

**HOMEAWAY UNVEILS UK'S FIRST COMPREHENSIVE DOMESTIC HOLIDAY RENTALS REPORT
LONDON SCHOOL OF ECONOMICS IMPACT REPORT REACHES £4.5 BILLION CONCLUSION FOR HOLIDAY
RENTALS IN UK**

- *Total spent by holiday-rental clients in the UK is estimated at £4.35 billion, creating over 95,000 jobs across the country*
- *Owners contribute £450 million spending on their properties, including creating local employment opportunities for services and other local businesses*
- *Local businesses and entrepreneurs have an opportunity to grow by servicing the holiday rental sector*
- *Net direct effect of holiday rentals in the UK estimated at £285 million with £100 million going into UK in the form of income tax*

London, UK – 2 December 2014 – [HomeAway Inc.](#), the world's largest marketplace for family accommodation, in conjunction with the London School of Economics (LSE), today unveiled the first-ever comprehensive study measuring the economic impact of the holiday rentals sector in the UK market. Unique to the report is its analysis of key domestic destinations across the UK, specifically North Yorkshire, Cornwall and London; previous attempts to study the holiday rentals industry have focused solely on single destinations without any basis for comparison or measure of impact of the industry across the country.

HomeAway, which was launched in 2006 with just 60,000 holiday homes worldwide now stands at over 1 million listings, generated more than US\$11 billion in rental revenue for owners and property managers in 2013 alone.

The report, compiled by Kath Scanlon, Emma Sagor and Dr. Christine Whitehead of LSE's department of Economics (Housing Finance) estimates the total spend by holiday rental clients in the UK is over £4.35 billion per year and responsible for creating over 95,000 jobs nationwide. Additionally, expenditure by tourists staying in self-catering accommodation grew faster than expenditure by tourists booking any other accommodation category.

Other highlights found within the research include:

- The holiday rental industry contributes an estimated £100 million in tax revenue to the UK government;
- Estimated gross income of all holiday rental owners in the UK is £950 million;

- Net additional expenditure by holiday rental clients is estimated at up to £2.2 billion per year – far higher than the net additional expenditure generated by travellers staying in any other type of accommodation;
- 36% of holiday rental owners are likely to buy an additional rental home in the next five years;
- Significant potential to grow inbound tourism market from South America, Asia, Africa and Middle East.

“This report suggests that the holiday rental industry contributes to the UK economy by increasing tourism income and creating jobs. These effects are felt in regions across the country,” said Kath Scanlon, Research Fellow at LSE. “Holiday rental visitors stay longer at their destinations and therefore spend more - in fact, many visit rural or seaside areas specifically to stay in attractive holiday rental properties. This has helped areas like Cornwall where tourism has pumped new pounds into previously struggling locales.”

“Most holiday rental owners support other local businesses. Our survey found that over 90% of rental hosts across the country highlight local community offerings when asked for recommendations by their guests. Support is also in the form of employment, with over three quarters of owners employing staff to assist with property maintenance. Nationally, owners spend an average of about £1,600 per year per property on hiring employees. In Cornwall and North Yorkshire – two locations with underemployment issues – the figures are even higher. In these areas owners spend on average £2,500 and £3,000 respectively per property.”

Authenticity, community involvement and personal recommendation are holiday trends that are most definitely resonating with the end consumer. With the report clearly showing that holiday rental industry hosts are supporting the desire to ‘keep it local’ across the country, it comes as no surprise that the percentage of visitors to self-catering rentals has risen between 2008 and 2013. According to VisitEngland data comparing 2008 and 2013, London has seen the biggest boom with a 485% increase in self-catering stays during this period with Yorkshire (56%) and Southwest England (30%) also boasting strong gains – making holiday rentals the fastest-growing accommodation option in the UK.

