INVESTIGATION

Investigation: how Airbnb has been hijacked by agencies making a huge profit

Live like a local? You'll be lucky. Tom Calver and Melissa York report on whether the home-sharing site is doing enough to stop your street being invaded by strangers every weekend. Plus, what you can do as a landlord or outraged neighbour to stop your street becoming Airbnb bedlam



ILLUSTRATION BY JULIAN OSBALDSTONE

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Times reveals that hosts with multiple listings now dominate the short-stay website, and blocks of flats and whole streets in the UK's biggest cities are becoming de facto hotels as a result.

In 2007, as the fabled story of Airbnb's humble origins goes, the site's three founders couldn't afford the rent on their San Francisco flat, so they charged guests to sleep on an air mattress in their living room to "make a few bucks".

Fast-forward more than a decade and the tech giant has revenue of more than £2bn from listings in almost every country in the world, including North Korea. On any given night, 2m people sleep at a property they found on the site. In the UK, its hosts—the name given to those who offer their rooms for rent—receive more than 8m guests a year.

Yet the days of Airbnb being solely a service for homeowners to let their single spare rooms are long gone: the majority of its active UK listings are entire flats and houses, with only 41% private rooms.

https://www.thetimes.co.uk =global 2/16





In London, nearly one in five properties on Airbnb are let by someone with 10 or more listings

I listing	2-9 listings	10 or more	listings
London 48%		33%	19%
Manchester 42%	42%		16%
Bristol 49%		40%	
Edinburgh 53%		36%	

Values may not add to 100% due to rounding.

Chart: The Sunday Times • Source: Sunday Times analysis of Inside Airbnb data

Analysis by The Sunday Times also suggests that more than half of Airbnb properties in large cities in the UK are now let by people with more than one listing. Stay at an Airbnb in the capital and there's almost a one in five chance that it's being let by someone — or some company — with 10 or more listings.

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rental agency with nearly 2,000 properties worldwide, is the host with the most listings in London. It offers "hand-picked homes" with the option of added extras such as concierge services and private airport transfers.

Not all of its listings, however, are under the Veeve name. Tom, a host of 177 properties at the time of writing, describes himself as a "lifelong Londoner" who loves "having the opportunity to share these spaces, my knowledge and personal recommendations about this great city". The fact that he works for Veeve was buried at the bottom of his profile until The Sunday Times contacted the company for this article — the name at the top of Tom's profile is now Veeve.

"We understand Airbnb is working to make it visibly clearer to guests whether a property is managed by an individual host or by a third-party company," says Jonny Morris, CEO of Veeve. "All communication with guests booking through Airbnb clearly comes from Veeve."

While the property management company accounts for a sliver of the capital's 80,000-strong Airbnb market, it's far from the only one sharing the spoils. Of the capital's 20 biggest hosts, at least 17 are short-stay holiday rental companies.

Twelve of those were listed under personal names, rather than companies: Tom was joined by Sally, Emily, Veronica and Alice. Sally, with more than 250 London listings to her name, works for Onefinestay: the agency claims to "visit and vet every home", and each booking includes "a personal welcome, luxurious sheets, towels and toiletries". She also claims to speak five languages.

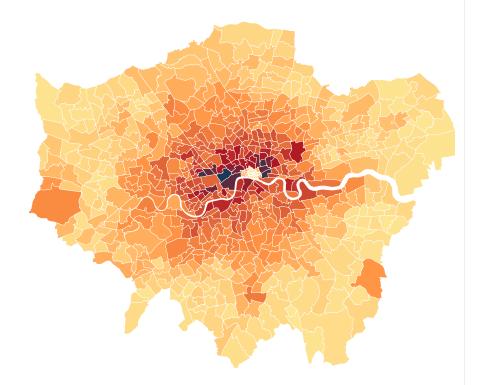
A spokesman for Onefinestay told Home that Airbnb's terms and conditions currently stop the company from displaying its name in the listing title or home description, but it has asked Airbnb for the ability to be more transparent with guests.

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Peace of Mind, while Veronica, who lives in a "beautiful house surrounded by parks and trees in Muswell Hill", moved to the capital to follow her love. The company she set up, Hello Guest, has about 200 London listings and offers visitors and hosts "guest communication, check-in and out, cleaning and laundry".

