent.

Ulrik Binzer

Ulrik is the Founder and CEO of Host Compliance, the industry leader in short-term rental monitoring and compliance solutions for local governments. A pioneer in the short-term rental enforcement solution space, Ulrik developed the first short-term rental compliance monitoring tools and now uses his expertise and insights to help local governments across North America implement, monitor and enforce short-term rental regulation. Ulrik previously served in a variety of leadership roles in management consulting, private equity, startups and the military and developed his strategic and analytical skill-set at McKinsey & Company and the Harvard Business School.

General Methodology

Host Compliance's data is collected weekly and we currently collect, aggregate and deduplicate all listing data, reviews, calendar info and photos across the world's 16 top short-term rental listing sites.[1] We estimate this represents 99% of the total vacation rental universe in the City of Pasadena's jurisdiction.

Gathering data across platforms presents unique presentation problems. One listing may list on multiple sites, or might be listed in multiple forms on the same site, and analysis can quickly be bogged down by constantly switching between units, listings, active listings, de-duplicated listings, etc. In this document, unless preceded by a modifier, 'listings' refers to all online advertisements, regardless of ownership, duplication, or activity. Each profile will give a breakdown between listings, active listings, listings that qualify as STRs, and physical units. Active listings are defined as any listing that has either had its booking calendar changed or received a review in the last year. These are strong indicators that a host is still actively managing a listing. Using information on activity, nightly minimum stays, and rental price, Host Compliance has been able to produce estimates of potential monthly and yearly revenue both for individual units and on a neighborhood-scale. These estimates can only be verified by a host-by-host audit.

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[1] Airbnb.com, Flipkey.com, HomeAway.com, VRBO.com, VacationRentals.com, travelmob.com, BedandBreakfast.com, HomeAway.co.uk, OwnersDirect.co.uk, HomeAway.de, Abritel.fr, Homelidays.com, HomeAway.es, Toprural.es, AlugueTemporada.com.br , HomeAway.com.au, Stayz.com.au, Bookabach.co.nz

Data Used for This Report

Host Compliance's raw data can be analyzed by a number of parameters including:

- Listing site
- Location (as defined by a boundary box or polygon i.e. a neighborhood)
- Property type (e.g. single-family or multi-family
- Room type (e.g. entire home, private room, shared room)
- Number of bedrooms and bathrooms, rental rate, and minimum rental period
- Host Name/ID
- Activity and revenue estimates
- First and last review date
- Date the property was first active

The data contained in this report is believed to be highly accurate and representative of the scale and scope of the short-term rental activity in the City of Pasadena as of the date of this report.

Data Note

The data contained in this report was collected on or before September 2, 2017. Small differences in individual lines – discrepancies between listings numbers and percentages, percentages that add up to more than 100% - may be the result of rounding or updated data.
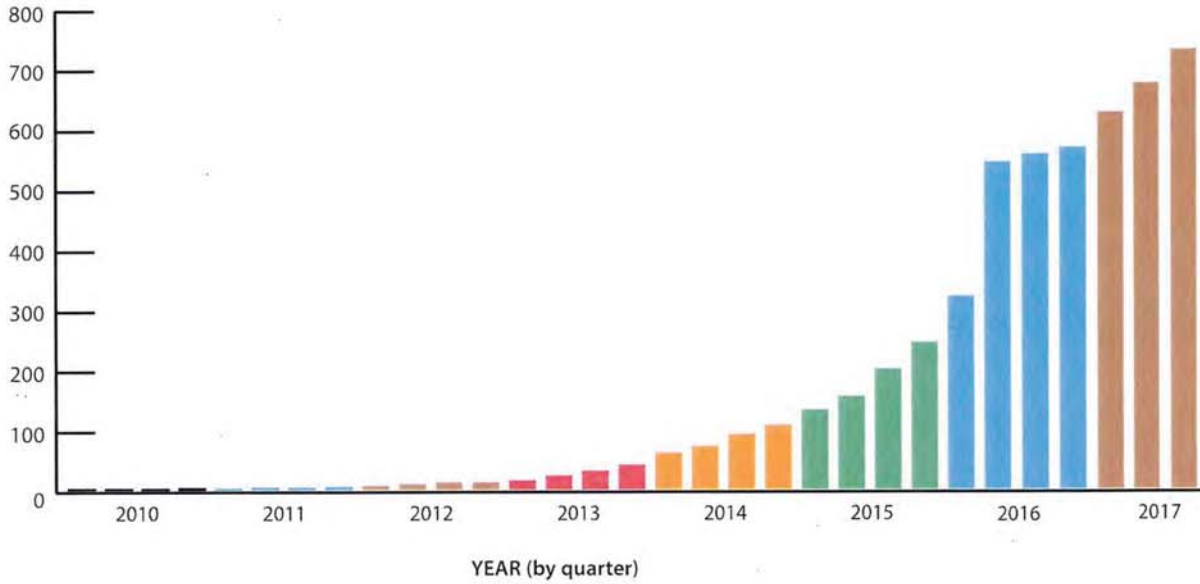
All of these numbers represent a moment in time, a specific snapshot of the marketplace as it is on the day of collection. Short-term renting is a dynamic, rapidly evolving industry, with individual hosts and entire listing platforms changing on a moment's notice. Absolute numbers change daily and can never truly be captured in a report. Instead, consider the themes, ratios, and trends as indicative, even if the data varies slightly.

3. Short-term Rental Data

In the following pages the data on short-term rentals for the City of Pasadena are summarized. It will first provide an overview of the growth of short-term rentals in the City of Pasadena between 2010 and 2017. Consequently the Gross Revenue Estimate and TOT estimate for the past 12 months will be shown. The final part of this report consists out of infographics of the short-term rental activity in the City of Pasadena, followed by exhibits per district.

