Denver Airbnb Market Analysis

Discover the most profitable neighborhoods—and find out if real estate investment is right for you.

Project Overview

This project aims to analyze Airbnb listing data, specifically for Denver, Colorado, and gain insights on the listing demand, highest concentration areas, average annual income per property, and most profitable neighborhoods. This will be presented in multiple visualizations, such as an interactive map with markers for each listing and charts showing the income data.

Key data points to be explored in this presentation:

- Potential Airbnb Revenue by Neighborhood in Denver

- Real Estate Prices in Selected Denver Neighborhoods (2024)

- Profitability Analysis of Investing in a Rental Property

- Estimated Payback Period for Property Investment

Key Findings

- Top Revenue Neighborhoods:
  Belcaro, University Park, and Jefferson Park show the highest Airbnb earning potential.

- ROI vs. Home Price:
  High home prices in neighborhoods like Belcaro and Hilltop significantly reduce ROI despite strong revenue.

- Best Value for Investment:
  Jefferson Park and Regis combine solid Airbnb income with moderate home prices, offering the best ROI.

Key Findings

- Payback Period Highlights::
Ranges from ~9.5 years (College View – South Platte) to 40+ years (Hilltop).

- Investment Recommendation:
Avoid high-cost, low-return neighborhoods (e.g., Belcaro, Hilltop, Cory-Merrill). Focus on Jefferson Park, College View - South Platte, and Regis for optimal returns.
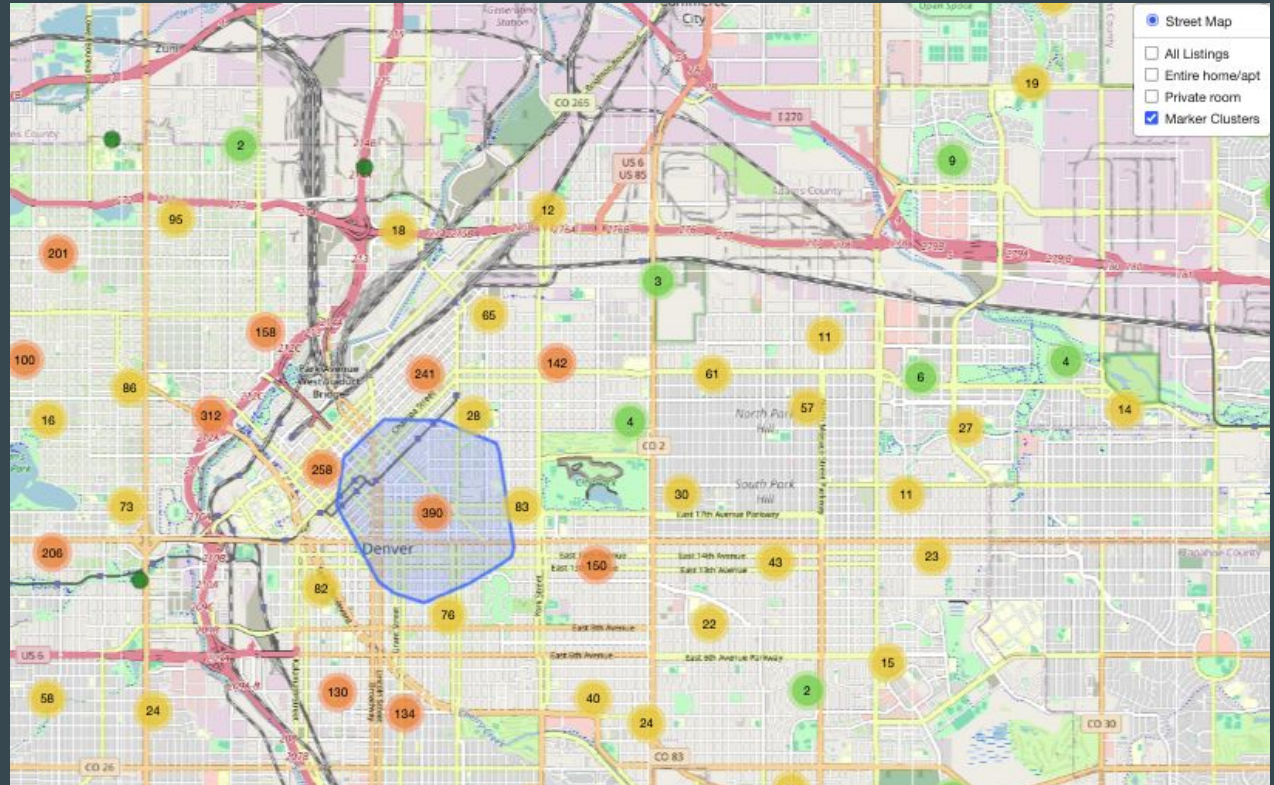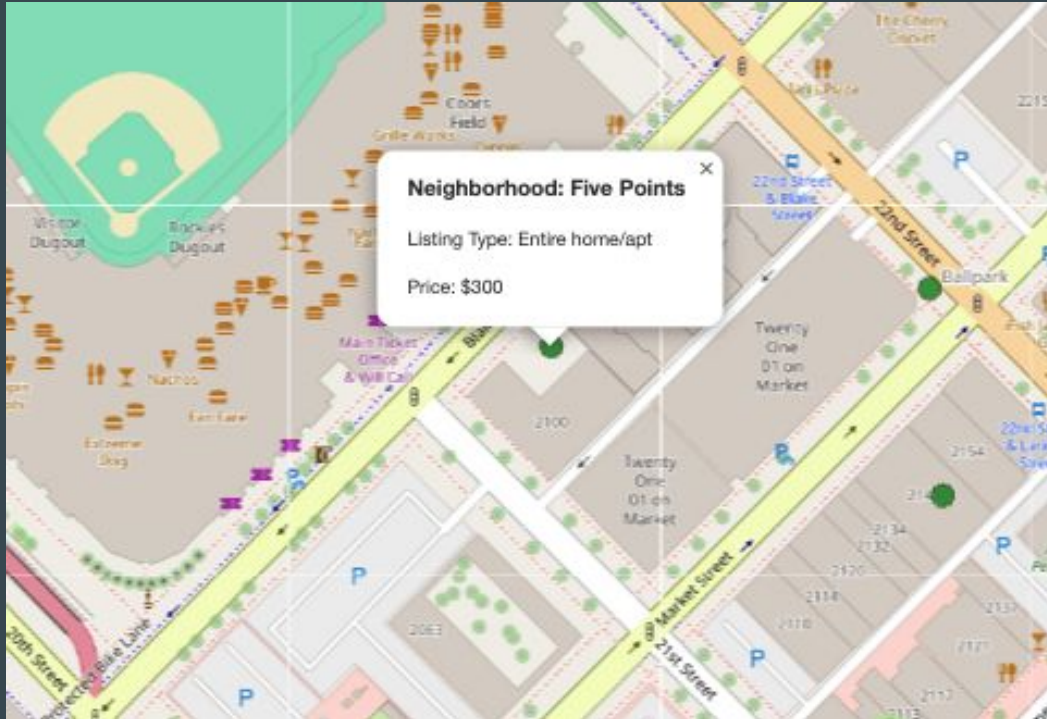
Project Scope: Denver Neighborhoods
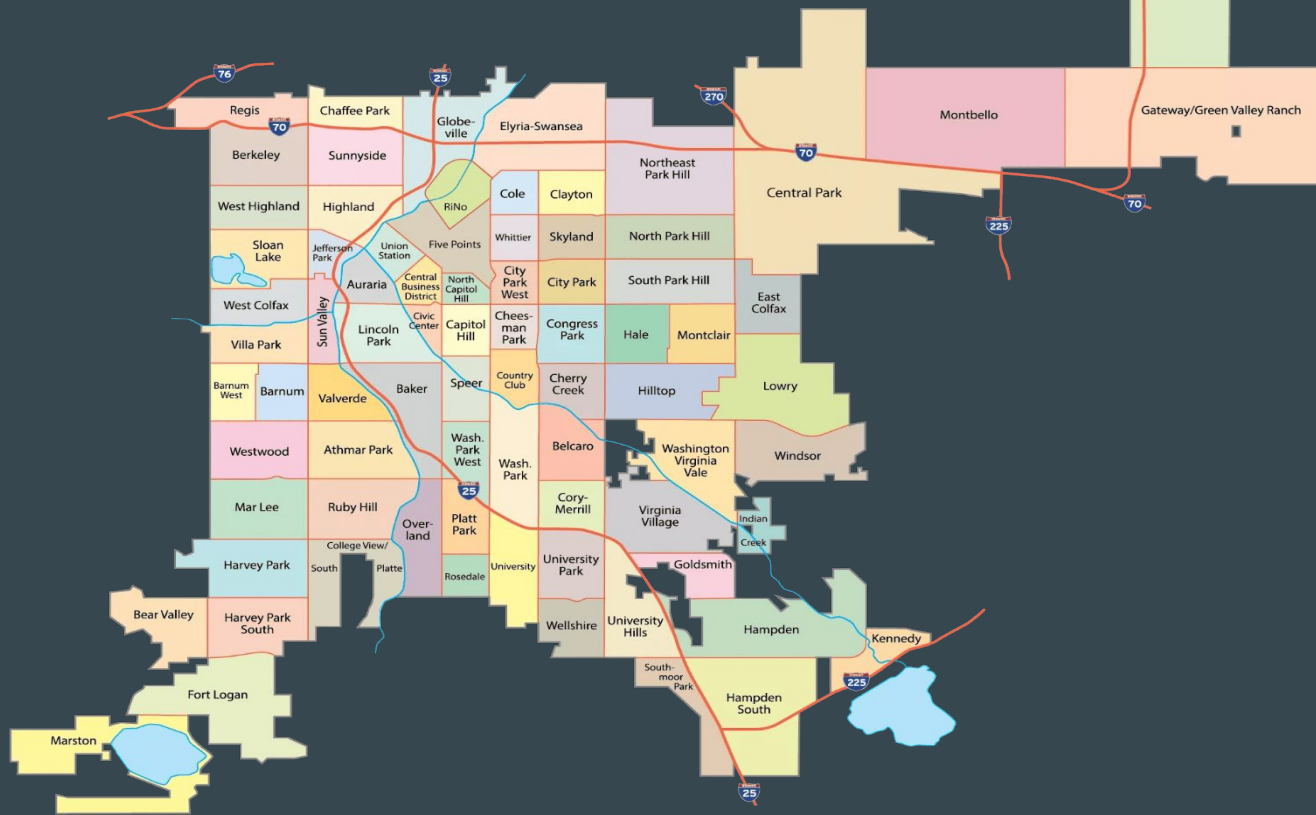
Interactive Map Visualization

