



Overview

Goal

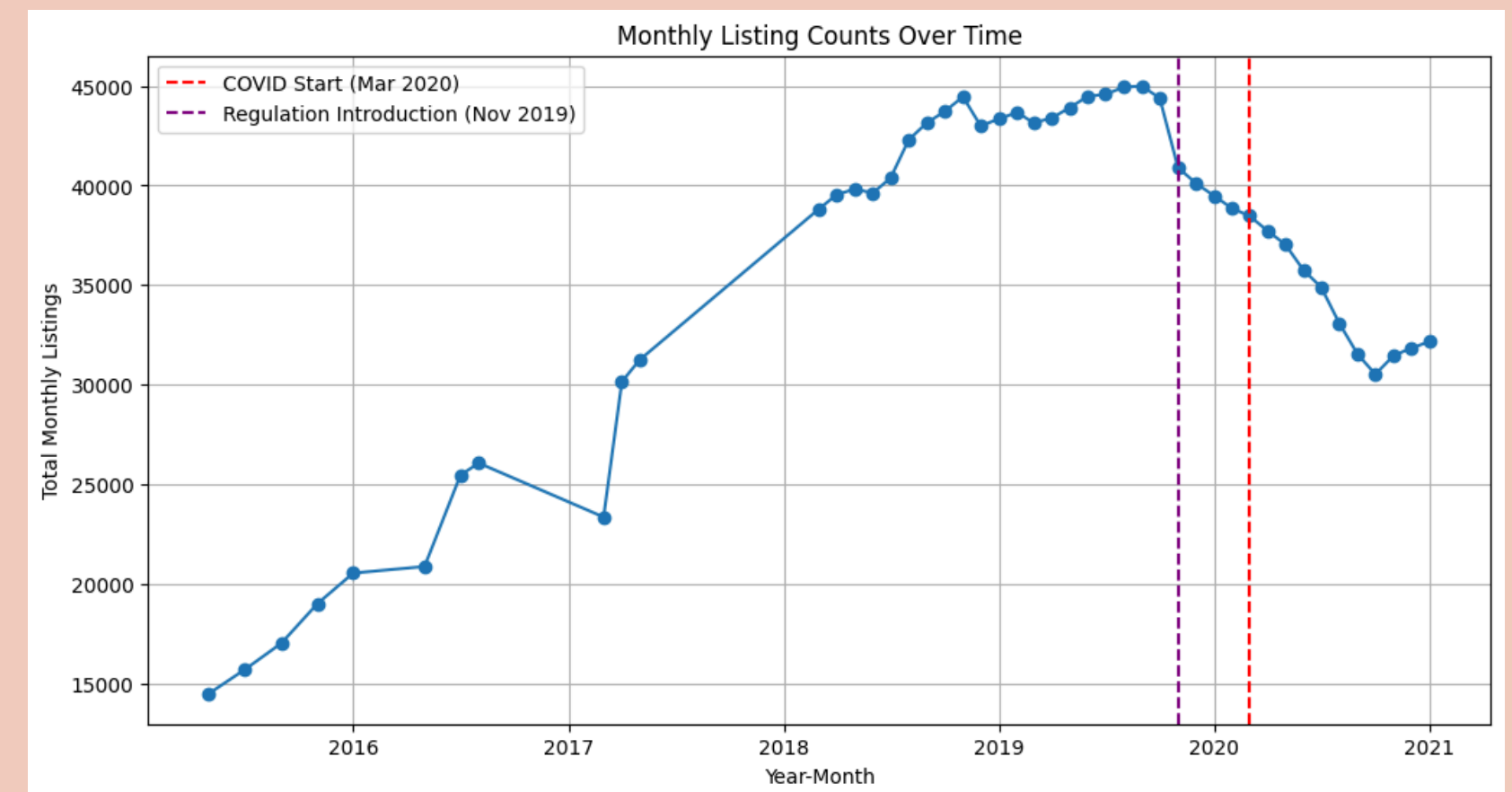
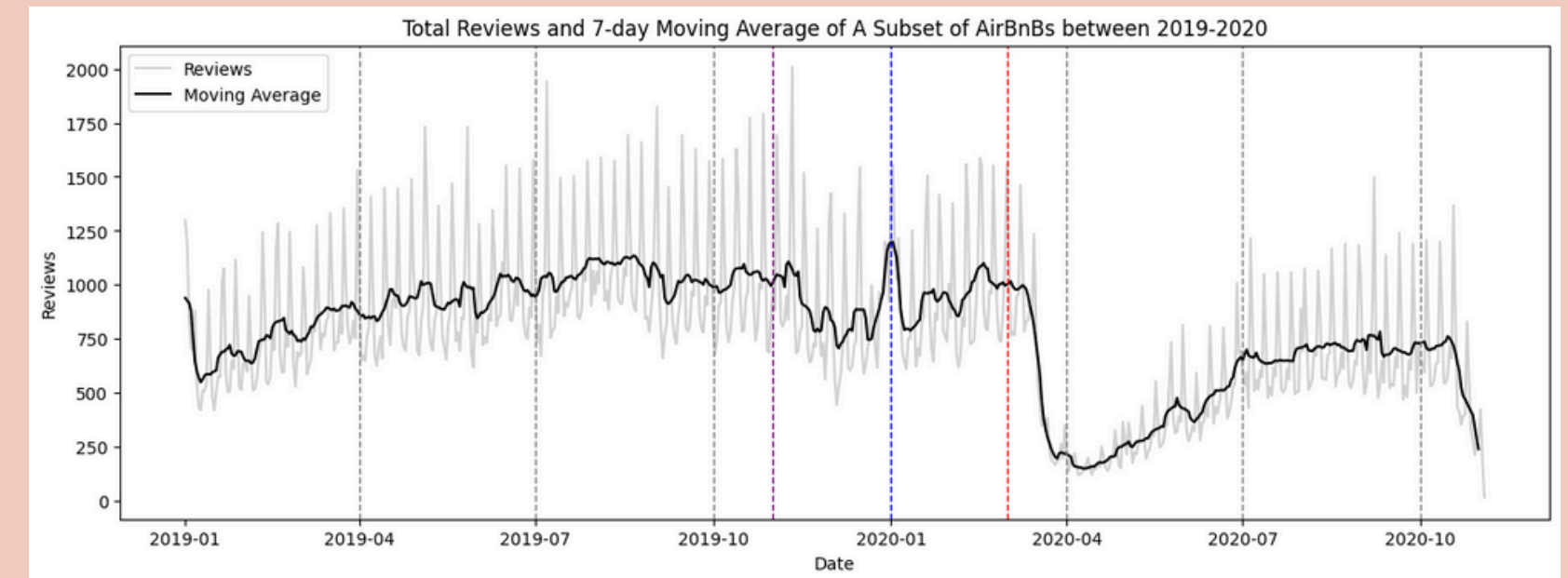
How Has the AirBnB Market in Los Angeles Changed after COVID?