HOST COMPLIANCE

1. Number of STR listings in Pasadena 2010 - 2017

YEAR (by quarter)

Year	Quarter	Number of Listings	Year	Quarter	Number of Listings
2010	1	1	2014	1	62
2010	2	1	2014	2	73
2010	3	1	2014	3	93
2010	4	2	2014	4	108
2011	1	2	2015	1	134
2011	2	4	2015	2	157
2011	3	4	2015	3	203
2011	4	5	2015	4	248
2012	1	6	2016	1	326
2012	2	9	2016	2	553
2012	3	12	2016	3	567
2012	4	12	2016	4	573
2013	1	15	2017	1	644
2013	2	23	2017	2	697
2013	3	31	2017	3	736
2013	4	41			

736
Number of STR unit listings
(As of Sept. 2, 2017)

534
Estimated unique properties
(As of Sept. 2, 2017)

2. Estimate of TOT of STRs by Pasadena Council District

	Gross Revenue Estimate Last 12 Months	TOT estimate
Rose Bowl 0.5 mile buffer	$283,413	$19,839
Rose Bowl 1.0 mile buffer	$1,061,250	$74,287
Pasadena District 1	$1,769,726	$123,881
Pasadena District 2	$2,241,272	$156,889
Pasadena District 3	$1,377,582	$96,431
Pasadena District 4	$1,387,526	$97,127
Pasadena District 5	$1,617,738	$113,242
Pasadena District 6	$2,607,350	$182,514
Pasadena District 7	$2,375,454	$166,282
City of Pasadena	**$9,422,867**	**$659,601**
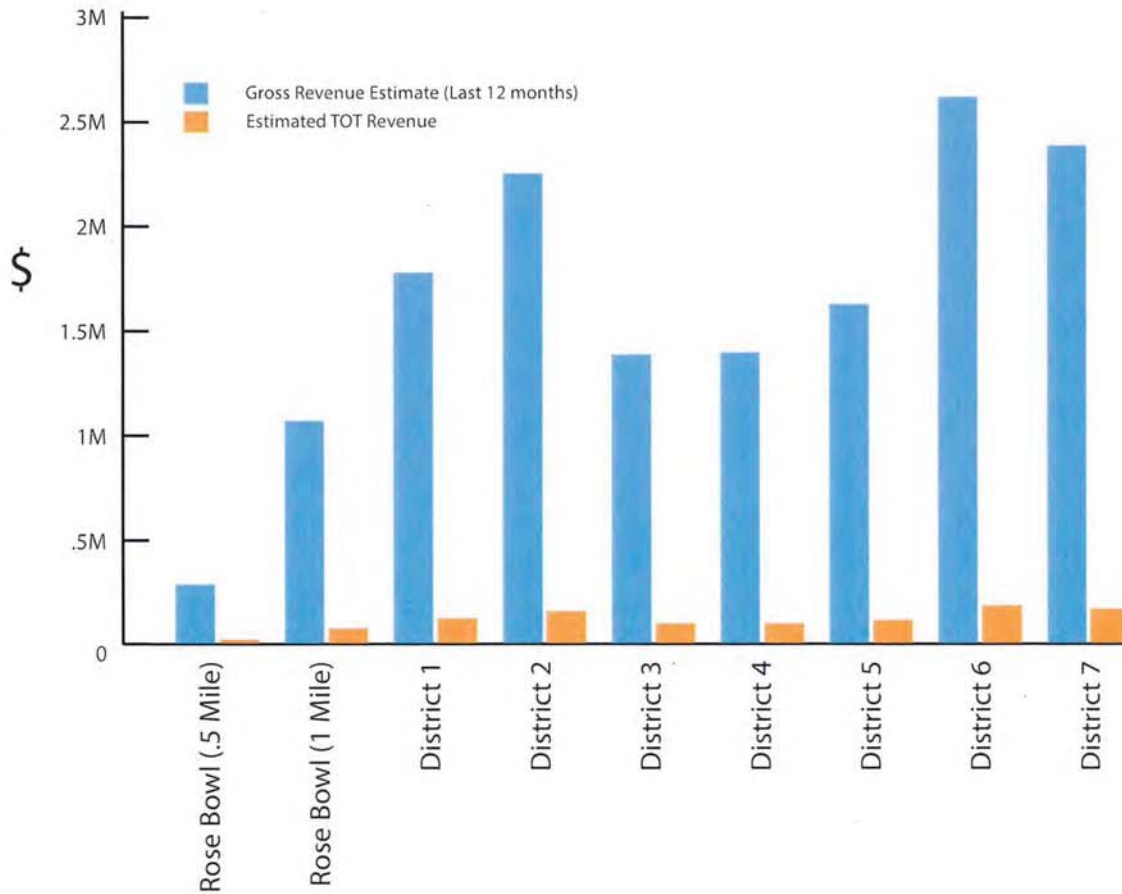
CITY OF PASADENA

736
Active listings in jurisdiction

736
Listings in jurisdiction that fit STR definition

534
Unique properties in jurisdiction that fit STR definition
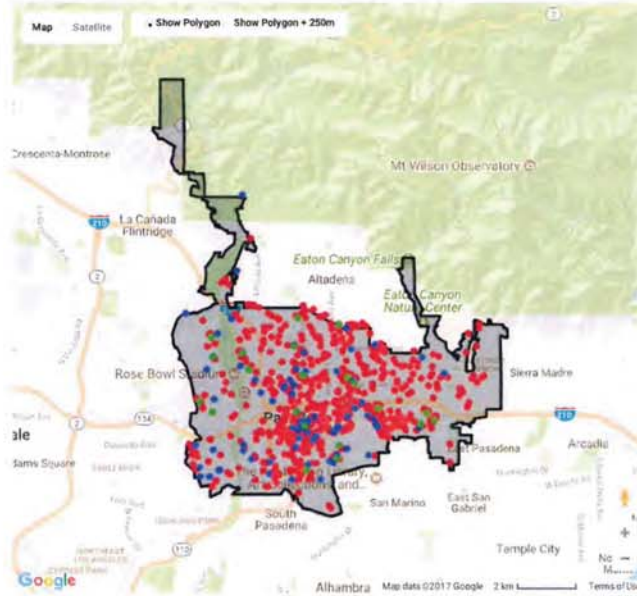
Minimum Nights
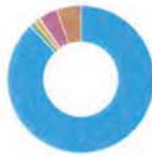
- 1-7 nights [88%]
- 8-14 nights [1%]
- 15-21 nights [1%]
- 22-29 nights [0%]
- 30+ nights [4%]
- Not specified by Host [5%]