Airbnb guests flock to the West End and Sho

Listings per London ward



Map: The Sunday Times • Source: Sunday Times analysis of Inside Airbnb data

Turning residential properties into unlicensed hotels has consequences, because people tend to treat hotel rooms with less respect than they would a friend's apartment. Similarly, tourists seeking a more authentic experience may be disappointed: instead of the resident homeowner handing over the keys, it's an ambassador from a large company.

This isn't just a problem in London, either — Edinburgh is also feeling the strain. The increasingly common sight of barnacle-like key boxes stuck on the side of listed period buildings is a



That number will soar even higher this month, as the population swells to accommodate the festival and the Fringe.

By far the biggest host in Edinburgh is BnBbuddy, a short-let management company that offers cleaning and linen, professional photography, "price optimisation" and guest management for its 120-plus listings in the city, some of which are let specifically for Fringe performers and attendees.

Yet Edinburgh has thousands more multi-listing hosts, and their intrusion is causing a headache for residents. The city centre is full of co-operative tenement buildings — big blocks of flats designed like large private homes, with small flats extending from stairwells. Residents live in close proximity to one another, separated by thin internal walls.

James Reid, 70, a resident of the city's Old Town, says there were three separate Airbnb businesses operating in his tenement a short distance from Edinburgh Castle. Each of them regularly accepted up to four guests, although one evening a single flat welcomed 11. The residents of his building went from having about 20 people coming and going in any given year to more than 700.

"None of the hosts live anywhere near here," Reid says, adding that each of them ran many properties across the city. On the roof terrace that backs onto his window, guests socialised, drank and had barbecues, filling his flat with smoke. "They would climb over my window boxes and take photos of my interior while I was inside," he says.

Because of these intrusions, Reid suffered shock, sleep deprivation and asthma attacks.

A spokesperson for Airbnb says: "We have zero tolerance for disruptive or antisocial behaviour and take action on issues brought to our attention, including removing users from the platform."

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following a prolonged campaign by residents and councillors. Yet one of the hosts still runs several Airbnbs in similar flats a few miles away.

The hosts in Reid's block had bought their flats. Increasingly, however, some Airbnb hosts don't even own the spaces they profit from. Letting agents have complained about tenants running multi-listing rackets, subletting multiple properties on the website without informing their landlords.

According to James Robinson, general manager of Lurot Brand estate agency, the problem is rife. His company, which specialises in sought-after London mews properties, has had neighbours complain about prostitution, sex parties, raucous hen weekends and the constant rumble of wheelie suitcases over the cobblestones at all hours.

"I know of one girl who's subletting 10 homes, and her profile changes from property to property," Robinson says. "She's renting them out for £250 a night on average, but she's paying £500 a week. When you go for inspections, there are ribbon-tied towels on the bed, with a little lavender bag on the pillow."

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serviced apartments

Page I of 2 >

Host name	Company	Total London listings	Percent of homes that are entire apartments
Veeve	Veeve	1,161	100%
Sally	Onefinestay	263	100%
Veronica	HelloGuest	213	100%
Тот	Veeve	177	100%
William Hemming Associates	William Hemming Associates	164	84%
City Relay	City Relay	161	100%
Emily	Air Peace of Mind	136	100%
Sonder (London)	Sonder	114	75%
Mar	Still Life Global	113	100%
Ali	Inverness Properties	102	90%

Table: The Sunday Times • Source: Sunday Times analysis of Inside Airbnb data. Data was extracted on July 10, 2019

Reference checks often don't pick up on these individuals because they have respectable jobs, he points out, citing one subletter who had a reference from the BBC. Agents are also prevented from sharing names and previous addresses of rogue tenants under the EU's GDPR data protection regulations.

Even when letting agents do catch them subletting, tenants will often post pictures of a previous property they've rented, Robinson says, and tell the guest they are double-booked. They



are told to say they are friends of the tenant, visiting for a few days.

Airbnb verifies users by asking them to submit government ID such as a passport or driving licence, and restricts lettings to 90 days a year in London to comply with regulations introduced in 2017. The company has supported proposals for a registration system in the capital, as long as it is "clear, simple and host-friendly". It has also contributed to a consultation on short lets held by the Scottish government.

It doesn't ask hosts for proof of permission to let their property, but it has a "responsible hosting" page on its website that encourages hosts to follow local rules and regulations. If it is made aware of subletting without permission, it says it can forward on communications between the parties involved, but otherwise it encourages them to resolve disputes privately. This often means landlords have to pursue unruly tenants through the courts to get them to leave, which can be costly.