Key Variables

- Number of listings, Number of reviews, Neighborhoods, Listing prices
- Average number of days available, Minimum nights, Room type

Comparison Periods*

- **Pre-COVID (Jan 2019 - Nov 2019)**
- **During-COVID (Mar 2020 - Jan 2021)**
- **Regulation Period (Nov 2019-Feb 2020)**
 - New AirBnB Law in Los Angeles (Homesharing Ordinance)
 - Effective November 2019, requiring hosts to register (\$89 fee) for only one primary residence, limiting rentals to 120 days per year, and banning rent-stabilized units from home-sharing



*Reasoning: We opted to compare the most recent 9-months of data not impacted by the new LA regulation to that of the COVID-19 data given we wanted to compare sets of similar sizes with largely overlapping seasonality. Comparing just November 2019 - March 2020 was too small of a window to address these concerns despite being post-regulation and going back to Mar 2018 - Jan 2019 was too far separated from COVID-19 given the rapid growth of Airbnb.



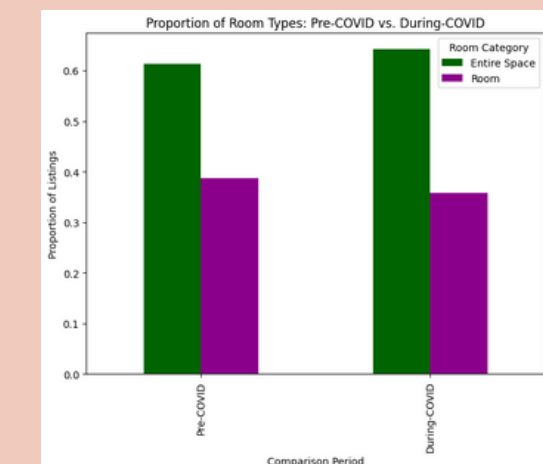
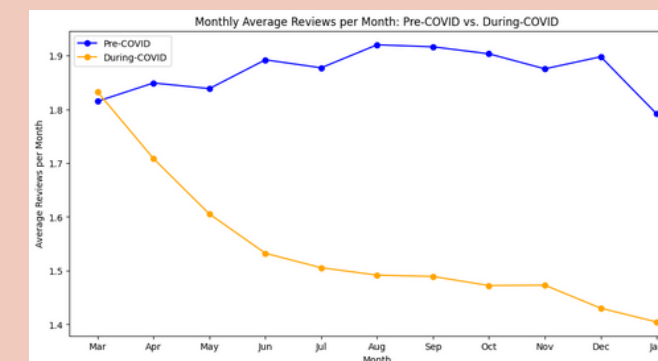
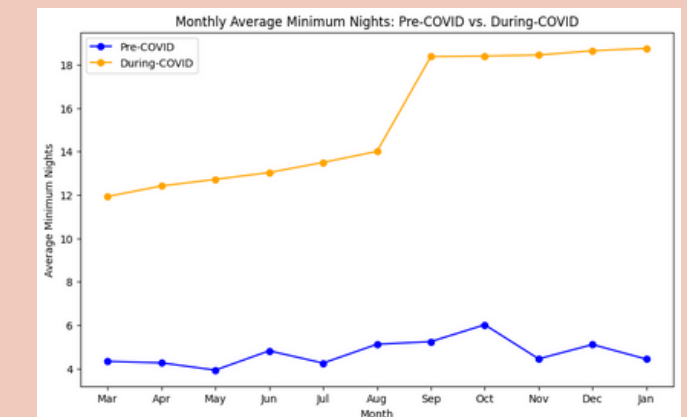
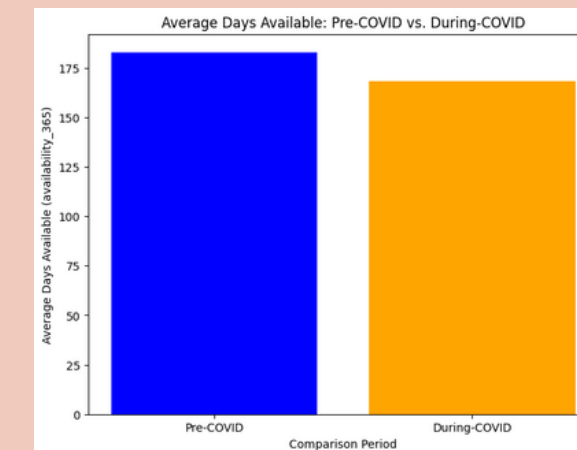
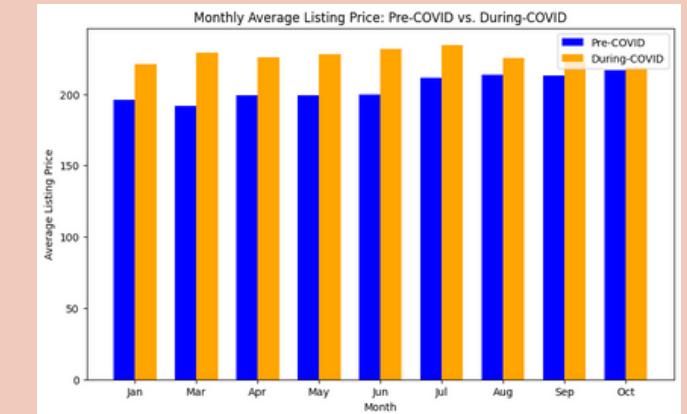
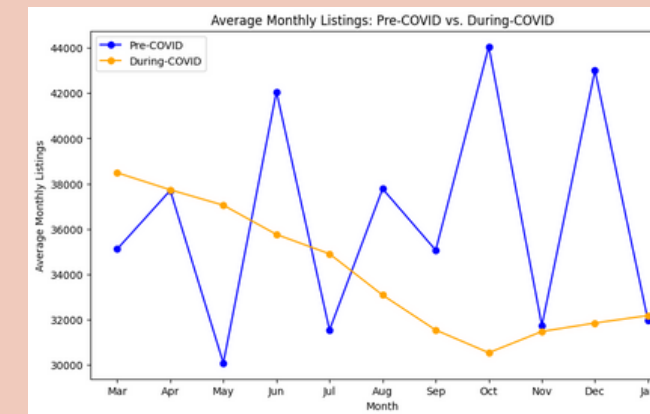
Key Insights