Listing types

- Single Family Listing [53%]
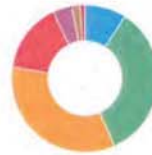- Multi Family Listing [45%]
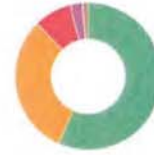- Unknown [2%]

- Partial Home [36%]
- Entire Home [64%]
- Unknown [0%]

Nightly Rate

- $0-$50 [8%]
- $50-$100 [36%]
- $100-$200 [37%]
- $200-$400 [12%]
- $400+ [7%]
- not provided [0%]

Bedrooms / Bathrooms

- 0 bedrooms [9%]
- 1 bedroom [34%]
- 2 bedrooms [34%]
- 3 bedrooms [15%]
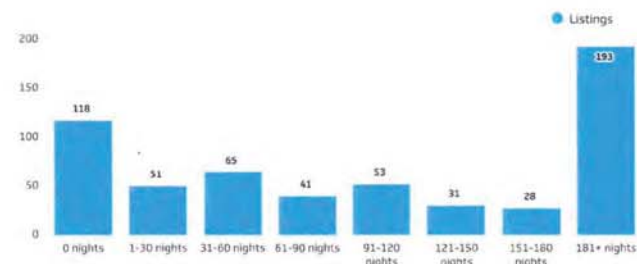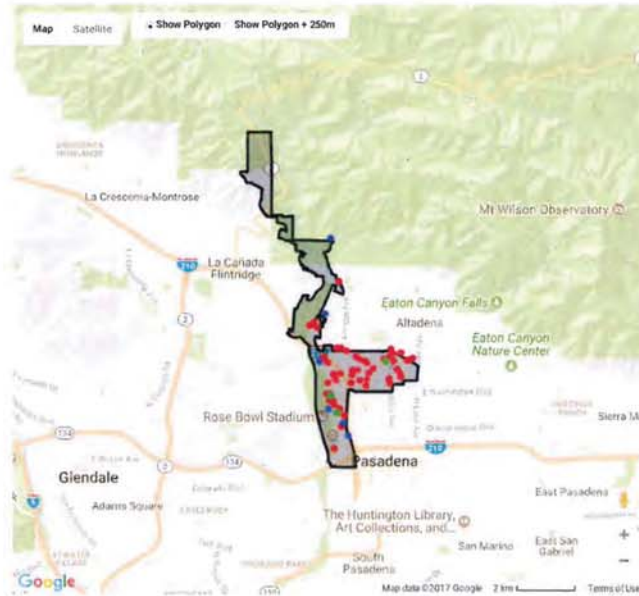- 4 bedrooms [4%]
- 5+ bedrooms [2%]
- unknown [1%]

- 0 bathrooms [0%]
- 1 bathroom [57%]
- 2 bathrooms [31%]
- 3 bathrooms [8%]
- 4+ bathrooms [3%]
- unknown [1%]

Est. Revenue/Yr

- $0 [20%]
- $0k-$5k [9%]
- $5k-$10k [15%]
- $10k-$25k [37%]
- $25k-$50k [17%]
- $50k+ [1%]

Est. Annual Nights Rented

- Listings

	Listings
0 nights	118
1-30 nights	51
31-60 nights	65
61-90 nights	41
91-120 nights	53
121-150 nights	31
151-180 nights	28
181+ nights	193

PASADENA DISTRICT 1

64

Active listings in jurisdiction

64

Listings in jurisdiction that fit STR definition

57

Unique properties in jurisdiction that fit STR definition

Minimum Nights

- 1-7 nights [94%]
- 8-14 nights [0%]
- 15-21 nights [0%]
- 22-29 nights [0%]
- 30+ nights [2%]
- Not specified by Host [4%]

Listing types

- Single Family Listing [75%]
- Multi Family Listing [22%]
- Unknown [4%]

- Partial Home [32%]
- Entire Home [68%]
- Unknown [0%]

Nightly Rate

- $0-$50 [6%]
- $50-$100 [24%]
- $100-$200 [29%]
- $200-$400 [32%]
- $400+ [8%]
- not provided [0%]

