CAN DATA REGULATION RESHAPE THE SHORT-TERM RENTAL MARKET?

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We describe whether and how short-term rental ("STR") platforms share data with local governments, as municipalities attempt to regulate STR markets in the US and Europe. The raw data patterns suggest that the sharing of detailed, timely, and actionable STR data may be crucial for successful enforcement if regulators aim to register and monitor all STR listings. We discuss a number of economic considerations in the design of data regulation concerning STR markets, including how such regulations may interface with market competition.

I. INTRODUCTION

Markets for short-term rental ("STR") have been rapidly growing. Since the launch of VRBO in 1995 and Airbnb in 2008, STR platforms have enabled hosts to list entire homes, private rooms, and shared spaces for short-term stays. Currently, STR platforms provide more listings than the top 5 hotel brands combined. Airbnb alone offered more than 7 million rental listings in 2022, distributed across 100,000 cities in 220 countries (Mariotti, 2023).[2] According to a report by Grand View Research (2023),[3] the global STR market reached an estimated $110 billion in general booking value ("GBV") as of 2022, with projections indicating a compound annual growth rate of 11.2 percent from 2023 to 2030, thanks to the rise of so-called staycations, elevated spending on travel and tourism, and the growing popularity of affordable accommodation options. The market's upward trajectory reflects both a dynamic shift in consumer preferences and a rapidly evolving hospitality industry.

Despite the fast expansion, STR markets have sparked intensive debates about the externalities they may generate for their communities. On the one hand, STR markets expand the range of accommodations avail- able for guests, often presenting a more budget-friendly travel experience (Farronato & Fradkin, 2022).[4] As STR bookings increase, they can provide significant supplementary income to hosts, which could be crucial during times of elevated inflation, increasing property taxes and insurance costs, and other financial challenges (Bibler et al., 2023).[5] Additionally, STR markets can boost tourism-related revenues for restaurants, entertainment venues, local transportation, as well as city or county governments through tax revenues (Gallagher, 2018).[6]

On the other hand, profitable STR markets have motivated investors to purchase properties to offer as short-term rentals, creating a landscape that includes not only individual hosts sharing their homes occasionally for additional income but also professional hosts operating full-fledged STR businesses with multiple properties, possibly across geographies. Moreover, STR markets may disrupt traditional lodging markets, including hotels and bed-and-breakfasts, as STRs often offer lower prices, no meals, and more unique experiences than hotels. As more residential units are converted to be offered as STRs, it may reduce the supply of long-term rental ("LTR") dwellings, diminishing LTR availability and affordability for local residents (Gurran & Phibbs, 2017).[7] Additionally, residents have voiced concerns about increased noise, traffic congestion, parking challenges, waste management difficulties, and safety issues, as STR often draws transient visitors to local residential areas (Kim et al., 2017;[8] Gallagher, 2018;[9] Jia & Wagman, 2020).[10]

These concerns have motivated a large number of municipalities to adopt or consider adopting STR regulations, but effectively regulating STR markets can be a challenging task. Studying STR regulation in a number of U.S. and European cities, we find that data sharing arrangements between STR platforms and municipalities is a critical component of effectively regulating STR markets, particularly if the regulators aim to broadly enforce their registration policies across STR listings.

In the proceeding, we first describe the background of STR regulation and then take a deep dive into the data sharing arrangements (or lack of) that are part of the regulatory STR frameworks of multiple U.S. and European cities. We then discuss a number of economic considerations in crafting such data arrangements, including how they may interface with market competition.

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2 Mariotti, Tony (2023). "Airbnb statistics 2023". *RubyHome*. URL: https://www.rubyhome.com/blog/ airbnb-stats/.

3 Grand View Research (2023). "Short-term Vacation Rental Market Size, Share & Trends Analysis Re- port". URL: https://www.grandviewresearch.com/industry-analysis/vacation-rental- market.