Market Dynamics: Platform Agents (AirBnB Hosts)

- **Total Listings**
 - During COVID, listings decreased by 4% compared to the pre-pandemic period
 - Listings slightly increased during the winter holiday season
 - A summer spike surpassed pre-COVID levels, likely due to lockdown-related shifts
- **Listing Price (Jan 2019-Nov 2019)**
 - Average listing price increased by 11.25% during COVID
 - Contributing Factors
 - Reduced overall supply leaving behind higher-quality properties
 - Travelers' preferences on entire homes in suburban or rural areas
 - Host's adjustment to offset lower occupancy and cover cleaning fees
- **Availability & Minimum Nights**
 - Average number of available days decreased by 8%, likely due to pandemic factors such as lockdowns, travel restrictions, and health concerns
 - Minimum nights increased by 226%, pre-COVID's 5 nights to during COVID's 15 nights

Market Dynamics: Guests (AirBnB Users)

- **Number of Reviews & Room Type**
 - Number of reviews dropped by 18% during the COVID
 - The proportion of entire space listings increased by 4.6% while room listings decreased by 7.4% compared to the pre-COVID





Key Insights

Geographic Analysis

The COVID-19 pandemic led to a significant decline in Airbnb listings, *especially* in popular, dense areas like Venice, Hollywood, and Downtown LA.