Bedrooms / Bathrooms

- 0 bedrooms [8%]
- 1 bedroom [13%]
- 2 bedrooms [37%]
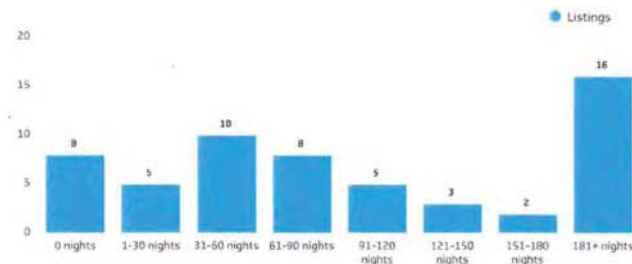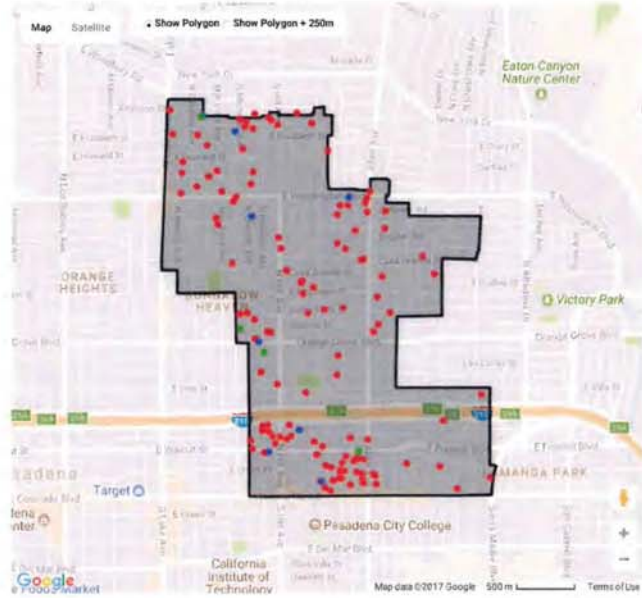- 3 bedrooms [28%]
- 4 bedrooms [9%]
- 5+ bedrooms [2%]
- unknown [3%]

- 0 bathrooms [0%]
- 1 bathroom [44%]
- 2 bathrooms [40%]
- 3 bathrooms [11%]
- 4+ bathrooms [2%]
- unknown [3%]

Est. Revenue/Yr

- $0 [14%]
- $0k-$5k [5%]
- $5k-$10k [16%]
- $10k-$25k [44%]
- $25k-$50k [21%]
- $50k+ [0%]

Est. Annual Nights Rented

Listings

0 nights	1-30 nights	31-60 nights	61-90 nights	91-120 nights	121-150 nights	151-180 nights	181+ nights
8	5	10	8	5	3	2	16

PASADENA DISTRICT 2

132
Active listings in jurisdiction

131
Listings in jurisdiction that fit STR definition

87
Unique properties in jurisdiction that fit STR definition

Minimum Nights

- 1-7 nights [94%]
- 8-14 nights [0%]
- 15-21 nights [1%]
- 22-29 nights [1%]
- 30+ nights [2%]
- Not specified by Host [4%]

Nightly Rate

- $0-$50 [9%]
- $50-$100 [48%]
- $100-$200 [31%]
- $200-$400 [5%]
- $400+ [6%]
- not provided [1%]

Est. Revenue/Yr

- $0 [20%]
- $0k-$5k [6%]
- $5k-$10k [13%]
- $10k-$25k [44%]
- $25k-$50k [16%]
- $50k+ [2%]

Listing types

- Single Family Listing [66%]
- Multi Family Listing [32%]
- Unknown [1%]

- Partial Home [44%]
- Entire Home [56%]
- Unknown [0%]

Bedrooms / Bathrooms

- 0 bedrooms [8%]
- 1 bedroom [28%]
- 2 bedrooms [38%]
- 3 bedrooms [19%]
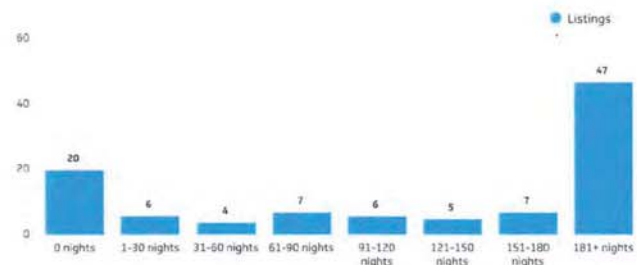- 4 bedrooms [4%]
- 5+ bedrooms [3%]
- unknown [1%]
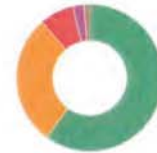
- 0 bathrooms [0%]
- 1 bathroom [60%]
- 2 bathrooms [29%]
- 3 bathrooms [8%]
- 4+ bathrooms [3%]
- unknown [1%]

Est. Annual Nights Rented

Listings

	0 nights	1-30 nights	31-60 nights	61-90 nights	91-120 nights	121-150 nights	151-180 nights	181+ nights
	20	6	4	7	6	5	7	47

PASADENA DISTRICT 3
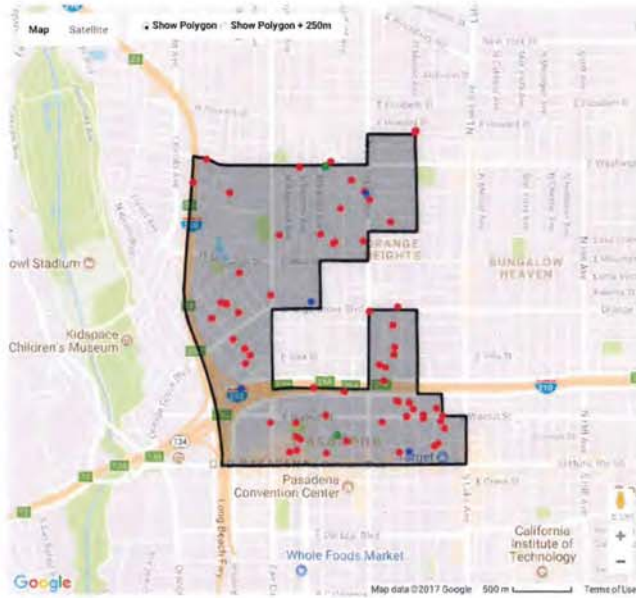
68
Active listings in jurisdiction

70
Listings in jurisdiction that fit STR definition

63
Unique properties in jurisdiction that fit STR definition

Minimum Nights
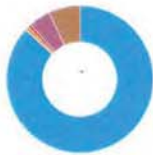
- 1-7 nights [87%]
- 8-14 nights [0%]
- 15-21 nights [1%]
- 22-29 nights [1%]
- 30+ nights [5%]
- Not specified by Host [7%]