4 Farronato, Chiara & Andrey Fradkin (2022). "The Welfare Effects of Peer Entry: The Case of Airbnb and the Accommodation Industry". *American Economic Review* 112.6, pp. 1782–1817.

5 Bibler, Andrew, Keith Teltser & Mark J. Tremblay (2023). "Short-Term Rental Platforms and Homeowner Displacement: Evidence from Airbnb Registration Enforcement". *Available on SSRN*. URL: https://ssrn.com/abstract=4390232.

6 Gallagher, L. (2018). *The Airbnb Story: How Three Ordinary Guys Disrupted an Industry, Made Billions ... and Created Plenty of Controversy.* Houghton Mifflin Harcourt.

7 Gurran, Nicole & Peter Phibbs (2017). "When Tourists Move In: How Should Urban Planners Respond to Airbnb?" *Journal of the American Planning Association* 83.1, pp. 80–92.

8 Kim, Jin-Hyuk, Tin Cheuk Leung, and Liad Wagman (2017). "Can Restricting Property Use Be Value Enhancing? Evidence from Short-Term Rental Regulation". *The Journal of Law and Economics* 60.2, pp. 309–334.

9 *Supra*, note 6.

10 Jia, Jian & Liad Wagman (2020). "Platform, Anonymity, and Illegal Actors: Evidence of Whac-a-Mole Enforcement from Airbnb". *The Journal of Law and Economics* 63.4, pp. 729–761.

II. BACKGROUND

In response to concerns from residents and local industries, many municipalities have adopted or are considering adopting STR regulations, usually with an aim of imposing limits on STR activities. Most STR regulations include a requirement for listing hosts to register their listings with the local government, may prohibit STR listings in certain zones or areas of the municipality or impose a cap on the number of STR listings in an area, limit the number of STR listings that a host can operate, and restrict the maximum number of days during which STR listings can be rented to guests within a given period.

For example, Chicago has so-called Restricted Residential Zones (RRZ), organized around the geography of precincts. According to Sections 4-17 of the Municipal Code of Chicago, if at least 25 percent of a precinct's registered voters sign a petition, the entire precinct may be added to the list of RRZ that prohibits any new STR listings from being offered in that precinct, whereas existing registered listings in the precinct may continue to operate. As another example, the STR regulation in Los Angeles incorporates a limit on the number of days a listing can be rented. STR listing hosts in Los Angeles who possess a standard registration from the city are allowed to offer for short-term rent all or a portion of their home for up to 120 days in a given calendar year, unless they apply for an extended home-sharing registration.[11]

In a number of municipalities, STR regulations restrict the number of listings a host can register, or require a registered listing to be the host's primary residence (e.g., as declared via a homestead or homeowner exemption for property tax purposes). For example, Atlanta specifies that one owner can obtain one STR registration for up to two separate properties (such as the primary residence and one additional dwelling unit) without any additional requirements, fees, permits, registrations, zoning, or related restrictions.[12]

Setting up a regulatory regime for emerging business models such as short-term rentals can be a challenging task, but the enforcement aspect of such regimes can be even more challenging. Though there are exceptions, in many US states and European countries, STR platforms do not necessarily reveal a listing's exact address to a guest until after the guest has confirmed their reservation (and payment) for their booking — a practice that STR platforms have argued protects the host's privacy. Because of this, government officials may not be able to identify non-compliant listings unless they can access the hidden data at the time of non-compliance. Furthermore, most local governments are resource constrained, which means that they may not have sufficient skilled personnel to process the related data, and even if they identify non-compliant listings from the right data (or outsource the identification process to third parties), they may not have enough resources to locate the violating hosts, define the appropriate penalty, complete the appeal process if the target host decides to dispute the charge, and implement the penalty.

