

# VICTORIA, BC

- Revenue generated by multi-unit entire-home hosts increased by 93% to now total more than \$3.3 million.
- 86% of Victoria's Airbnb revenue is generated by entire-home rentals.
- 37% of Victoria's units were rented out for more than 90 days in past 12 months, earning more than 75% of total revenues.
- 5% of Victoria's Airbnb inventory was rented out for more than 180 days and generated 20% of total revenues.
- 2,600 full-time equivalent jobs at an average salary of \$51,000.
- Based on an analysis of cleaning revenues, it is estimated that Victoria's Airbnb sector supports 28 jobs, of which 26 are generated by entire-home rentals.
- In addition to 5% GST and 7% PST, hotel room sales in Victoria are subject to 2% municipal and regional district tax (MTDT). It is estimated that hotel room sales generate \$32 million in consumer taxes and fees.
- Applying the same rates to Victoria's Airbnb sector has the potential to generate an estimated \$1.7 million in consumer taxes and fees.
- Over the past 4 years, Victoria's hotel sector has invested over \$39 million in new hotel development. There is no comparable capital investment in new built Airbnb properties, as these properties are largely repurposed residential units.

## GROWTH IN AIRBNB AND HOTEL SUPPLY

### HOTEL ROOM SUPPLY

Year	Rooms	Y-o-Y Change
2014	5,779	
2015	5,807	0.5%
2016	5,941	2.3%
2017 F	5,941	0.0%
<b>0.9% CAGR</b>		
<small>Source: CBRE Hotels</small>		

### AIRBNB UNIT SUPPLY

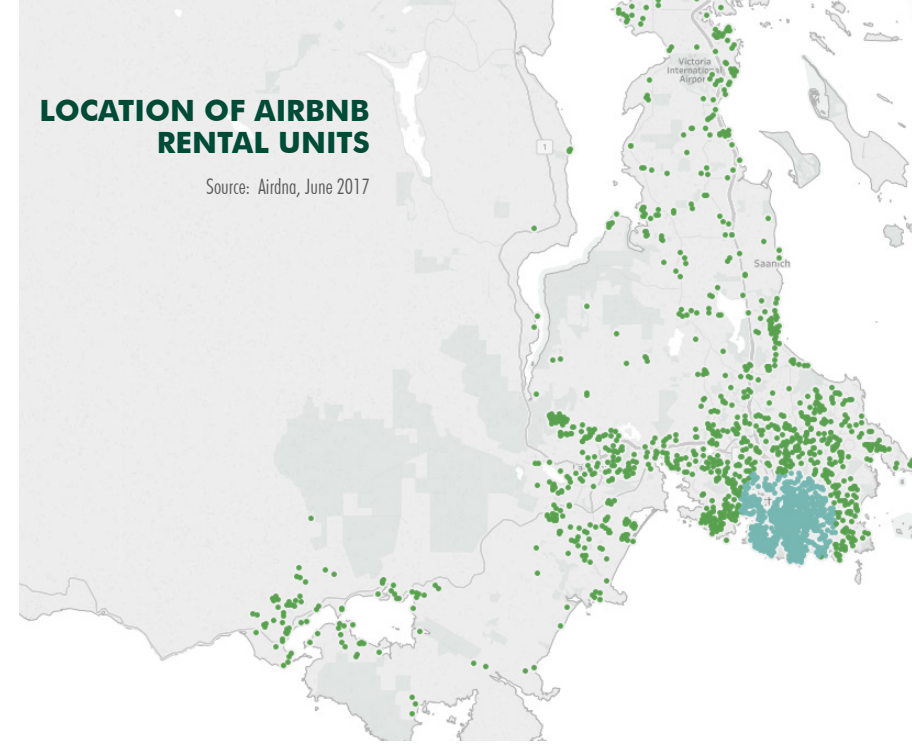
Year	Rooms	Y-o-Y Change
2015	1,129	
2016	2,185	94%
<small>Source: Airdna, CBRE Hotels, June 2017</small>		

## OF THE 11 CANADIAN CITIES ANALYZED, VICTORIA RANKS:



## LOCATION OF AIRBNB RENTAL UNITS

Source: Airdna, June 2017



## HOTEL/MOTEL ACCOMMODATION SUPPLY

	2014		2015			2016			2017		
	Props	Rooms	Props	Rooms	% Δ in Rooms	Props	Rooms	% Δ in Rooms	Props	Rooms	% Δ in Rooms
Victoria	56	5,779	58	5,807	0%	58	5,941	2%	58	5,941	0%

Source: CBRE Hotels

## # OF UNITS RENTED OUT MORE THAN 90 AND 180 DAYS

	TOTAL		UNITS		REVENUE		% UNITS			% REVENUE		
	Units	Revenue	>90 days	>180 days	>90 days	>180 days	<90 days	>90 days	>180 days	<90 days	>90 days	>180 days
Victoria	14,424	\$104,019,770	5,821	1,240	\$83,644,942	\$30,052,496	59.6%	40.4%	8.6%	19.6%	80.4%	28.9%
TOTAL CANADA	100,543	\$553,618,753	32,207	5,034	\$395,333,190	\$108,349,235	68.0%	32.0%	5.0%	28.6%	71.4%	19.6%