Listing types

- Single Family Listing [34%]
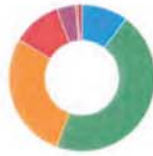- Multi Family Listing [62%]
- Unknown [4%]

- Partial Home [27%]
- Entire Home [73%]
- Unknown [0%]

Nightly Rate

- $0-$50 [15%]
- $50-$100 [31%]
- $100-$200 [37%]
- $200-$400 [11%]
- $400+ [6%]
- not provided [0%]

Bedrooms / Bathrooms

- 0 bedrooms [10%]
- 1 bedroom [45%]
- 2 bedrooms [28%]
- 3 bedrooms [11%]
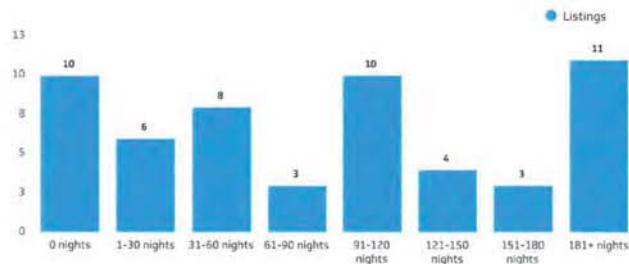- 4 bedrooms [4%]
- 5+ bedrooms [0%]
- unknown [1%]

- 0 bathrooms [0%]
- 1 bathroom [65%]
- 2 bathrooms [30%]
- 3 bathrooms [3%]
- 4+ bathrooms [0%]
- unknown [1%]

Est. Revenue/Yr

- $0 [18%]
- $0k-$5k [15%]
- $5k-$10k [16%]
- $10k-$25k [36%]
- $25k-$50k [15%]
- $50k+ [0%]

Est. Annual Nights Rented

Listings

Category	Listings
0 nights	10
1-30 nights	6
31-60 nights	8
61-90 nights	3
91-120 nights	10
121-150 nights	4
151-180 nights	3
181+ nights	11

PASADENA DISTRICT 4

70
Active listings
in jurisdiction

70
Listings in
jurisdiction that
fit STR
definition

59
Unique
properties in
jurisdiction that
fit STR
definition

Minimum Nights
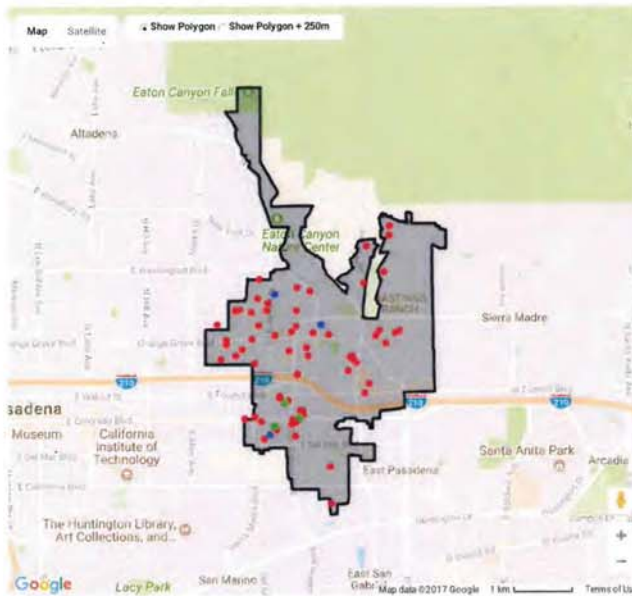
- 1-7 nights [87%]
- 8-14 nights [1%]
- 15-21 nights [3%]
- 22-29 nights [0%]
- 30+ nights [5%]
- Not specified by Host [4%]

Listing types

- Single Family Listing [68%]
- Multi Family Listing [32%]
- Unknown [0%]

- Partial Home [55%]
- Entire Home [45%]
- Unknown [0%]

Nightly Rate

- $0-$50 [7%]
- $50-$100 [49%]
- $100-$200 [31%]
- $200-$400 [6%]
- $400+ [7%]
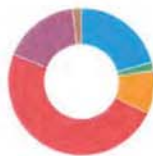- not provided [0%]

Bedrooms / Bathrooms

- 0 bedrooms [15%]
- 1 bedroom [37%]
- 2 bedrooms [19%]
- 3 bedrooms [22%]
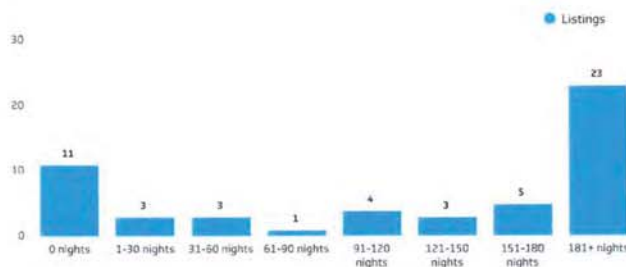- 4 bedrooms [5%]
- 5+ bedrooms [2%]
- unknown [0%]

- 0 bathrooms [0%]
- 1 bathroom [59%]
- 2 bathrooms [28%]
- 3 bathrooms [10%]
- 4+ bathrooms [2%]
- unknown [0%]