While some municipalities may utilize revenues from the registration process of STR listings towards enforcement purposes, doing so also entails opportunity costs for resource-constrained municipalities. These enforcement challenges can be alleviated or exacerbated depending on the extent and manner in which STR platforms share data with municipalities. This consideration is what has prompted our examination of the data-related aspect of STR regulations, especially the extent and attributes of platform data that is available to municipalities, including its form, granularity, and frequency, as well as the degree to which the platforms are involved.

Taking Barcelona as an example, the city's 2021 STR regulation requires all listings on STR platforms to obtain registration. However, Barcelona has only been able to obtain STR data aggregated at the local municipality level on a quarterly basis — a result of an EU-wide data sharing regulation pertaining to STR markets. With only aggregate data, it is difficult to identify which listing is potentially in violation of an STR regulation, let alone identifying and contacting its host. According to the most recent data from Inside Airbnb (an independent third-party that tracks STR markets), only 41.2 percent of Airbnb listings in Barcelona have posted any registration number on their listing page as of December 2023, whereas 63.8 percent of the Barcelona listings offered as of that month are available for short-term rent. Although regulators are aware of the incomplete compliance, without detailed information and the ability to identify and contact violators, it is difficult for regulators to enforce existing policies, and it is challenging to come up with enforceable new rules to close existing loopholes.

Further complicating matters, it is debatable whether STR platforms are legally obliged to provide any data to local governments. For instance, under Section 230 of the 1996 Communications Decency Act in the U.S. and the E-commerce Directive in the European Union ("EU"), platforms can argue that they are merely digital intermediaries that facilitate matching among hosts and guests, and are therefore not responsible

11 https://planning.lacity.gov/plans-policies/initiatives-policies/home-sharing.

12 https://www.atlantaga.gov/government/departments/city-planning/ordinances-regulations/short-term-rental.

for user behavior on the platform. Consequently, platforms may refuse to share granular data or remove listings if there is no direct evidence suggesting which listing on the platform has engaged in illegal behavior. This creates a chicken-and-egg problem: without data sharing, regulators cannot identify who is violating the STR regulation; and without direct evidence of illegal behavior from municipalities, platforms can refuse to impose disciplinary actions on any listing.

This dilemma is displayed in the lengthy and still ongoing legal battle between New York City ("NYC") and Airbnb. In October 2016, NYC enacted Assembly Bill AB 8704-4, banning the advertisement of short- term rentals in most dwellings. Not long after the law was enacted, Airbnb filed a federal lawsuit alleging that the new law would lead to "irreparable harm" to the company.[13] Two months later, Airbnb settled the case with NYC after the city agreed to enforce the law only against hosts and not fine Airbnb directly.[14] In July 2018, NYC's Council enacted Local Law 146, requiring STR platforms to provide monthly listing and activity data that identifies hosts and their addresses. One month later, Airbnb and HomeAway sued the city, the City Council, and the mayor, alleging that the legislation violated the Stored Communications Act ("SCA") as well as user privacy under the First and Fourth Amendments of the US Constitution. This led to a preliminary injunction from a federal judge right before the law was set to take effect in February 2019.[15] As part of a June 2020 settlement between Airbnb and HomeAway and the city, the city agreed to amend the data sharing regulation. The amended provisions only require the platform to share data on listings that offered or appeared to offer a rental of an entire dwelling unit or a rental for three or more persons. The amended regulation also eliminated reporting obligations for listings offered for fewer than five days, eliminated the obligation to report the total fees received by the platform, and reduced the frequency of reporting from monthly to quarterly.[16]

On January 3, 2021, NYC's Local Law 2020/064 went into effect, which amended the NYC Administrative Code Chapter 21 and required STR platforms to share STR information. On January 9, 2022, NYC adopted Local Law 18, requiring hosts to register with the Mayor's Office of Special Enforcement ("OSE"), and prohibiting STR platforms from processing transactions for unregistered STRs. Airbnb sued NYC in June 2023, contending that the regulation imposed severe restrictions on the STR market and harmed Airbnb's business. Airbnb alleged that the OSE failed to consider reasonable alternatives that would not have the effect of effectively ending the STR market in NYC. Airbnb further alleged that some of the rules violated Section 230 of the Communications Decency Act. However, a federal judge dismissed the lawsuit, writing that the rules in Local Law 18 "are not so burdensome that the Court finds it necessary to restrict their implementation or modify them." NYC subsequently began enforcing the registration requirement in September 2023. On September 5, 2023, the Wall Street Journal published a podcast titled "New York City's 'De Facto Ban' on Airbnb."[17]