Hema Anand, partner at the law firm BDB Pitmans, says she has encountered a growing number of landlords seeking advice on how to evict subletting tenants: "We also have clients who have sublet with the landlord's consent, then found [the property] on Airbnb. Airbnb guests are subletting on Airbnb — it's just an endless chain."

WHAT TO DO IF...

You're a landlord

- A leaseholder may require permission from the freeholder to sublet if this is the case, leaseholders could get the freeholder to start an action against a wayward subletter.
- Any subletting is also likely to be in breach of mortgage terms, council planning rules and the home insurance policy, as it would be considered an unlicensed change of use from residential to business.

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agreements, as many tenants have been persuaded to stop hosting once they receive a legal letter outlining the cost of an eviction.

- Tenants have security of tenure under an assured shorthold tenancy agreement of six months, but landlords can serve a section 21 eviction notice after the fourth month without cause or reason although the government has pledged to abolish this clause.
- A section 8 notice can also be used to take back possession of a property, usually if the landlord wants to use it as a main residence or if the tenant is in rent arrears.

You're a neighbour

- Call the letting agency or landlord to notify them about disruptive behaviour or subletting.
- Contact your local authority to make a noise complaint. Enter your postcode at <u>gov.uk/report-noise-pollution-to-council</u> to find out how.
- Report antisocial behaviour to the police on 101 or (in London) online at www.met.police.uk/ro/report/asb/asb/report-antisocial-behaviour. Or report criminal behaviour anonymously to Crimestoppers on 0800 555111.
- Report the offending listing to Airbnb via its neighbourhood tool at <u>airbnb.co.uk/neighbours</u>.

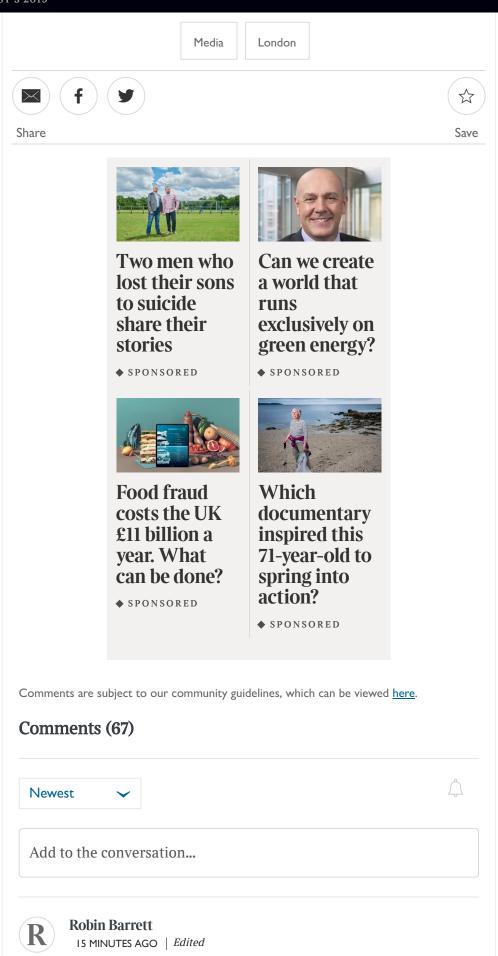
What's your opinion? Comment below, or join in the conversation @TheSTHome or email <u>property@sunday-times.co.uk</u>

Airbnb mania

17/20 of London's biggest Airbnb hosts are short-stay holiday rental companies

https://www.thetimes.co.uk =global 10/16







There has been one mediocre experience in France. The rest have been pleasant, comfortable stays. Nearly always the householder has been present, friendly and helpful. The review system works in as much as they have accurately described the property and occupier. I find them significantly better value than traditional paid accommodation. To me it's a sensible, sociable use of spare bedrooms.





☐ Report

26 MINUTES AGO

I read recently that Venice is depopulating and a huge number of properties are just Airbnb rentals. It really isn't good for a city to lose its permanent population.





☐ Report



Suzanne R Brown

44 MINUTES AGO

Two years ago, I took my son and his two children to London for a week. A hotel really wouldn't have allowed us all-together time when not out sightseeing.