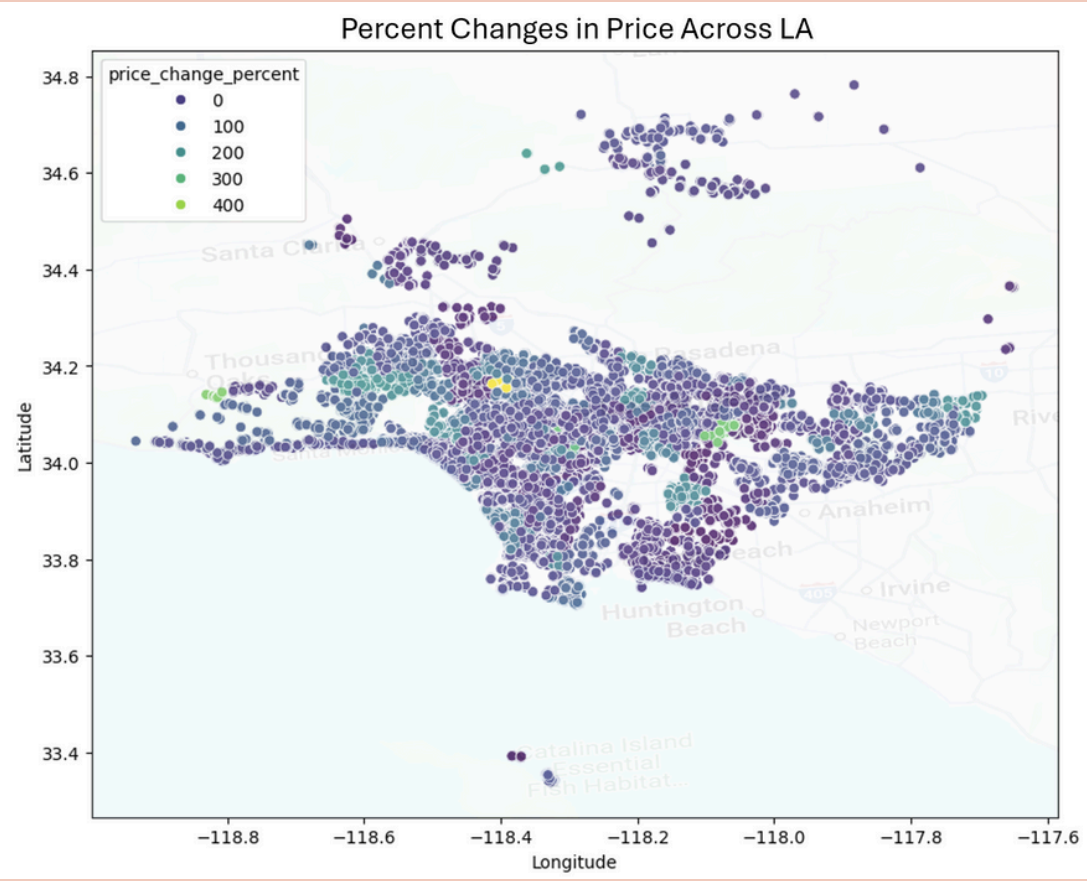
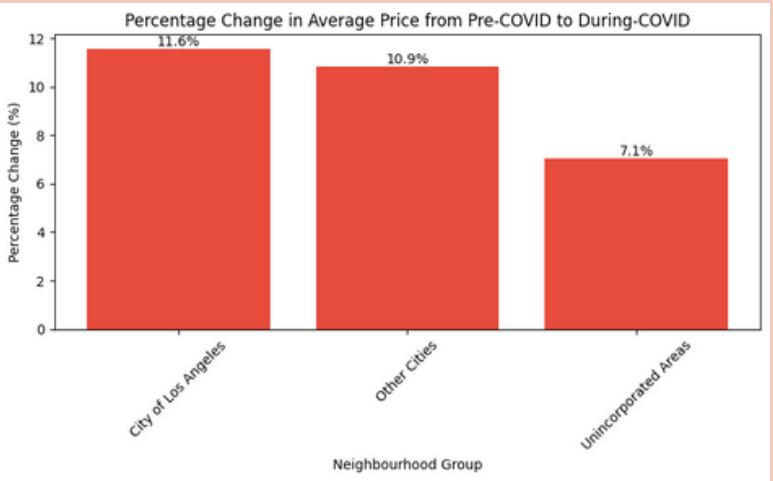
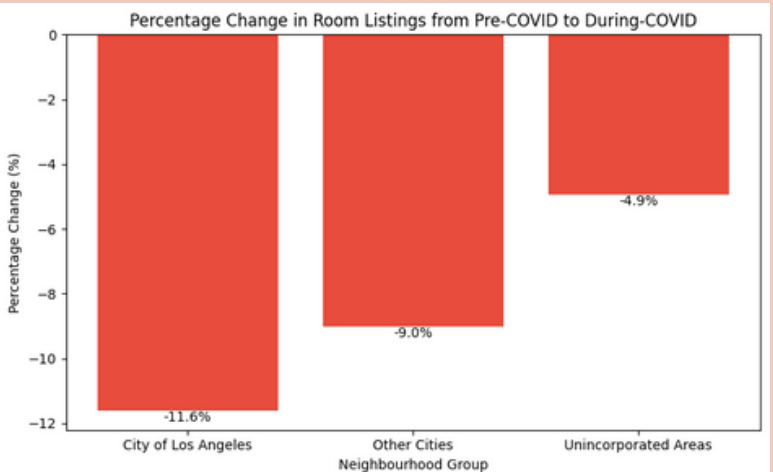
Comparing prices from pre-legislation to COVID-impacted 2020:

- City of Los Angeles: +11.57% (from \$201.05 to \$224.32)
- Other Cities: +10.85% (from \$215.38 to \$238.75)
- Unincorporated Areas: +7.06% (from \$166.79 to \$178.57)

Price variations fluctuated drastically between neighboring cities with similar geographies, population densities, and median household incomes, emphasizing the volatility in the market amidst these price increases. For example, Westlake Village witnessed a ~360% increase while Agoura Hills decreased by 16%.

Notably, Airbnb's minimum required nights in Los Angeles rose by 357% during COVID-19 (from an average of 4.32 nights pre-COVID to 19.71 nights during COVID), likely due to stricter health protocols and longer-term stays for essential workers and individuals quarantining in urban areas.

All in all, during COVID-19, Airbnb listings were fewer, more expensive, and required longer stays in tandem with fewer reviews when compared to pre-COVID periods across Los Angeles county



Neighborhood	Pre-COVID Listings	During-COVID Listings	Absolute Change	Percentage Change (%)
Venice	72,121	18,807	-53,314	-73.92
Hollywood	70,200	18,648	-51,552	-73.44
Downtown	39,344	12,825	-26,519	-67.40