III. DATA PATTERNS

Table 1 summarizes the data aspect of STR regulatory frameworks across a number of US and European cities. The entries are ordered according to the extent of data sharing, where we consider data sharing as more comprehensive if the unit of observation in the shared data is more granular, if updated data is provided more frequently, if the data includes more precise information regarding listing addresses, if the data is delivered in a more machine-readable format (assuming the local government has sufficient technical ability to handle the data), and if the data sharing requirement applies more broadly across STR platforms.

13 https://www.nytimes.com/2016/10/22/technology/new-york-passes-law-airbnb.html.

14 https://www.nytimes.com/2016/12/03/technology/airbnb-ends-fight-with-new-york-city-over-fines.html.

15 https://www.nytimes.com/2019/01/03/nyregion/nyc-airbnb-rentals.html.

16 https://www.nyc.gov/office-of-the-mayor/news/432-20/city-new-york-airbnb-reach-settlement-agreement.

17 https://www.wsj.com/podcasts/the-journal/new-york-citys-de-facto-ban-on-airbnb/b1ec6fd1-dc6a-4819-b231-9110918b8d85#:~:text=Airbnb%20listings%20in%20New%20York,nation%20around%20short%2Dterm% 20rentals.

Table 1: STR Data Sharing Agreements in U.S. and EU Cities

City	Data Sharing	Data Form	Platforms Entered Agreement	Delivery Frequency	Listing Address	Direct Delivery	Registration Requirement
LA	09/2020	Listing level	Airbnb	Real Time		No (API direct access)	11/2019
Chicago	03/2017	Listing level	All STR Platforms	Every 2 Months	Detailed address	Yes	03/2017
NYC	01/2021	Listing level	All STR Platforms	Quarterly	Detailed Address	Yes	03/2023
Boston	12/2019	Listing level	All STR Platforms		Airbnb Zip Code	Yes	12/2019
Seattle	12/2019[1]	Listing level	All STR Platforms	Monthly		Yes	12/ 2019
France	12/2019	Listing level	All STR Platforms	Annually	Detailed Address	No	10/2017 (Paris)
Greece	04/2021	Unknown	Collaborative Platforms[4]	Unknown	Unknown	Unknown	12/2016
Amsterdam	2016	Listing level [3]	Airbnb			No (Web Scrapping)	01/2021
DC	NA	NA	NA	NA	NA	NA	06/2022
EU	03/2020 01/2023	Aggregated at municipalities level Listing level	Collaborative Platforms[2] All Digital Platforms	Quarterly Annually	NA Detailed Address	Yes	

The regulation passed on January 2019 but delayed to December due to technical issues.

[1] Airbnb, Booking, Expedia Group, and Tripadvisor. https://ec.europa.eu/commission/presscorner/detail/es/ip_20_194.

[2] Amsterdam Municipality collects Airbnb data using a scraper. https://sharingcitiesalliance.knowledgeowl.com/help/agreement-amsterdam-and-airbnb.

[3] Airbnb, Booking.com, and VRBO. https://www.aade.gr/sites/default/files/2023-09/dt_18.09.2023_en.pdf.

As can be seen, Los Angeles is at the top of the list because Airbnb, the largest homesharing platform in the U.S., shares listing-level data with exact addresses in an API format. If the city of Los Angeles has sufficient resources, it can obtain refreshed data from Airbnb in real time. To the best of our knowledge, Chicago and NYC also receive listing-level data, but at a bimonthly or quarterly cadence and in a non-API format; however, their arrangements cover all STR platforms. The data sharing arrangement in Boston is less complete — listing location information in the Boston data only contains zip codes. We are unsure about the exact content of data shared by STR platforms with the city of Seattle. If the data contain detailed addresses, then Seattle would be ranked second in our list.