“This report is the first step in showing the significant value that the holiday rental market brings to the economy as a whole, as well as to individual communities which depend on tourism,” said Erica Chang, UK Regional Director of HomeAway. “While HomeAway has known how important holiday rentals are to the tourism industry, we are excited to be able to demonstrate this through figures that contribute to employment

and local commerce. There is more research that is needed, so now we will begin to look more closely at the traveller experience, and the impact and opportunities this has for local commerce.”

HomeAway commissioned the LSE study in July 2014 to review all existing data reports into the value of the UK holiday rental market; identify local trends in Cornwall, Yorkshire and London; speak to industry leaders; and compile a survey with over 1,600 UK holiday homeowner respondents. In addition, data provided by other holiday rental businesses was included to ensure the report considered the full market.

For more information on HomeAway and to download the report in its entirety, go to:

<http://www.homeaway.co.uk/info/the-economic-impact-report>

Twitter: #4.5billion @HomeAwayUK

For more information on HomeAway go to www.homeaway.co.uk

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Notes to Editors

Appendix:

‘Keeping it local’

Table 4.2: Do you suggest local businesses (e.g. shops, restaurants, activities) to your guests upon their arrival?’ (UK)

	%
Yes	91
No	2
If they request information	6

Source: LSE London Holiday Rental Property Owners Survey (2014)

Employment, expenditure and income

Table 4.3: ‘Do you regularly hire any of the following as part of operating your rental property?’ (UK)

	%
Administrator	8

Other (please specify)	23
Gardener	38
Accountant	43
Cleaner	78

Source: LSE London Holiday Rental Property Owners Survey (2014)

Table 5.10: Regional trends in domestic visitor trips spent in self-catering rented accommodation (2008-2013)

	Visits to self-catering rentals			% change in overall number of trips to region
	2008	2013	% change	
South West England	2,121,000	2,751,000	30%	3%
Yorkshire	504,000	791,000	56%	5%
London	34,000	199,000	485%	11%

Sources: VisitEngland (2008; 2013)

Table 4.4: Median expenditure and income per unit (UK)

	Total expenditure	Of which on employment	Gross annual income
London	£9,000	£3,750	£25,000
Cornwall	£6,000	£2,500	£11,250
North Yorkshire	£7,000	£3,000	£14,000
UK	£6,000	£1,600	£12,750

Source: LSE London Holiday Rental Property Owners Survey (2014)

Table 5.7: Gross tourist expenditure and employment attributable to travellers staying in holiday rentals (2012)

Figures rounded

	Expenditure by tourists staying in holiday rentals			Number of jobs generated directly and indirectly (@ £45,000/job)
	Domestic (millions)	Overseas (millions)	Total (millions)	
London	£50	£605	£655	15,000
Cornwall	£419	£28	£447	10,000
UK	£3,144	£1,181	£4,325	95,000

Source: ONS (2012); VisitEngland (2012b); Visit Cornwall (2012a); LSE London calculations based on London & Partners figures

About HomeAway

HomeAway, Inc. based in Austin, Texas, is the world's leading online marketplace for the holiday rental industry, with sites representing approximately one million paid listings of holiday rental homes in 190 countries. Through HomeAway, owners and property managers offer an extensive selection of holiday homes that provide travellers with memorable experiences and benefits, including more room to relax and added privacy, for less than the cost of traditional hotel accommodation. The company also makes it easy for holiday rental owners and property managers to advertise their properties and manage bookings online. The HomeAway portfolio includes the leading holiday rental websites HomeAway.com, VRBO.com and HolidayRentals.com in the United States; HomeAway.co.uk and OwnersDirect.co.uk in the United Kingdom; HomeAway.de in Germany; Abritel.fr and Homelidays.com in France; HomeAway.es and Toprural.es in Spain; AlugueTemporada.com.br in Brazil; HomeAway.com.au in Australia; and Bookabach.co.nz in New Zealand. Asia Pacific short-term rental site, travelmob.com, is also owned by HomeAway.