Est. Revenue/Yr

- $0 [21%]
- $0k-$5k [2%]
- $5k-$10k [9%]
- $10k-$25k [49%]
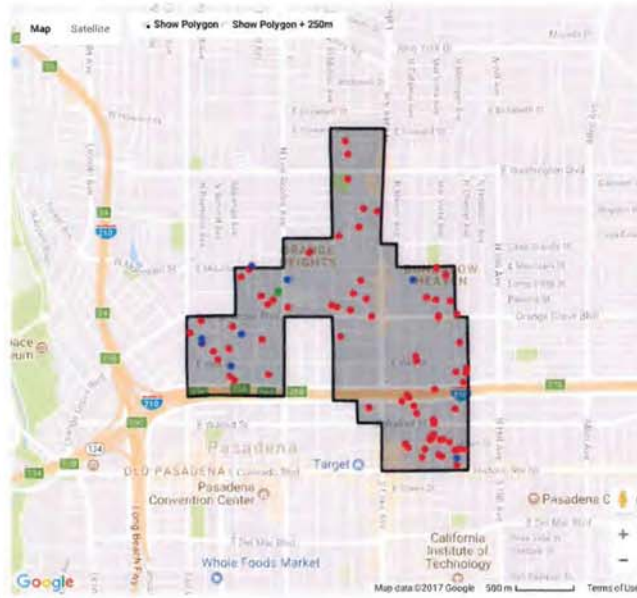- $25k-$50k [17%]
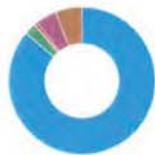- $50k+ [2%]

Est. Annual Nights Rented

PASADENA DISTRICT 5

85
Active listings
in jurisdiction

87
Listings in
jurisdiction that
fit STR
definition

62
Unique
properties in
jurisdiction that
fit STR
definition

Minimum Nights

- 1-7 nights [86%]
- 8-14 nights [3%]
- 15-21 nights [0%]
- 22-29 nights [1%]
- 30+ nights [5%]
- Not specified by Host [6%]

Listing types

- Single Family Listing [44%]
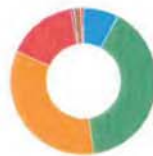- Multi Family Listing [53%]
- Unknown [3%]

- Partial Home [34%]
- Entire Home [66%]
- Unknown [0%]

Nightly Rate

- $0-$50 [15%]
- $50-$100 [42%]
- $100-$200 [34%]
- $200-$400 [6%]
- $400+ [1%]
- not provided [1%]

Bedrooms / Bathrooms

- 0 bedrooms [8%]
- 1 bedroom [40%]
- 2 bedrooms [34%]
- 3 bedrooms [16%]
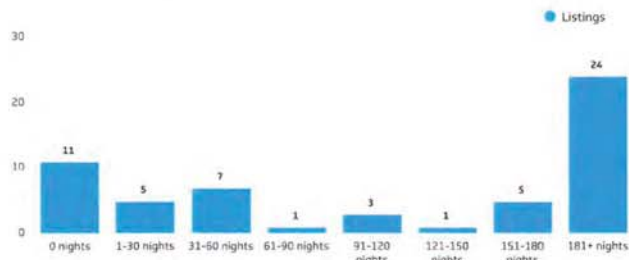- 4 bedrooms [1%]
- 5+ bedrooms [2%]
- unknown [1%]

- 0 bathrooms [0%]
- 1 bathroom [67%]
- 2 bathrooms [28%]
- 3 bathrooms [4%]
- 4+ bathrooms [0%]
- unknown [1%]

Est. Revenue/Yr

- $0 [19%]
- $0k-$5k [12%]
- $5k-$10k [9%]
- $10k-$25k [37%]
- $25k-$50k [19%]
- $50k+ [4%]

Est. Annual Nights Rented
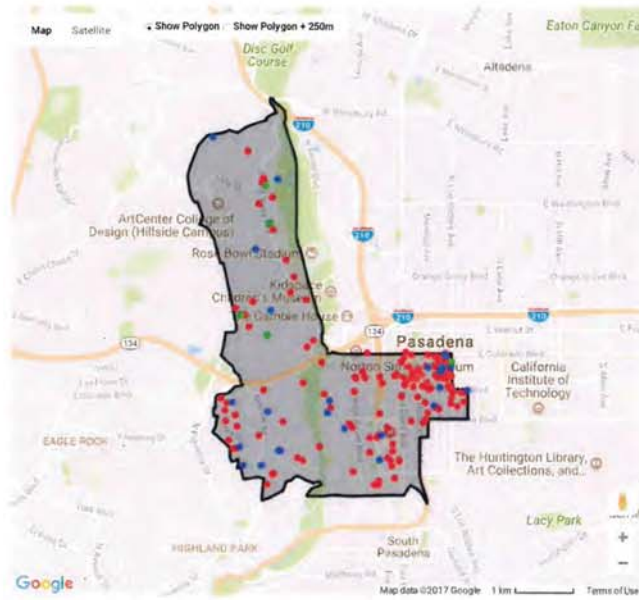

- Listings

	0 nights	1-30 nights	31-60 nights	61-90 nights	91-120 nights	121-150 nights	151-180 nights	181+ nights
Listings	11	5	7	1	3	1	5	24

PASADENA DISTRICT 6

173
Active listings in jurisdiction

171
Listings in jurisdiction that fit STR definition

130
Unique properties in jurisdiction that fit STR definition

Minimum Nights

- 1-7 nights [86%]
- 8-14 nights [2%]
- 15-21 nights [1%]
- 22-29 nights [0%]
- 30+ nights [5%]
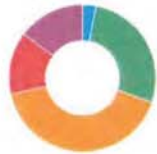- Not specified by Host [6%]

Listing types

- Single Family Listing [38%]
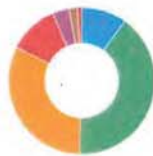- Multi Family Listing [59%]
- Unknown [3%]

- Partial Home [28%]
- Entire Home [72%]
- Unknown [0%]

Nightly Rate

- $0-$50 [3%]
- $50-$100 [27%]
- $100-$200 [41%]
- $200-$400 [14%]
- $400+ [15%]
- not provided [0%]