Turning to Europe, data received by French regulators includes detailed addresses, but the data is only delivered once a year and obtaining it requires the city to file a data request. Greece is a special case in that it reached agreements with STR platforms whereby the platforms commit to assisting Greek regulators with removing illegal listings. We do not have detailed information regarding the data format Greece receives, nor whether the data is detailed and has high frequency. Amsterdam is another special case, as the city utilizes web scrapping tools to gain information from the Airbnb website, presumably without an explicit agreement with Airbnb for a data feed. This entails that Amsterdam has limited data, since many listing attributes are not publicly available on the platform's website, including the exact addresses of listings. Washington, DC is at the bottom of Table 1 because it has no active data arrangements with STR platforms.

For the regulations related to STR data sharing in the EU, the European Commission has reached an agreement with STR platforms regarding data sharing. However, the agreement only allows municipalities to obtain aggregate data at the municipality level on a quarterly basis. More specifically, EU Directive DAC7, pertaining to tax-related data sharing, came into effect on January 1, 2023. The Directive includes an annual reporting obligation applicable to STR platforms, with the information shared to encompass detailed information about the tax payer and her business.

It is difficult to consistently and precisely measure the enforcement effectiveness of a specific STR regulation because the regulations tend to differ across municipalities. For the purpose of illustration, we focus on two dimensions relevant to every city with STR markets: (i) the fraction of Airbnb listings that display a registration number on Airbnb (henceforth, registration rate), and (ii) the fraction of Airbnb listings that are long-term rentals (LTR ratio), where we count a listing as LTR in a city-month if it specifies a minimum stay requirement in that month above the short-term rental definition of the city.[18]

Table 2 compares the composition of registered and unregistered listings on Airbnb across different cities. The table is ordered by the percentage of registered Airbnb listings. The registration rate is calculated using Inside Airbnb data as of December 2023.

By comparing Table 1 and Table 2, we can observe some consistent patterns between the registration rate and the extent of data sharing. The relatively high registration rates in Athens (93.2 percent), Amsterdam (92.5 percent), and Seattle (76.3 percent) suggest that data-sharing agreements with STR platforms as well as frequent data updating could be helpful as far as STR registration. The registration rate in Chicago (74.7 percent) also suggests that obtaining detailed data from STR platforms can help ensuring a reasonable registration rate, even if the data sharing is less frequent. A possible explanation for the lower registration rates in Paris (64.5 percent), Boston (46.2 percent), Washington DC (43 percent), and Barcelona (41.2 percent) is that it is challenging to enforce a municipality's registration requirement if data sharing is not available, data updating is infrequent, or listing address information is not available.

Table 2: Registration Rate of Airbnb Listings in US and EU Cities As of December 2023

	% With Registration Number	% Unregistered	% Exempt	Most Binding Regulation
Athens	93.2	5.3	1.4	Greece
Amsterdam	92.5	0.9	6.6	Amsterdam
Seattle	76.3	20.7	3.0	Seattle
Chicago	74.7	17.1	1.8	Chicago
Paris	64.5	26.4	9.1	France
Boston	46.2	36.7	17.1	Boston
Washington D.C.	43.0	38.6	18.4	DC
Barcelona	41.2	32.3	26.5	EU
Los Angeles	19.8	73.7	6.4	LA
New York City	1.9	90.1	8.0	NYC

There is also some inconsistency between Table 1 and Table 2. For example, the registration rate is low in Los Angeles (19.8 percent) although Los Angeles can directly access the Airbnb data feed through an API, which may be attributable to resource constraints in Los Angeles. NYC is another special case where only 10.6 percent of Airbnb listings are still operating as short-term rentals and only 1.9 percent of STR listings are registered. This is understandable given that entire-home STR listings remain illegal in most NYC dwellings and hosts in NYC may elect to comply with recent regulations from the city by changing their listings' minimum stay requirement to be at least 30 days (though whether the actual minimum stay is at least 30 days is another question[9]).