- An interactive map for users to see how many Airbnb listings are in each neighborhood, or to see a more detailed view of each listing.

- GitHub Pages Link

Example of a single marker with popup info:

Neighborhood: Five Points

Listing Type: Entire home/apt

Price: $300

Popup Features:

- Neighborhood
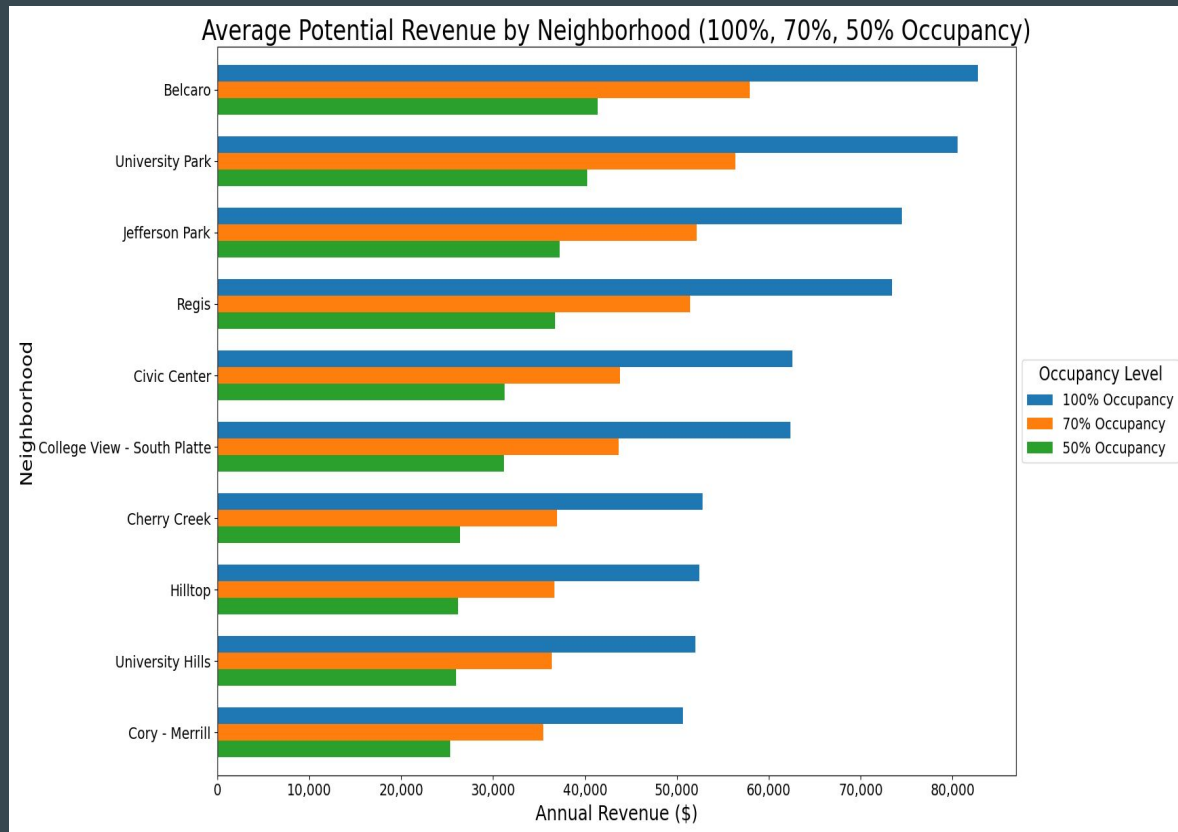- Listing Type
- Price

Marker Features:

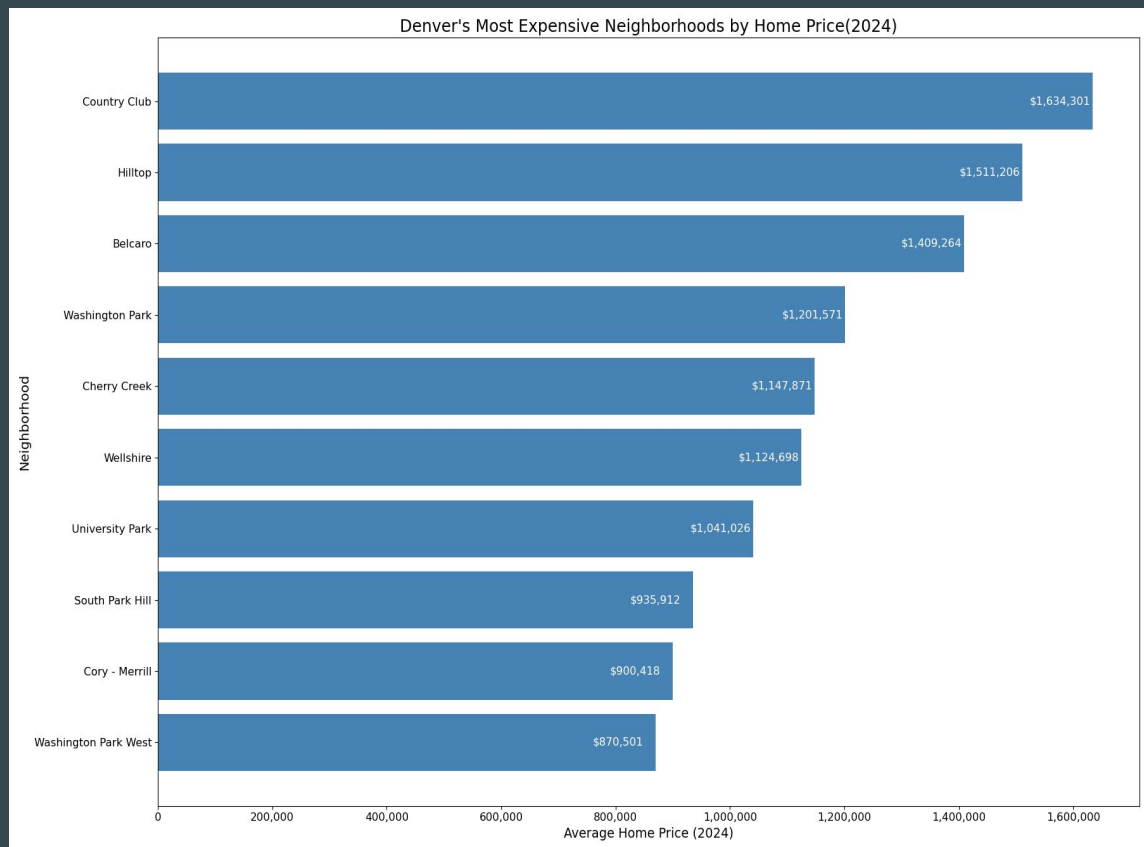- Different colors based on Listing Type

Analysis

Airbnb income per neighborhood (top 10)