Bedrooms / Bathrooms

- 0 bedrooms [10%]
- 1 bedroom [40%]
- 2 bedrooms [32%]
- 3 bedrooms [11%]
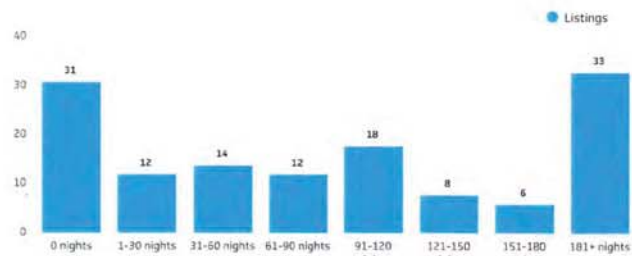- 4 bedrooms [4%]
- 5+ bedrooms [2%]
- unknown [1%]

- 0 bathrooms [0%]
- 1 bathroom [56%]
- 2 bathrooms [29%]
- 3 bathrooms [10%]
- 4+ bathrooms [4%]
- unknown [1%]

Est. Revenue/Yr

- $0 [23%]
- $0k-$5k [6%]
- $5k-$10k [17%]
- $10k-$25k [31%]
- $25k-$50k [20%]
- $50k+ [2%]

Est. Annual Nights Rented

- Listings

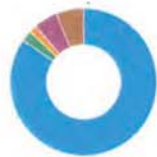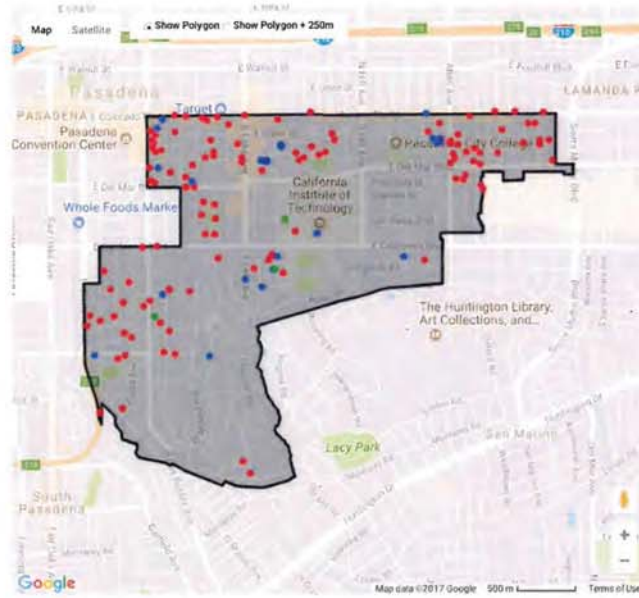| Category	Listings
0 nights	31
1-30 nights	12
31-60 nights	14
61-90 nights	12
91-120 nights	18
121-150 nights	8
151-180 nights	6
181+ nights	33

PASADENA DISTRICT 7

145
Active listings in jurisdiction

146
Listings in jurisdiction that fit STR definition

90
Unique properties in jurisdiction that fit STR definition

Map data ©2017 Google   500 m   Terms of Use

Minimum Nights

- 1-7 nights [85%]
- 8-14 nights [2%]
- 15-21 nights [2%]
- 22-29 nights [0%]
- 30+ nights [5%]
- Not specified by Host [6%]

Listing types

- Single Family Listing [26%]
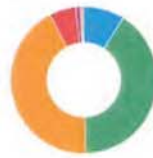- Multi Family Listing [72%]
- Unknown [2%]

- Partial Home [38%]
- Entire Home [62%]
- Unknown [0%]

Nightly Rate

- $0-$50 [4%]
- $50-$100 [34%]
- $100-$200 [46%]
- $200-$400 [14%]
- $400+ [2%]
- not provided [0%]

Bedrooms / Bathrooms

- 0 bedrooms [9%]
- 1 bedroom [41%]
- 2 bedrooms [43%]
- 3 bedrooms [6%]
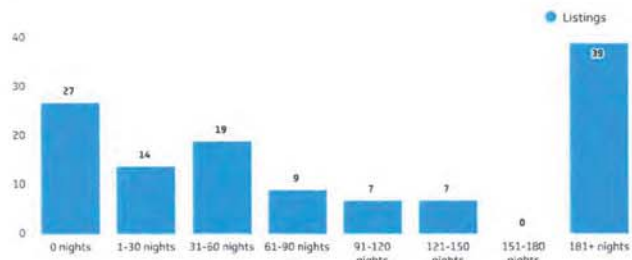- 4 bedrooms [1%]
- 5+ bedrooms [0%]
- unknown [0%]

- 0 bathrooms [0%]
- 1 bathroom [59%]
- 2 bathrooms [33%]
- 3 bathrooms [6%]
- 4+ bathrooms [1%]
- unknown [0%]

Est. Revenue/Yr

- $0 [22%]
- $0k-$5k [15%]
- $5k-$10k [18%]
- $10k-$25k [30%]
- $25k-$50k [15%]
- $50k+ [0%]

Est. Annual Nights Rented
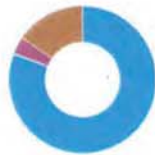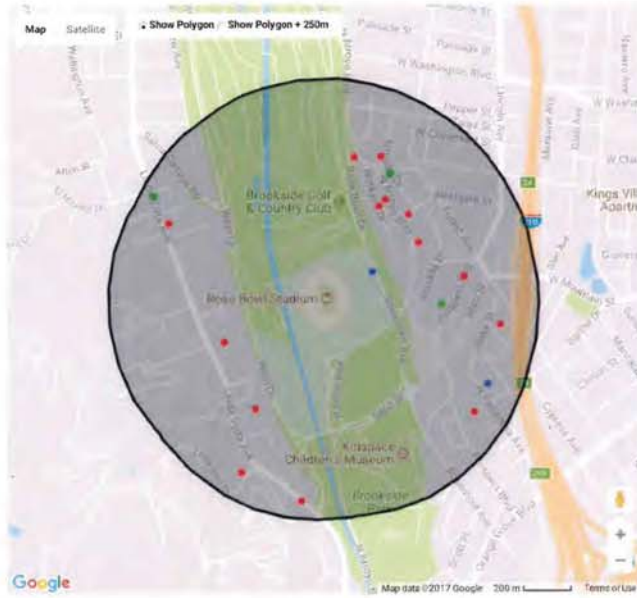