Figure 1 visualizes how the registration rates and LTR ratios change before and after STR data arrangements are made by a city. The darker line represents the percentage of listings on the Airbnb website that are registered. Registration status is gathered from the content that hosts enter in their listings' registration number field on Airbnb. Information entered in this field can be a series of registration numbers, any English words (for instance, "Registered" or "Registration Pending"), or no input at all. We categorize a listing as registered if the information in this field was a registration number or the term "Registered." The lighter line represents the percentage of listings on Airbnb that have minimum stay requirements longer than the STR definition set by local regulators. For example, in NYC, STR is defined as renting for any period shorter than 30 days. The LTR ratio in NYC is thus calculated as the number of listings that have minimum stays of at least 30 days divided by the total number of listings. The vertical dashed line represents the date after which a city has in place an arrangement for obtaining STR data.

In Chicago, the registration rate rose to its peak right after the city's data sharing arrangement with Airbnb began in March 2017. The city's LTR ratio remained low until late 2018, likely because Chicago increased its STR tax surcharge in December 2018.

18 Different cities may define short-term rental differently, for example, NYC classifies any listings with a stay strictly fewer than 30 consecutive days as a short-term rental, but Chicago sets the limit of short-term rental as 31 days or fewer.

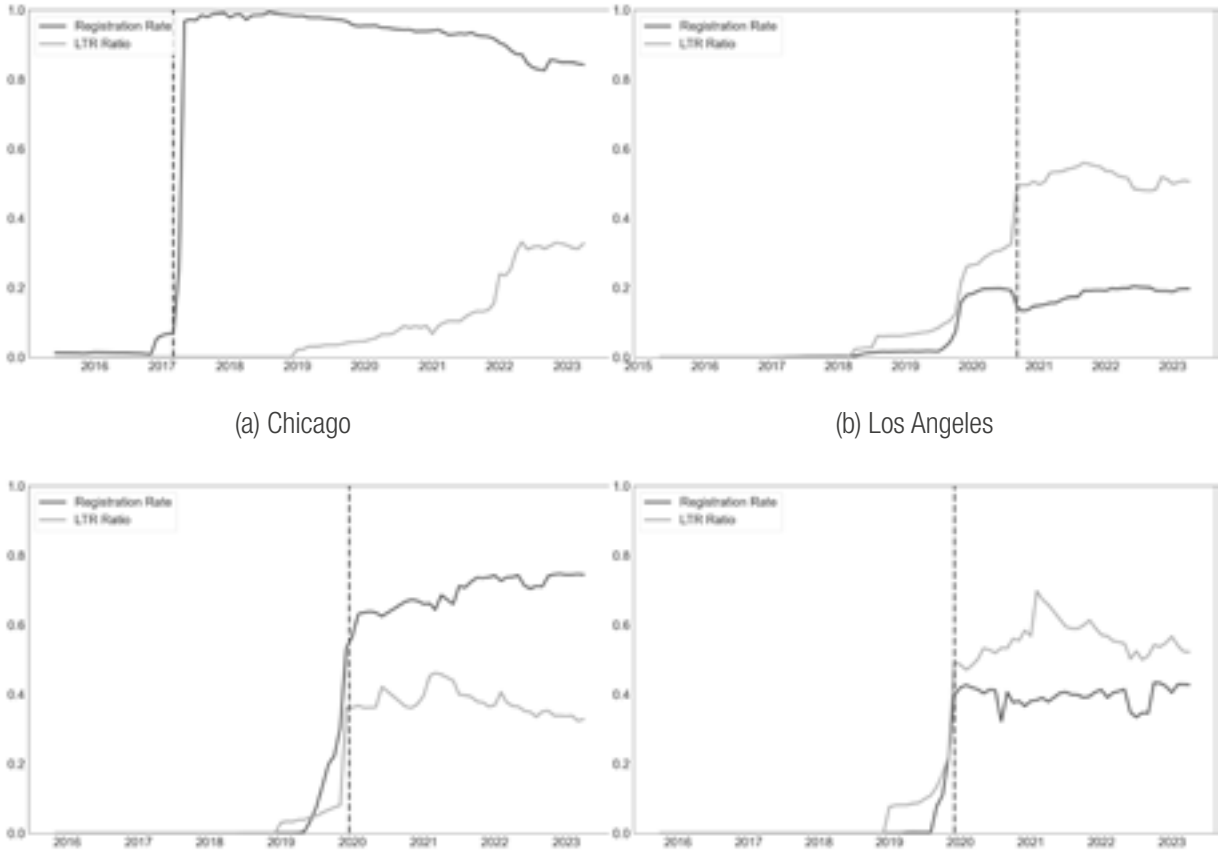
In Los Angeles, enforcement began in November 2019 and data sharing arrangement began in September 2020. Although the city has API access to real-time data feeds from Airbnb, its enforcement is still relatively weak. An organization named Better Neighbors Los Angeles examined the city's enforcement on short- term rentals in its annual report (BNLA, 2022).[19] It confirms Airbnb's live data sharing with the city via API, but finds that the city fails to ensure data sharing compliance by other platforms. The report also finds that Granicus, a contractor of the city, monitors listings across 60 different platforms and sends the city a monthly report. From November 1, 2021 to October 31, 2022, Granicus found a monthly average of 2,219 non-compliant listings, which is a significant number as the city has 4,013 STR listings and another 4,093 likely STR listings (in the disguise of LTR) per month on average. Despite this, in an average month, the city has taken only 64 enforcement actions (fines or warning letters). For the entire year, the city has issued only 27 fines, resulting in a mere $9,827 in fine collection.

