



Creating Economic Opportunity in the Midwest

Airbnb's Growth in the Heartland's 14
Largest Home Sharing Economies



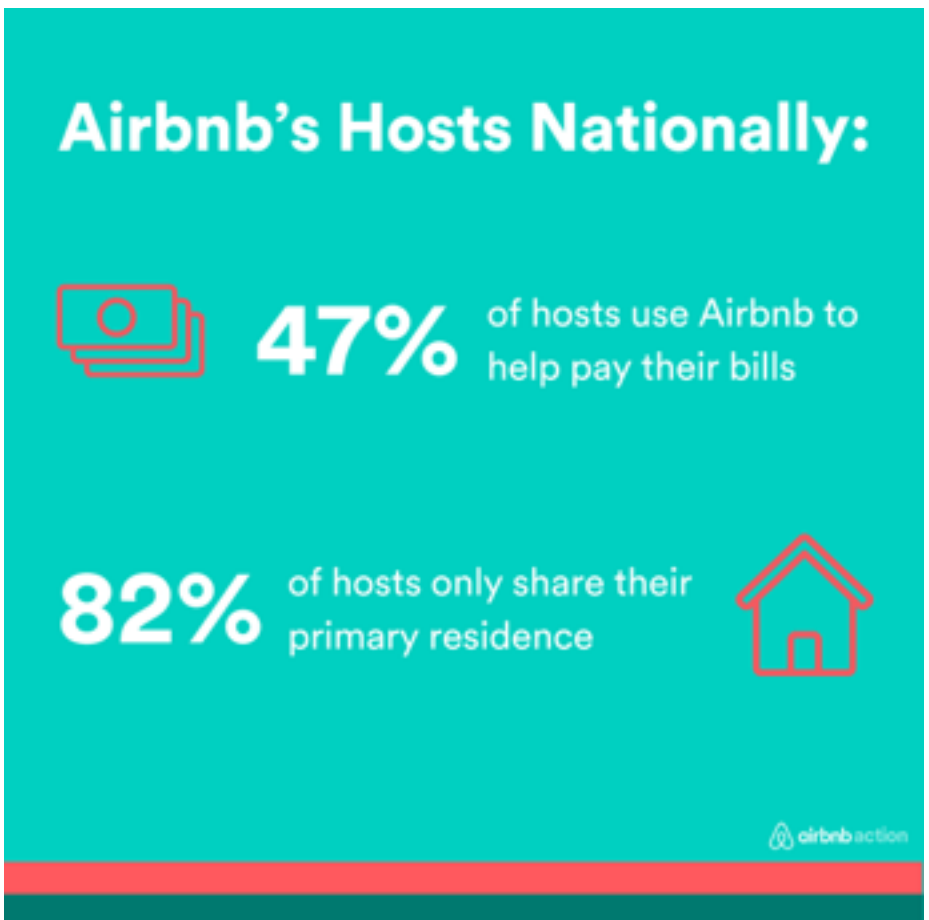
INTRODUCTION

For thousands of Midwest families, Airbnb is making it possible for regular people to pay their bills, stay in their homes and make ends meet. Meanwhile, for travelers, Airbnb has created an affordable way to authentically explore every corner of the world. To date, more than 100 million people have stayed in Airbnb listings around the globe. But as the platform grows globally, the impact is being felt locally.

Airbnb democratizes travel. For people who want to take a special trip, Airbnb offers an affordable way to see the world. Nowhere is this more true than in the Midwest¹, where in the last calendar year² alone, this people-to-people platform has empowered over 23,000 hosts who have welcomed over 863,000 visitors. Cities from Nebraska to Ohio and everywhere in between are experiencing explosive growth in their respective home sharing markets.

The rapid growth of home sharing can be attributed to many factors. But for hosts -- the vast majority of whom are middle class families -- the opportunity to earn a couple thousand dollars of supplemental income annually is critical in a time of historic income inequality.

In fact, 47 percent of Airbnb hosts say that hosting helps them pay their bills, while 82 percent of hosts share only the home in which they live - either renting a spare bedroom, or the entire home if they happen to be out of town for a weekend.