- Top 10 revenue short term rentals (STR) in the City of Denver

- At a 70% occupancy rate, the potential gross earnings in these neighborhoods range between $35k - $60k per year
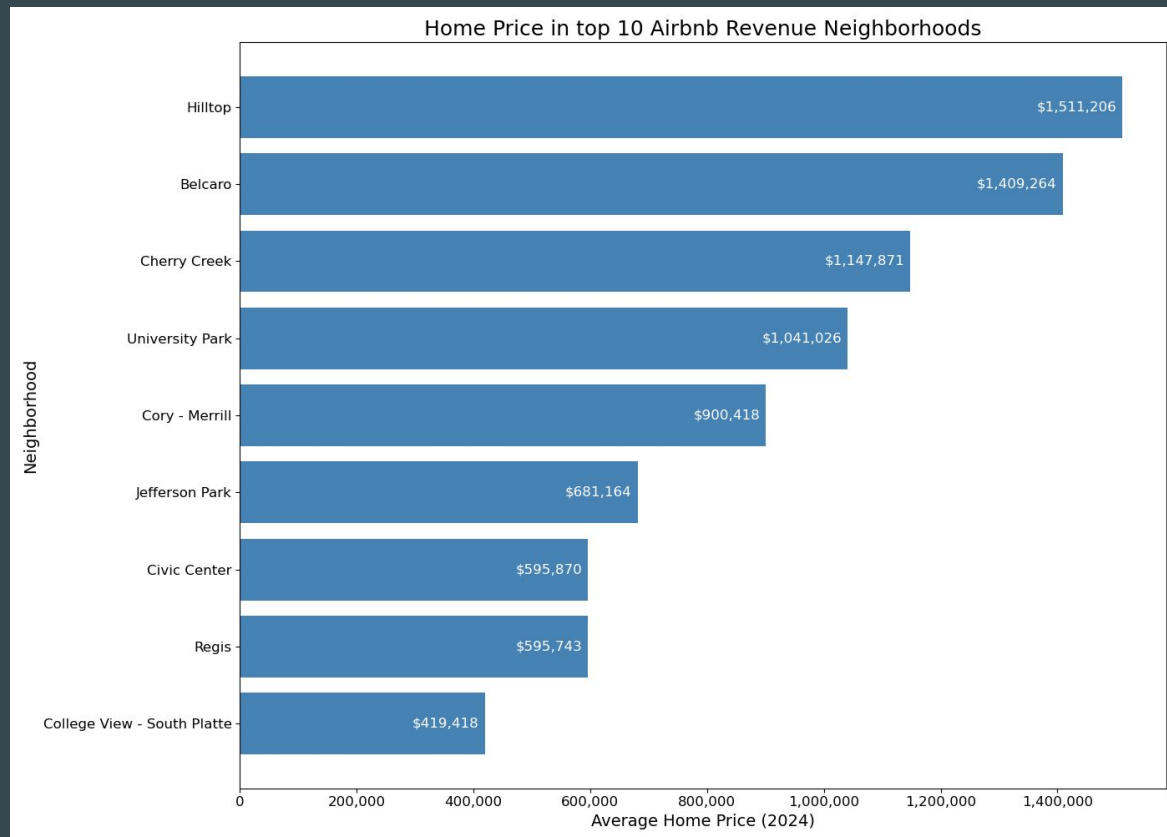

Average Potential Revenue by Neighborhood (100%, 70%, 50% Occupancy)

Denver's Most Expensive Neighborhoods by Home Price

Denver's Most Expensive Neighborhoods by Home Price(2024)

Neighborhood	Average Home Price (2024)
Country Club	$1,634,301
Hilltop	$1,511,206
Belcaro	$1,409,264
Washington Park	$1,201,571
Cherry Creek	$1,147,871
Wellshire	$1,124,698
University Park	$1,041,026
South Park Hill	$935,912
Cory - Merrill	$900,418
Washington Park West	$870,501