In Seattle, enforcement of the city's STR regulation began in December 2019, and the city's sharp in- creases in registration rate and LTR ratio are consistent with the enforcement date. Boston's change in registration rate and LTR ratio are also consistent with the date when the city's data sharing arrangement began. Whereas Washington, DC has no regulation in place for mandating STR data sharing, the district's increases in registration rate and LTR ratio are consistent with the fact that the city began its STR enforcement in January 2022 with a grace period ending in June 2022.

NYC began receiving data from STR platforms in January 2021. The city's Local Law 18, which required STR listings to be registered with the city, took effect in September 2023. These timings appear consistent with the sharp upshots of the city's LTR ratio, although the registration rate remains close to zero and has hardly changed over time. This explains why the line for registration rate in NYC is invisible in Figure 1.

Overall, there is a variety of STR data sharing arrangements between cities and STR platforms, and these arrangements further vary between US and European cities. Although our sample is too small for running rigorous statistical tests, the raw data patterns suggest that the registration rate of STR listings may be higher if cities can achieve data sharing arrangements that are more complete (in terms of the data's granularity, frequency, and its direct delivery) and municipalities have sufficient resources to process and enforce registrations.

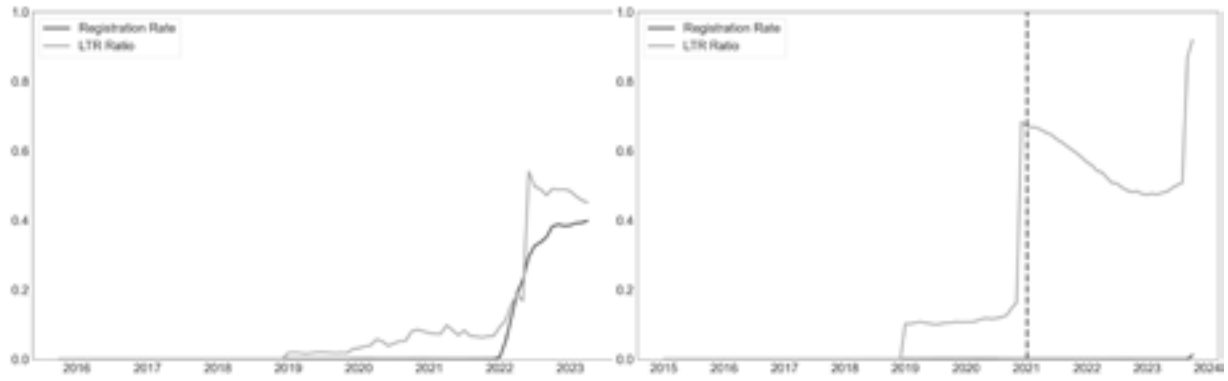
Figure 1: STR Registration Rate and LTR Ratio in US Cites (Airbnb only)



(a) Chicago (b) Los Angeles

(c) Seattle (d) Boston

19 BNLA (2022). "2022 The Los Angeles Home-Sharing Ordinance Enforcement Report and Recommendations". URL: https://static1.squarespace.com/static/5fc9845732f-65217775cb3a5/t/ 63f8e87357c81b184848b95b/1677256830192/BNLA_Annual+Report_2022-web.pdf.



(e) Washington DC

(f) New York City

Note: The darker lines represent registration rate; the lighter lines represent LTR ratio; the vertical dashed lines represent the start date of each city's data sharing agreement.
No data sharing agreement is available in Washington DC.

IV. DISCUSSION