¹ Defined as Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin

² July 1, 2015 - June 30, 2016

RAPID GROWTH IN THE MIDWEST

Among the 14 largest home sharing cities in the Midwest, every market has experienced at least 90% year-over-year inbound guest growth over the last year, plainly demonstrating Airbnb's proven ability to drive tourism and economic investment in large metropolitan regions. Cincinnati, Indianapolis and Columbus all experienced over 200% growth from the previous calendar year.

The rapid growth of Midwest home sharing is turning historically great communities into truly global destinations. And the sharing economy is empowering people across the Midwest to utilize their most important asset - their home - as economic lifelines.

This report - featuring data compiled from July 1, 2015 - June 30, 2016 - provides a comprehensive overview of the top 14 Airbnb markets in the region, ranging from Chicago and Louisville to Milwaukee and St. Paul.

City	Hosts who Hosted	Earnings for a Typical Host	Inbound Guests in the Past Year	Year-Over-Year Inbound Guest Growth	Nights Hosted for Typical Listing
Chicago	5,000	\$4,300	315,400	91%	38
Louisville	1,200	\$4,100	32,400	125%	17
Cleveland	1,100	\$7,900	15,200	153%	86
Indianapolis	1,000	\$3,000	20,400	231%	22
Minneapolis	600	\$4,500	33,400	130%	47
Omaha	500	\$1,700	11,100	133%	12
Cincinnati	400	\$3,100	17,300	249%	28
Columbus	400	\$2,800	18,700	207%	35
St. Louis	400	\$6,300	27,900	108%	74
Kansas City	300	\$5,100	25,100	179%	58
Detroit	300	\$4,700	20,000	127%	42
Madison	300	\$3,700	14,100	121%	45
Milwaukee	200	\$5,000	13,500	133%	56
St. Paul	200	\$5,300	6,400	107%	60

MIDWEST MOMENTUM

The Midwest has proven to be a national leader in embracing the economic opportunities created by the sharing economy. In recent months, multiple municipalities across the region have ushered in new regulations that make it possible for regular people to continue sharing their homes in order to make ends meet.

In the spring, lawmakers in Ohio's Cuyahoga County, home to Cleveland, made it possible for Airbnb to collect and remit transient occupancy taxes (the same taxes paid by hotel guests). The Cleveland City Council followed suit in June, passing clear home sharing regulations and making it possible for Airbnb to collect and remit city-level transient occupancy taxes. The new legislation provided Cleveland and Cuyahoga County access to a significant new revenue stream as Cleveland's Airbnb host community welcomed 1,900 guests for the Republican National Convention in July.



In August, after months of deliberation, the Louisville Metro Council voted in favor of clear home sharing laws. The new regulations focused primarily on host registration and space requirements, and will allow the Derby City to provide additional accommodations during big weekends, like the Kentucky Derby.

Most notably, Airbnb and the City of Chicago collaborated in June on a set of comprehensive home sharing regulations that allow people to share their homes and support economic development in Chicago's 75+ neighborhoods. In doing so, Chicago became the largest city in North America to pass clear, simple home sharing regulations. Importantly, the new ordinance allocates Airbnb tax revenue to fund Chicago's homelessness program, allowing Airbnb hosts to play an active role in restoring underserved communities within the City they love.

LOOKING FORWARD

It is important to note that in addition to the economic benefits home sharing creates for hosts, it is also creating economic opportunity for local businesses. Airbnb guests spend more time and money in the cities they visit and explore neighborhoods that haven't benefitted from tourism in the past. The typical Airbnb guest spends five nights in a city, compared to 2.8 nights for the typical hotel guest, while investing \$200 more per trip in the respective cities than the typical hotel guest.

For example, Chicago's South Side is nearly devoid of hotels, which are centralized mostly in and near the city's Loop. In 2015, the Airbnb platform allowed more than 17,000 people to experience the South Side - bringing tourism and economic opportunity to the community. Meanwhile, the Airbnb platform grew faster on Chicago's South Side than it did citywide.

Airbnb remains engaged in active discussions with policymakers across the Midwest region to help tailor fair regulatory strategies specific to their local needs. Home sharing host communities want to pay their fair share and Airbnb wants to help. The company is currently engaged in productive conversations throughout the Midwest region with municipal legislators eager to take advantage of home sharing's capacity to provide a new source of revenue while catalyzing local tourism.