- While some of the most expensive neighborhoods are also in the top for Airbnb Revenue, for some of these neighborhoods the ROI is poor, as the entry cost is too high.
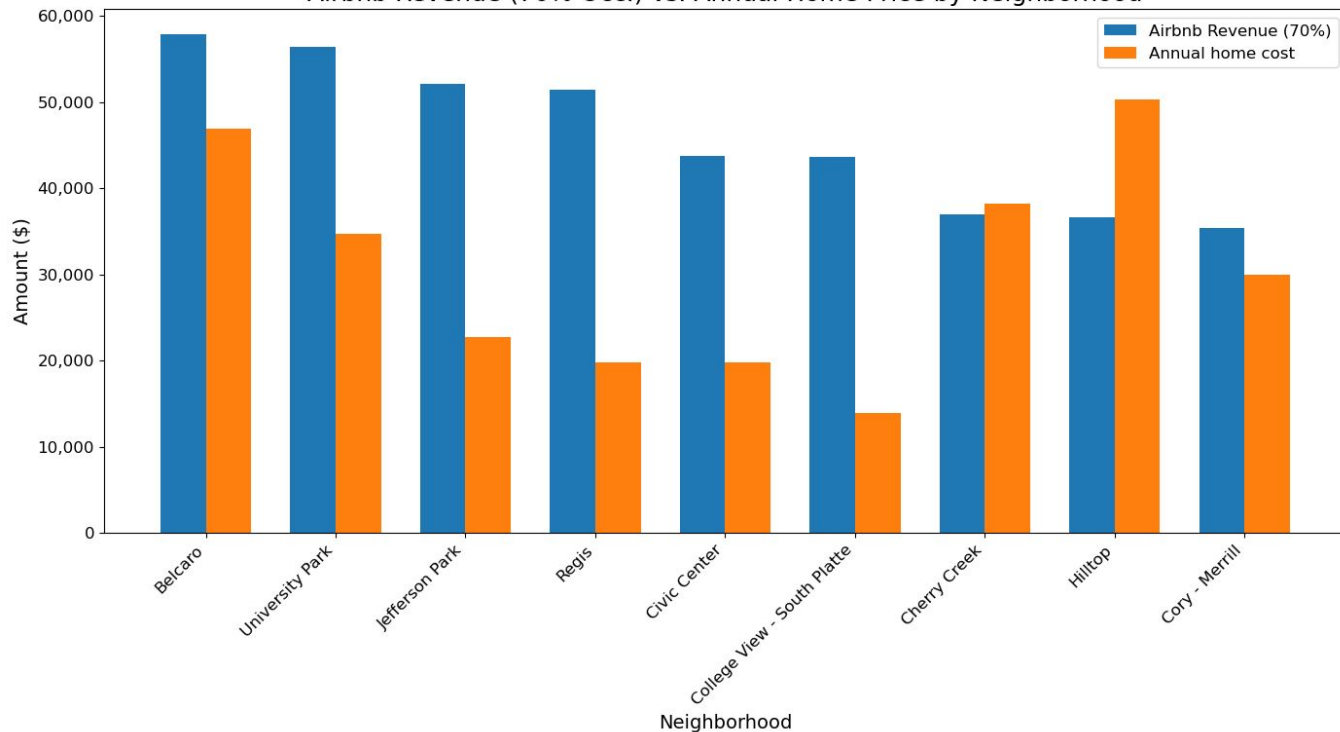
Home Prices in the Neighborhoods with the Top Airbnb Revenue

- Home prices of top ten airbnb grossing neighborhoods range from just over $400k to just over $1.5m

- Home price is not directly correlated to the potential Airbnb revenue

Home Price in top 10 Airbnb Revenue Neighborhoods

| Neighborhood	Average Home Price (2024)
Hilltop	$1,511,206
Belcaro	$1,409,264
Cherry Creek	$1,147,871
University Park	$1,041,026
Cory - Merrill	$900,418
Jefferson Park	$681,164
Civic Center	$595,870
Regis	$595,743
College View - South Platte	$419,418

Airbnb Revenue vs. Annual Home Price

Airbnb Revenue (70% Occ.) vs. Annual Home Price by Neighborhood

- Jefferson Park and Regis offer strong Airbnb revenue with lower home costs, making them great for ROI.