So so I rented a mews house in S Kensington from OneFineStay. It was perfect, great location, 3 BRs and 3 baths (son and his son shared a room). The house was wonderful and the location could not have been better. I new that neighborhood quite well and knew that's where I wanted us to be.

I now realize why a neighbor with whom we tried to be friendly (gorgeous pot-landscaping in front their house and an adorable dog), was not. This was a small mews and I'm sure he was none too happy to have different renters going in and out weekly. We were quiet and behaved as we would at home, but I'm sure there are many groups who aren't.

I live in a city that has a major annual sporting event.. Over

rentals and it's only once a year. But the affluent "guests" drink too much, party outside into the wee hours, and are generally a nuisance.



Catherine Gordon
57 MINUTES AGO

Reply I Recommend Report I have an Air BnB rental over my head in Edinburgh. It has totally destroyed my life. The noise, the commotion, the slamming up and down the stairs at all hours, leaving rubbish on the stairs are only some of the problems. All of us in the stair have complained to Air BnB. I have complained 12 times in the year since the flat became an Air BnB. I have been given a case number after each complaint and then I never hear from them again.

Reply Reply



☐ Report



Briz

48 MINUTES AGO | Catherine Gordon

Buy a large packet of prawns. Rent the flat for one night and put the prawns in the curtain linings. A couple of weeks should see you noise-free.



Reply 4 ☆ Recommend I HOUR AGO

My Landlady has just kicked me out. She will rent via BnB where she avoids tax, regulations and the commitment which comes with renting in the UK (she tells us). But at least people get cheap holidays.



Reply I & Recommend Adam Gittins

I HOUR AGO

☐ Report

It's strange because several contributors here, below the line, would have you think that the housing crisis was due to so many people from other countries moving to the UK

to work. I had no idea, as I'm sure they didn't, that businesses were turning our housing stock into cheap, under regulated hotels for Californian's profit.



□ Reply 3 ☆ Recommend

Graeme Carr

I HOUR AGO | Edited

☐ Report

Ultimately, this is happening because tourists are willing and able to pay more to stay short-term in a desirable city-

The same person who would perhaps pay £150/night on holiday might pay at most £1500pcm for their home.

Our planning system has always tried to control this, by limiting the number of hotels, and allocating residential space in city centres.

The fundamental question is, do we want our city centres to become tourist ghettos?

If we do, we should simply abolish the planning restrictions and allow as many hotels as are needed.

If we don't (and I don't really think even tourists want to be entirely surrounded by other tourists), then we need to Mike O'Neill on this.



I HOUR AGO

Report "Stay at an Airbnb in the capital and there's almost a one in five chance that it's being let by someone — or some company — with 10 or more listings."

Wrong! 19% of the landlords have ten or more listings. Which means that considerably more than 19% of the properties have landlords with ten or more listings.





David

2 HOURS AGO

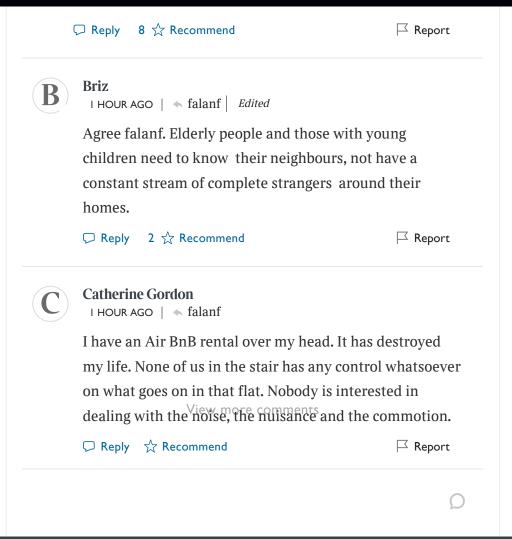
It's woefully simplistic to compare Airbnb spaces to hotels. They're either rooms in shared properties or entire, self-contained flats or houses, perhaps a boat or a beach hut. They're self-catering with no services so often far cheaper than hotel rooms, especially for families; or they may be vastly more expensive than a hotel and offer several luxurious bedrooms, bathrooms, a garden and a pool. Of course hotels lose customers to Airbnb but that's the nature of competition: the consumer wins, as does the host whose property might otherwise be unproductive, empty or underused.

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☐ Reply 2 ☆ Recommend
☐ HOURS AGO

☐ Report





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