- Listings

	0 nights	1-30 nights	31-60 nights	61-90 nights	91-120 nights	121-150 nights	151-180 nights	181+ nights
	27	14	19	9	7	7	0	39

ROSE BOWL 0.5 MILE BUFFERR

20
Active listings in jurisdiction

21
Listings in jurisdiction that fit STR definition

17
Unique properties in jurisdiction that fit STR definition

Minimum Nights

- 1-7 nights [81%]
- 8-14 nights [0%]
- 15-21 nights [0%]
- 22-29 nights [0%]
- 30+ nights [4%]
- Not specified by Host [15%]

Listing types

- Single Family Listing [85%]
- Multi Family Listing [7%]
- Unknown [7%]

- Partial Home [26%]
- Entire Home [74%]
- Unknown [0%]

Nightly Rate

- $0-$50 [0%]
- $50-$100 [5%]
- $100-$200 [20%]
- $200-$400 [50%]
- $400+ [25%]
- not provided [0%]

Bedrooms / Bathrooms

- 0 bedrooms [3%]
- 1 bedroom [9%]
- 2 bedrooms [38%]
- 3 bedrooms [18%]
- 4 bedrooms [21%]
- 5+ bedrooms [6%]
- unknown [6%]

- 0 bathrooms [0%]
- 1 bathroom [29%]
- 2 bathrooms [29%]
- 3 bathrooms [26%]
- 4+ bathrooms [9%]
- unknown [6%]

Est. Revenue/Yr

- $0 [14%]
- $0k-$5k [0%]
- $5k-$10k [21%]
- $10k-$25k [43%]
- $25k-$50k [21%]
- $50k+ [0%]

Est. Annual Nights Rented

ROSE BOWL 1.0 MILE BUFFER

68
Active listings in jurisdiction

69
Listings in jurisdiction that fit STR definition

59
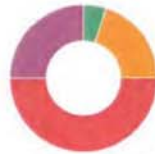Unique properties in jurisdiction that fit STR definition
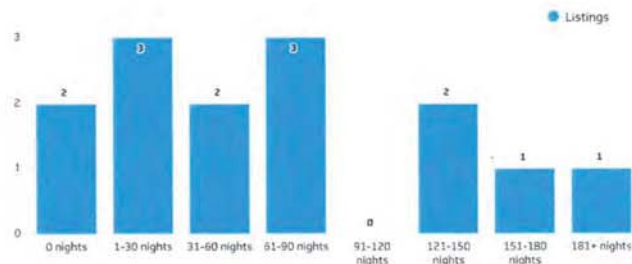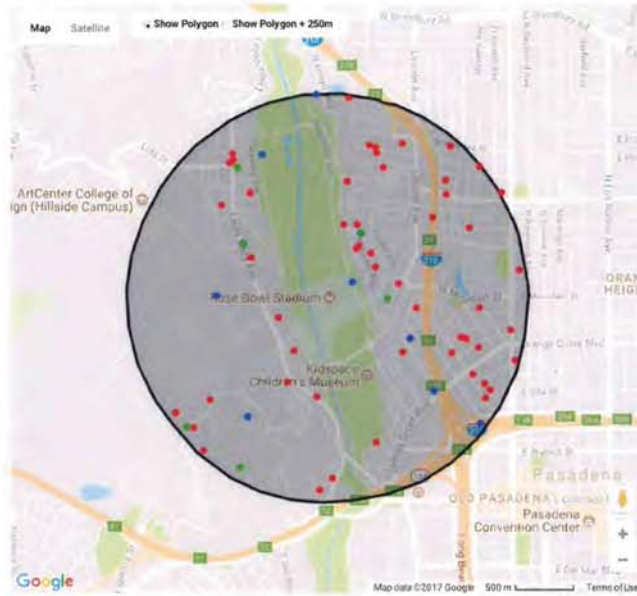

Minimum Nights

- 1-7 nights [91%]
- 8-14 nights [1%]
- 15-21 nights [0%]
- 22-29 nights [0%]
- 30+ nights [2%]
- Not specified by Host [6%]

Listing types

- Single Family Listing [75%]
- Multi Family Listing [21%]
- Unknown [4%]

- Partial Home [25%]
- Entire Home [75%]
- Unknown [0%]

Nightly Rate

- $0-$50 [4%]
- $50-$100 [28%]
- $100-$200 [25%]
- $200-$400 [27%]
- $400+ [15%]
- not provided [0%]

Bedrooms / Bathrooms

- 0 bedrooms [4%]
- 1 bedroom [20%]
- 2 bedrooms [32%]
- 3 bedrooms [28%]
- 4 bedrooms [10%]
- 5+ bedrooms [3%]
- unknown [3%]

- 0 bathrooms [0%]
- 1 bathroom [39%]
- 2 bathrooms [39%]
- 3 bathrooms [15%]
- 4+ bathrooms [3%]
- unknown [3%]

Est. Revenue/Yr

- $0 [13%]
- $0k-$5k [5%]
- $5k-$10k [18%]
- $10k-$25k [40%]
- $25k-$50k [24%]
- $50k+ [0%]

Est. Annual Nights Rented

- Listings

0 nights	7
1-30 nights	6
31-60 nights	8
61-90 nights	11
91-120 nights	4
121-150 nights	4
151-180 nights	3
181+ nights	12