- Belcaro brings in the most revenue, but its high home prices make returns less efficient by comparison.

Payback Period for our Target Neighborhoods

- The return on the top 10 Airbnb revenue neighborhoods range from 9.5 - 40 years.

Payback Period by Neighborhood at 70% Occupancy
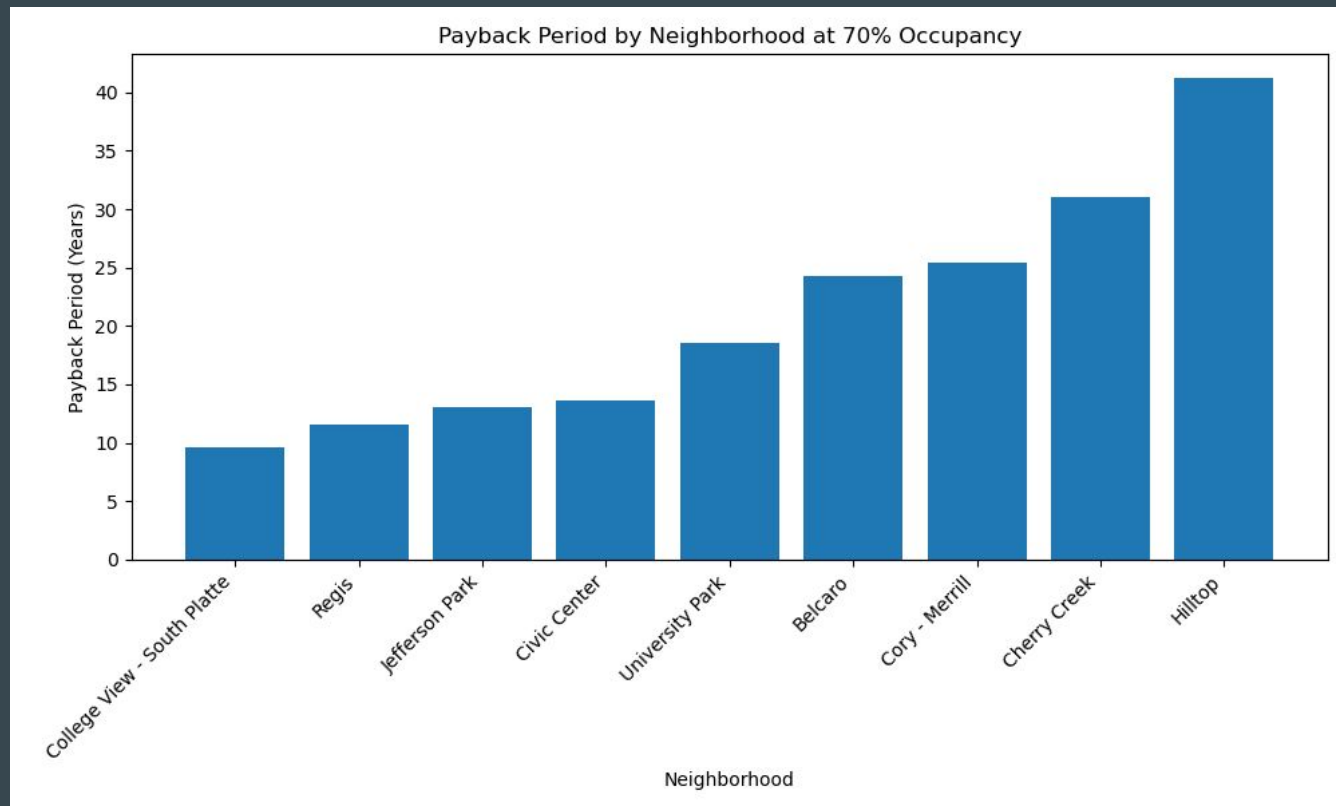
Summary / Recommendations

- Focus on Jefferson Park, College View - South Platte, and Regis for optimal returns.

  - Jefferson Park and Regis are the best neighborhoods to pursue for best cost to return ratio.

  - An investor would see the most rapid ROI in the College View - South Platte neighborhood, taking approximately 9.5 years to see the return.

- Avoid targeting Belcaro, Hilltop or Cory - Merrill as the potential ROI is poor, or even losing money.

  - An investor would take over 40 years to see their investment fully recovered in the Hilltop neighborhood.