Short Term Rental Investor Project

The year is 2020, we’ve seen Australian fire, major tension rise between U.S. and Iran, giant wasps, and the COVID pandemic. No one knows what tomorrow brings. The stock market is slowly recovering but the World Health Organization and CDC warn of a second wave of Coronavirus infections in the fall. So where does this leave your investments? We all know how that went back in 2008/9. You need a proactive investment strategy that has a low barrier to entry and is relatively risk free. Short term rentals will let you get your feet wet in real estate investment. Layoffs and Furloughs are quite frequent now and everyone is skeptic about investing – you could purchase a discount property today, fix it and get stuck with the risk of flipping it, you could also rent it out, but your tenants may not be able to make their rent a few months after moving in. And if state laws (and moral judgement) prevent you from kicking out your tenants during these trying times, your wallet will have to take the hit. The millennial economy has taught us one thing over the last few years, sharing works! And it’s evolving. According to Forbes, short term rentals yield 30% more profits for investors than long term leases. So this research project will seek to uncover what the DFW short term rental market has to offer for anyone looking to do full time short term rental real estate investment.

We will focus on the following top 10 rental cities:

1. Dallas
2. Fort-Worth
3. Plano
4. Irving
5. Arlington
6. Frisco
7. Grand Prairie
8. McKinney
9. Denton
10. Richardson

Data Sources:

1. Airbnb & VRBO courtesy of Airdna (scraping)
2. Airbnb (csv dataset)
3. Google Maps API

Our KPI’s will include

1. Occupancy rate
2. # of rentals in the market
3. Average nightly rate
4. Full time rental activity