Time Period: April 2016-March 2017  
Source: Airdna, CBRE Hotels, June 2017

## CONSUMER TAXES AND FEES GENERATED BY HOTEL SECTOR VERSUS AIRBNB

	DMF/Hotel/Tourism Tax Levy	PST & GST or HST on Rooms	Total Potential Taxes/Fees to the Consumer	Estimated Tax/Fee Revenue Remitted by Hotels - Rooms Revenue Only	Potential Airbnb Tax/Fee Revenue
Victoria	2% Municipal and Regional District Tax (MRDT)	12.00%	14.00%	\$32,000,000	\$1,700,000

Source: Airdna, CBRE Hotels Estimates, Taxes on Lodging in Canada, prepared by City of Toronto, 2016 & Retail Council of Canada

## AIRBNB PERFORMANCE

UNIT TYPE	HOST UNITS	April 1, 2015 - March 31, 2016			April 1, 2016 - March 31, 2017			Y-o-Y Δ		
		HOSTS	UNITS	REVENUE	HOST	UNITS	REVENUE	HOSTS	UNITS	REVENUE
Entire	1	586	614	\$3,497,251	1,162	1,246	\$7,283,423	98%	103%	108%
Homes	2+	73	263	\$1,717,851	130	445	\$3,310,783	78%	69%	93%
	Total	659	877	\$5,215,103	1,292	1,691	\$10,594,205	96%	93%	103%
All other		152	252	\$947,478	308	494	\$1,772,920	103%	96%	87%
<b>MARKET TOTALS*</b>		<b>811</b>	<b>1,129</b>	<b>\$6,162,580</b>	<b>1,600</b>	<b>2,185</b>	<b>\$12,367,125</b>	<b>97%</b>	<b>94%</b>	<b>101%</b>

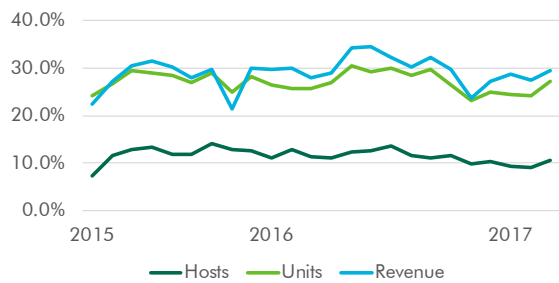
\* Includes All Airbnb Rentals, including Entire Home, Private Room, Shared Room and unique property rentals  
Source: Airdna, CBRE Hotels, June 2017

## JOBS GENERATED BY HOTEL SECTOR VERSUS AIRBNB

	Hotel Salaries, Wages & Benefits	Hotel FTE Jobs	Airbnb FTE Jobs Supported by Entire-Home Rentals	Total Airbnb FTE Jobs
Victoria	\$132,000,000	2,600	26	28
<b>TOTAL CANADA</b>	<b>\$6,889,000,000</b>	<b>191,600</b>	<b>930</b>	<b>1,037</b>

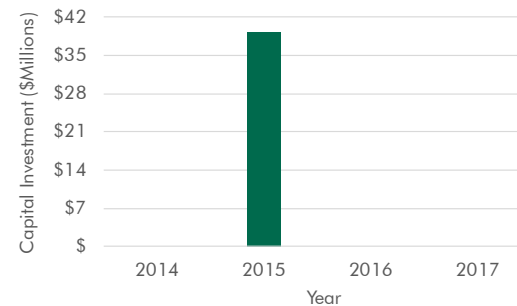
Time Period: Hotels - 2016; Airbnb: April 2016-March 2017  
FTE - Full-time Equivalent job based on 2,000 hours worked per year  
Source: Airdna, CBRE Hotels, June 2017

### MULTI-UNIT HOSTS AS A % OF ALL ENTIRE-HOME HOSTS



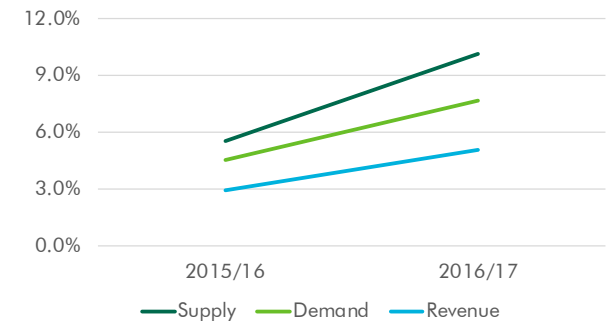
Time Period: April 2015 to March 2017  
Source: Airdna, CBRE Hotels, June 2017

### TOTAL NEW BUILD HOTEL CAPITAL INVESTMENT



Source: CBRE

### AIRBNB PERFORMANCE AS A PERCENT OF HOTEL PERFORMANCE



### Growth In Supply, Demand & Revenue - Hotel & Airbnb

In terms of the relative size of the 2 sectors, over the past 2 years, Airbnb's performance in Victoria has grown from 6% to 10% of Victoria's combined hotel and Airbnb supply (2015/16 to 2016/17), with demand representing 4.5% to 8% of the city's combined room nights sold. Total Airbnb revenues are approximately 5% of the combined room revenues in 2016/17, as compared to an estimated 3% in 2015/16.