The tradeoffs surrounding STR platforms sharing data with regulating cities are complex and multifaceted. On the one hand, increased transparency to local regulators can lead to more effective enforcement and regulations and better compliance by hosts (Jin et al., 2023).[20] Regulators can gain insights into the operations of hosts, ensuring that they adhere to safety, zoning, and taxation requirements. This enhanced oversight can contribute to a more stable and responsible short-term rental market. It may also encourage regulators to adapt regulations over time to the evolving dynamics of STR markets. This iterative process can lead to more nuanced and effective policies that balance the interests of the various stakeholders.

On the other hand, the push for more stringent STR regulations and data sharing arrangements may reshape the dynamics of competition among local hotels, professional STR operators, and individual STR operators. While it can create a level playing field by subjecting them to similar rules, individual operators who lack scale may be dissuaded from becoming hosts in the first place, due to disproportionate increases in entry and operating costs or privacy concerns of sharing detailed information about their residences. The potential negative consequences for individual operators risks diminishing one of the original reasons that encouraged municipalities to permit short-term rentals in the first place.

Moreover, unless municipalities enact regulations and tax collection regimes that cover all STR plat- forms operating in their vicinity, such regulations can advantage some platforms over others. Similarly, data sharing agreements with cities convey legitimacy, and unless such agreements are facilitated with all relevant STR platforms, they can advantage some platforms over others. For instance, in the aftermath of Chicago's data sharing agreement with Airbnb, HomeAway sued the city, seeking its own inclusion, highlighting the potential for regulatory legitimacy to favor certain platforms over others.[21]

Finally, concerns raised by Airbnb and other STR platforms illustrate the delicate balance concerning regulatory oversight, individual privacy, property rights, business interests, and community interests. Striking the right balance between effective regulation through transparency and protecting the rights of hosts as well as encouraging smaller, individual operators to participate in the STR market remains a critical challenge in crafting policies for the short-term rental industry.

20 Jin, Ginger Zhe, Liad Wagman & Mengyi Zhong (2023). "The Effects of Short-term Rental Regulation: Insights from Chicago". *Available on SSRN.* URL: https://ssrn.com/abstract=4638022.

21 https://www.courthousenews.com/homeaway-says-new-chicago-law-favors-airbnb/.

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